



REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE



REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
THE MINISTRY OF LANDS, HOUSING AND
URBAN DEVELOPMENT**

**FOR THE YEAR ENDED
30 JUNE 2014**



REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-Mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON THE MINISTRY OF LANDS, HOUSING AND URBAN DEVELOPMENT FOR THE YEAR ENDED 30 JUNE 2014

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Ministry of Lands, Housing and Urban Development Vote 111 set out on pages 15 to 39, which comprise the statement of assets as at 30 June 2014, and the statement of receipts and payments, statement of cash flows and summary statement of Appropriation, Recurrent and Development combined 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 - Ministry of Lands, Housing and Urban Development is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Sections 4 and 6 of the Public Audit Act, 2003.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 9 of the Public Audit Act, 2003 and submit the report in compliance with Article 229 (7) of the Constitution of Kenya. 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 Ministry's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my Adverse audit opinion.

Basis for Adverse Opinion

1. Unsupported Receipts

The statement of receipts and payments for the year ended 30 June 2014 reflects proceeds from domestic and foreign grants balance of Kshs.221,233,575 relating to grants from the government of Germany for Kenya Primary Education Project (KPEP). The statement also reflects proceeds from foreign borrowings of Kshs.536,328,114. Although the receipts have been journalized and captured in the statement, the journal entries have however not been supported by receipt vouchers and other related documentation. As a result it was not possible to confirm the accuracy, occurrence, validity and completeness of total receipts balance of Kshs.757,561,689.

2. Understatement of Receipts

The statement of receipts and payment for the year ended 30 June 2014 reflects transfers from National Treasury balance of Kshs.11,938,034,553 while the Ministry's cash books and records maintained at the Controller of Budget shows a total figure of Kshs.12,593,753,295. The total receipts balance and the reported net surplus have therefore been understated by Kshs.655,718,742.

3. Other Revenues

The statement also reflects other revenues balance of Kshs.2,303,877,188 being receipts from the Ministry of Devolution and Planning during the year. However, records maintained by the Ministry of Devolution and Planning indicate that a total of Kshs.2,150,010,210 was transferred to the Ministry of Lands, Housing and Urban Development. No explanation has been provided for resultant difference of Kshs.153,866,978.

4. Use of Deposit Money to Pay Recurrent Expenditure

Deposits Funds are money held in trust. However audit of the Deposits cash book for the year 2013/2014 revealed that the Ministry used deposit funds totalling Kshs.13,524,377.90 to meet recurrent expenditure:

No explanation has been provided for using depositors' funds to pay expenditure which should be paid out of voted provisions hence risking loss of depositor's money.

5. Misallocation of Expenditure

Examination of payment vouchers revealed that a total of Kshs.127,059,528.60 was misallocated and irregularly charged against wrong account codes. Apart from failure to comply with the printed estimates as approved by parliament, the charge was contrary to Section 15.12 of Government Financial Regulations and Procedures which stipulate inter alia that no expenditure for which no provision has been included in the estimates may be incurred. In addition, no evidence of approval of these reallocations by the National Treasury was provided for audit review.

6. Payment for Undelivered Goods

Available information revealed that the Ministry paid a total of Kshs.1,700,000 vide payment voucher number 716 dated 30 June 2014 for the supply of 10 No. Adobe CS5 at the Survey of Kenya. However, audit verification carried out revealed that the items were not supplied. No explanation has been given for payment of goods before delivery.

7. Unsupported Expenditure

The cash Book indicates that Ministry paid a company Kshs.20,000,000.00 vide Payment Voucher No.4 dated 19 September 2013. However, the payment voucher and other related support documents were not availed for audit review. In the absence of the payment voucher and other support documents, the propriety of the expenditure could not be confirmed.

8. Authority to Incur Expenditure

Various Authorities to Incur Expenditure issued during the year to various County Housing Directors totalling Kshs.161,595,843 have not been supported by respective expenditure returns. In the circumstances, it has not been possible to ascertain the propriety of the total expenditure of Kshs.161,595,843 incurred against the Authority to Incur Expenditure.

9. Acquisition of Land

The statement of receipts and payments for the year ended 30 June 2014 reflects Acquisition of assets balance of Kshs.10,512,917,374. Included in this figure is an amount of Kshs.178,000,000 in respect of acquisition of land. Available information revealed

that this amount was transferred to the Ministry of Devolution for settlement of Internally Displaced Persons (IDPs). However, no expenditure returns have been provided for audit review. Consequently, the propriety of this expenditure could not be ascertained.

10. Differences Between Figures in the Statement of Receipts and Payments and Balances in the Supporting Schedules

Expenditure balances for various items included in the statement of receipts and payments totalling Kshs.10,117,698,535 differ with corresponding amounts of Kshs.9,440,242,411.35 as in the schedules availed for audit review. No explanation or reconciliation has been provided for the resulting difference of Kshs.677,456,123.65.

11. Failure to Provide Footnotes for Material Variances

Contrary to the requirements of Section of 11.7 of Government Financial Regulations and Procedures, the Ministry of Lands, Housing and Urban Development did not provide footnotes to the accounts for material variances between approved estimates and actual expenditure on various items. No reason has been provided for failure to provide the footnotes.

12. Pending Bills

Records maintained by the Ministry of Lands, Housing, and Urban Development indicated that bills totalling Kshs.392,596,163 were not settled during the year 2013/2014 but were instead carried forward to 2014/2015. Had the bills been paid and the expenditure charged to the account for 2013/2014 the statement of receipts and payments for the year would have reflected a reduced surplus of Kshs.1,454,636,404 instead of Kshs.1,847,232,567 reflected as at 30 June 2014.

13. Government Housing Projects at West Park

As reported in the previous year, the Ministry entered into a contract with a construction company for the completion of a government housing project at West Park, Nairobi at a contract sum of Kshs.1,369,638,652.64 for a period of 104 weeks. The commencement date was 5 October 2009 and completion date was 5 October 2011 before being revised to 2 October 2014. The scope of works included 115 type C maisonettes (4 bedroom each), 192 type D (3 bedroomed) flats (24 Blocks of 8 units each) and 288 type E (2 bedroomed) flats. Available information revealed that the contract sum was revised upwards to Kshs.1,633,664,443.00, resulting into a variation of Kshs.264,025,790.36 or about 19%. No evidence has been provided to show that the variation was approved. Further, as per the progress report dated 29 January 2015, the works were 90% complete while the contract period had elapsed. No approval for extension was availed for audit verification. In addition, out of the total certified amount of Kshs.1,318,038,258, an amount of Kshs.49,262,055.72 related to interest on delayed payments. The amount of

Kshs.49,262,055.72 on delayed payments could have been avoided if the payments were made within the stipulated period.

14. Kibish Police Station and GSU Base Camp project

As similarly reported in year 2012/2013, documents available indicate that in May 2007 the Ministry contracted several consulting engineering firms to provide consultancy services relating to structural/civil works, architectural services, quantity surveying and electrical and mechanical services in respect of the above project which had stalled and needed to be completed.

The services of these consultants were to include review of the existing documentation (where available), preparation of bid documents, and working documentation in consultation with each other as well as post contract supervision.

Records available indicated that contract No WP item No DOI RV/TRA 601-Job No.7411B and WP item No DOI RV/TRA 602-Job No. 7412B for completion of Kibish Police Lines, GSU Base camp, and AP Lines was awarded on 13 November 2009 to a construction firm at a contract sum of Kshs.2,211,024,033.00. The scope of works entailed erection and completion of buildings relating to police and AP lines and GSU Base camp which had stalled under the previous contract together with the associated electrical, mechanical and external works. Extension and rehabilitation of existing airstrip was later added to the contract. The contract commenced on 12 January 2010 for duration of 156 weeks, with expected completion date of 12 January 2013.

A review of the position in 2013/2014 revealed that during the year under review, the Ministry paid the contractor a total amount of Kshs.46,746,169.76 for post contract supervision as indicated in the certificate. The status report availed for audit indicated that work done was 65% complete and the project was expected to be completed by 5 February 2015. However, as at the time of audit, the project had not been completed and no approval for extension was provided for audit review despite that the completion period had elapsed.

15. Kenya National Spatial Data Infrastructure Complex

The Ministry of Lands, Housing and Urban Development entered into a contract with a company for landscaping works of the area between National Spatial Data Infrastructure Complex and senior staff quarters and construction of six (6) external toilets at a contract sum of Kshs.17, 558,143.96. Available information revealed that the contractor was paid Kshs.8,779,072 during the year, bringing the total payments to Kshs.16, 680,236.79. However, a field inspection carried out in January 2015 revealed that the Contractor was not on site and no external toilets had been constructed while landscaping works was incomplete. No explanation has been provided for payment of work not done.

16. Construction of Voi Pool Housing

The Ministry entered into a contract with a construction company for proposed completion of Voi Pool Housing on 1 December 2012 at a contract sum of Kshs.747,290,699.13 with the expected completion date being 30 November 2014. According to the status report availed for audit review, the works were 37% complete and while total payments stood at Kshs.81,995,983.25. However, a site visit of the project in August 2014 revealed that the project had stalled and the Contractor was not on site.

17. Construction of Voi Teachers Training College

The Ministry through the department of works entered into a contract with a construction company for the construction and rehabilitation of Voi Teachers Training College on 8 May 2012 at a price of Kshs.410,916,017. Available information revealed that during the year, the Ministry paid Kshs.92,059,164 bringing the total cumulative payments to Kshs.255,006,760. However, audit inspection carried out in August 2014, revealed that the contractor had abandoned the site before the works were complete and the project had stalled. No evidence has been provided to show that the performance guarantee had been recalled and discharged against the uncompleted works. Further, the college has now been turned into a constituent college of Jomo Kenyatta University College of Technology. No evidence has been provided for any compensation made to the Ministry.

18. Rehabilitation Works on Selected Roads in Gikomba

The Ministry contracted two construction companies to rehabilitate selected roads in Gikomba at a contract sum of Kshs.570,910,205. During the year under review, the Ministry paid Kshs.6,476,164 and as at the time of audit in December 2014, the value of work already certified was Kshs.248,422,427 which was about 44% of the contract price. However, contract documents and bills of quantities for both companies were not made available for audit review. In the absence of contract documents, it has not been possible to confirm that the works were competitively sourced. Further, no progress reports were availed for audit review.

19. Supply, Installation, Testing and Commissioning of an Integrated Urban Surveillance System for Nairobi Metropolitan Areas (CBD)

Available information shows that the Ministry awarded a contract for supply, installation, testing and commissioning of an integrated urban surveillance system for Nairobi Metropolitan Region (CBD) vide contract No. MONMED/39/2011/2012. During the year under review, the Ministry paid a total of Kshs.138,831,219.95 to the company. However, contract documents, Bill of Quantities and progress reports have not been provided for audit review. Consequently, it has not been possible to confirm how the company was identified for award.

20. Consultancy Services for Aerial Survey and Mapping of Nairobi Metropolitan Region

The Ministry contracted a company to carry out consultancy services in aerial survey and mapping of Nairobi Metropolitan Region at a contract of Kshs.396,186,400. During the year under review, Kshs.56,000,000 was paid bringing total payments to Kshs.257,047,400. However, the contract document did not indicate the date the contract was signed. Further, the consultancy report was not availed for audit review.

21. Consultancy Services for Preparation of Spatial Planning Concept for Nairobi Metropolitan Region

M/S Consulting Engineering Services (India) private limited was paid a total of Kshs.14,066,310.80 vide Payment Voucher No. 123 of 25 March 2014, being final payment for preparation of spatial planning concept for Nairobi Metropolitan Region. However, tender documents, tender evaluation minutes and contract agreement have not been availed for audit review. In the absence of the documents, it was not possible to confirm how the firm was identified and whether it was competitively sourced. Further, no documentary evidence of work done in the form of a report has been provided for audit verification.

22. Economic Stimulus Projects (ESP)

During the year under review, the Ministry incurred expenditure totalling Kshs.472,581,005, being cost of construction of Economic Stimulus Projects (ESP) markets. Audit inspection in September 2014 revealed that most of the markets were incomplete and those which had been completed were not in use. The markets visited are Watamu market - Malindi, Kongowea Market - Mombasa, Karatina Market - Nyeri, Kamakwa Market - Nyeri, Kericho Market, Kedowa Market, Kericho and Kaplong Market, Bomet and Kajiado market.

Further, review of records maintained at Kajiado Public Works Office show that construction of the market was complete and a certificate of practical completion issued by the Olkejuado County Council and Ministry of Public Works (Kajiado) dated 2 August 2012 and 4 July 2012 respectively after full payment including retention money. However, during a site visit it was observed that the project was incomplete although work was going on after the County Government took over while the structure appeared vandalized. Further, the roofing structure appeared too weak to withstand strong winds and no civil works, electrical wiring and fencing had been done.

23. Non-compliance with Procurement Procedures

Examination of the Ministry's payment vouchers for the year under review revealed that goods costing Kshs.21,714,986.00 were received and inspected by less than four members and in other instances, no inspection reports were attached or provided for audit

review contrary to Section 16(2) of the Public Procurement and Disposal (Amendment) Regulations, 2013 stipulates that a Tender Processing Committee shall consist of a chairman and at least three other members appointed by the Accounting officer of the procuring entity. The regulations further provide that all goods, services or works must be inspected by the committee. Consequently, it has not been possible to confirm whether the goods were actually delivered and if they satisfied the requirements of the users/requisitioning persons. Also, no explanation has been given for non-compliance with procurement regulations.

24. Construction and Maintenance works at Robert Ouko Estate

24.1 Plumbing, Drainage & Water Reticulation at Robert Ouko Estate

During the period under review, a firm was awarded the plumbing works at Robert Ouko estate at a contract sum of Kshs.1,475,995. However, no quotations were sent to pre-qualified firms for such services. Further, we could not confirm whether the firm appointed was amongst the pre-qualified firms.

24.2 Repair and Redecorate House Nos. MG 226 & MG 214

A firm was awarded a contract to repair and redecorate house No. MG 226 on 2 April 2014. A certificate of practical completion was issued by the County Director on 3 May 2014. The Inspection and Acceptance Committee found out that all work done was approximately 90% but recommended that the contractor be paid the entire sum including retention fee which was totalling Kshs.2,520,325. Engineer's estimates and quotations were not availed for audit verification.

M/s Metabella was paid Kshs.2,005,426.00 for repair and redecorations of House No. MG 124 at Robert Ouko Estate. No engineer's certificate and Inspection and Acceptance Committee report were availed for verification.

24.3 Reconstruction of Burnt Apartments at Robert Ouko Estate

A construction firm was awarded a contract to reconstruct burnt apartments of Robert Ouko estate at a contract sum of Kshs.2,000,000. The work had been completed and a certificate of completion was issued by the District Works Officer, Kisumu East. However, our physical verification revealed that the roofs were leaking, ceiling painting was peeling off, water pipes and waste pipes were not properly fitted.

24.4 Supply of Building Materials


Two firms were paid Kshs.987, 309.00 through voucher Nos 05 and 06 of 17 April 2014 for supplying building materials for modelling and exhibiting the interlocking spars. There was no allocation for such expenditure as per the AIEs, as other infrastructure and civil works where the expenditures were charged cannot be defined as modelling and

exhibitions. The payments were made without confirming whether the goods were indeed taken on charge since form S13 was not attached to the vouchers.

In the foregoing circumstances, we could not confirm the expenditure was a proper charge to public funds.

Adverse Opinion

In my opinion, because of the significant of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, in all material respects, the financial position of the Ministry of Lands, Housing and Urban Development as at 30 June 2014 and of its operations for the year then ended in accordance with International Public Sector Accounting Standards and do not comply with Public Finance Management Act, 2012.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

13 May 2015



NATIONAL GOVERNMENT ENTITY
(MINISTRY OF LAND, HOUSING AND URBAN DEVELOPMENT)

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2014

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

TABLE OF CONTENT	PAGE
I. KEY ENTITY INFORMATION AND MANAGEMENT	2
II. FORWARD BY THE CABINET SECRETARY	5
III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES	12
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ENTITY (MINISTRY OF LAND, HOUSING AND URBAN DEVELOPMENT).....	14
V. STATEMENT OF RECEIPTS AND PAYMENTS	15
VI. STATEMENT OF ASSETS.....	16
VII. STATEMENT OF CASHFLOW	17
VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED.....	19
IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT	21
X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT	23
XI. SUMMARY STATEMENT OF PROVISIONINGS	25
XII. SIGNIFICANT ACCOUNTING POLICIES	26
XIII. NOTES TO THE FINANCIAL STATEMENTS.....	28

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Ministry of Land, Housing and urban Development was formed through the Executive order No. 2 of May 2013 by merging the Ministry of Lands, Ministry of Housing, Ministry of Public Works, Ministry of Nairobi Metropolitan and the Department of Urban Development at cabinet level. The Ministry is headed by the Cabinet Secretary for Land, Housing and Urban Development, 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:

- | | |
|---|------------------|
| - Principal Secretary | Mariamum elMaawy |
| - Director of Administration-Housing | Ibrahim Hussein |
| - Director of Administration-Lands | Magdalene Wambua |
| - Director of Administration-Public Works | George Macgoye |
| - Ag. Director of Administration-Nairobi Metropolitan | Mogaka Z. Mabeya |
| - Director of Urban Development-Urban Development | Enosh M. Onyago |

(c) Fiduciary Management

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

No	Designation	Name
1.	Principal Secretary	Mariamum El Maawy
2.	Senior Deputy Secretary	Erifazi W. Barasa
3.	Senior Chief Finance Officer	Melisa Musoma
4.	Head Accounting Unit	Samson M. Ongalo

(d) Fiduciary Oversight Arrangements

The following are the different committees and their activities in the Ministry:

Audit Committee Activities

- Evaluating adequacy of management procedures with regard to risk management, control and governance.
- Reviewing and approving the audit charter and the internal audit annual work plans.
- Reviewing the internal and external audit findings/recommendations and proposing necessary action.
- Reviewing the systems established to ensure sound public financial management and internal controls, compliance with policies, laws, regulations, procedures, plans and ethics.

- Initiating special audit/investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Accounting Officer.
- Any other tasks which are within the mandate of the committee.

Budget Implementation committee activities

- Budget implementation
- Budget expenditure review
- Evaluation of projects implementation status
- Discuss and agree on re-allocation /increase or decrease of budgetary allocations.
- Preparation of quarterly expenditure forecasts for discussions with treasury for release of funds
- Implementation of the National Treasury Circulars on budget implementation and MTEF process.

Parliamentary committee activities

- Gather information on issues raised.
- Receive and compile the gathered information
- Facilitate the Cabinet Secretary's appearance at the Parliament and Senate as requested.
- Make follow up on issues raised from both National Assembly and The Senate
- Submit responses as required and agreed by the Cabinet Secretary.
- Make Annual Reports on all matters attended to in response to Parliamentary concerns.

Development partner oversight activities

- Carrying out periodic financial review on project activities.
- Issuing no objection clearances on planned spending on project activities.
- Carrying out regular supervision missions.
- Offering advice on the best practices worldwide as far project implementation is concerned.
- Offering technical support where local talent is insufficient.
- Carrying out training activities where necessary.

(e) Entity Headquarters

Ardhi House Building
1ST Ngong Avenue
P.O. Box 30450-00100
Nairobi, KENYA

(f) Entity Contacts

Telephone: (254) (0) 202718050
E-mail: hacculands@ardhihouse.go.ke
Website: www.go.ke

(g) Entity Bankers

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

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. FORWARD BY THE CABINET SECRETARY

It is with a lot of pleasure that I write this foreword to the first Ministry of Land, Housing and Urban Development final accounts for the financial year 2013/2014. The financial accounts report has been prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS).

During the year the Ministry complied with the budgetary provisions in spending the allocated budget of Kshs 22.8 Billion out of which Kshs 18.5 was for development and Kshs 4.2 Billion was for recurrent expenditure. Arising from reorganization of the government leading to the merger of former Ministries of Lands, Housing, Public Works, Nairobi Metropolitan Development and Urban Development which was a department in the Ministry of Local Government, harmonisation of the operations delayed in the implementation of projects and programmes. By 30th June, 2014 the Ministry had spent approximately 80% of the allocated funds. The lessons learned will form basis of ensuring that in the next financial year the Ministry will spend all the allocated funds.

The Ministry commenced implementation of the following key programmes, National Titling, development of Kenya National Spatial Data Infrastructure (KNSDI), computerization of National Land Information System (NLIMS), sustainable land use planning, increase access and secure of tenure (issuance of titles), improved physical and social infrastructure in slum and informal settlements, improved access to affordable and decent housing, improved access to physical structure in urban areas, sustainable urban development, environmentally sustainable urban development, improved working conditions in government buildings, improved legal and policy framework for land management housing development and built environment, reduced land conflicts, improved living conditions in government estates, and finally increased ease of doing business, these are very beneficial programmes to the Kenyans socially, economically and environmentally.

The Ministry plans to achieve its mandate by setting annual targets taking into account the Ministerial priorities as set out in the Second Medium Term Plan of the Kenya's Vision 2030 and the Constitution of Kenya 2010. Prudent financial management will contribute to the Jubilee Government's overall pledges and commitments to the people of Kenya and the aspirations of the Kenya's Vision 2030 in the medium term.

The Ministry is committed to the implementation of policy goals and aspirations as contained in the Medium Term Plan II as well as the Jubilee Government Manifesto. High priority will be accorded to efficient land management, alleviating the acute housing shortage particularly for low-income segment, slum and informal settlements upgrading, urban development and maintenance of national public works infrastructure. Specifically the Ministry is committed to: production and issuance of three million title deeds; development of 300,000 housing units; renewal of 21 urban centers and development of 242 markets; development of six metropolitan regions countrywide and revamping of the Supplies Branch as a key driver of the "*Buy-Kenya-Build-Kenya*" initiative is prioritized and employed as strategies in the execution of the Ministry's mandate and the strategic plan.

Finally I would like to acknowledge the staff in the Ministry under the guidance of the Principal Secretary for their dedication to make positive contributions to Kenyans. I would also like to appreciate the development partners who have been supporting the Ministry through provision of Finances and other efforts. The effort of our stakeholders cannot go unnoticed particularly during this important period.

**HON. CHARITY K. NGILU, EGH
CABINET SECRETARY
MINISTRY OF LAND, HOUSING AND URBAN DEVELOPMENT.**

PREFACE

During the last five years (2008-2013), the Ministry of Land, Housing and Urban Development made significant strides in enhancing the quality and quantity of Lands related services in the country. Important priority projects and programmes were implemented through increased budgetary allocations, maximization of utility of available resources, enhanced performance of technical departments and implementation of key reforms. Key among these was in the road and rail Lands sub sectors.

High population growth rate and its implications on socio-economic development have been of concern to Government. This Plan therefore, constitutes an important framework for the government's commitment to effectively plan and manage its population and urbanization process through proper planning and provision of adequate and decent housing.

One of the most significant dynamics impacting on our society is rapid urbanization mainly due to rural-urban migration. Urbanization increased from 8% at independence to 31% in 2009 (Population and Housing Census-KNBS 2010). It is projected to increase to 39% by 2017.

In Kenya, the threat to urbanization process has arisen because of the failure to cope with its effects and the inability to meet the basic needs for land, housing and services for the growing population. For the country to become a middle income economy, urbanization will play a visible and crucial role and, thus requires strong support through effective policy interventions both at national and county levels.

Over the years housing has been characterized by acute shortage in urban areas and poor quality in rural areas resulting in high incidences of poor housing conditions and unhealthy living environments. This has resulted in formation of slums and informal settlements. The Government is committed to implementing the National Housing Policy and enhance access to housing. The Plan outlines programmes and projects that are crucial to realization of the aspirations of the Vision 2030 of adequate and decent housing in sustainable human settlements.

In conclusion, I take this opportunity to appreciate the commitment of all those who were involved in the preparation of this Final accounts. These include government officers and private sector partners. Special recognition goes to the National Treasury for guidance and leadership in the preparation of this Plan.

Mariamul Maawy
Principal Secretary
Ministry of Land, Housing and Urban Development

Budget performance against actual amounts for current year based on economic classification and programmes.

The actual expenditure for the year 2013/2014 was Kshs 15,058,768,645 against the budget of Kshs 21,935,078,040 which presents a variance of Kshs 6,876,309,395.

PROJECTS AND PROGRAMMES ACHIEVEMENTS

To realize the national development agenda, the Ministry has undertaken the following flagship projects:

National Land Information Management: This will involve development of a transparent, decentralized, affordable, effective and efficient GIS based Land Information Management System. The system development will require finalizing the safeguarding and digitization of land paper records, deployment of the electronic Land Records Management System, and development and implementation of a Cadastral Database System.

National Land Title Register: In accordance with the Land Registration Act, 2012, a National Land Title Register will be established and will contain all land in the country. The following activities will be implemented; geo-referencing of all parcels of land, conversion of existing land under various land registration statutes to the Land Registration Act, 2012, transfer of the converted land records to the county land registries and issuance of both manual and digital certificate of titles, and resolution of any disputes that may arise.

Modernization of Land Registries: This will involve construction, rehabilitation and equipping of land registry offices to enhance security of land information and in readiness for the implementation of the NLIMS.

National Spatial Plan: This will involve preparation of long-term framework to guide the sectoral integration and rationalization of the social, economic and territorial development of the country.

County Spatial Plans: This will involve preparation of guidelines to ensure that all counties follow the same standards in implementing development projects in the country. This will involve developing a framework for the preparation of 47 County Spatial and Urban development Plans; reviewing and finalizing physical planning manuals, guidelines and standards and Monitoring and supervision of integrated strategic physical development plans for the major cities and urban areas.

Kenya National Spatial Data Infrastructure (KNSDI): This will involve development of a national infrastructure for access and use of geospatial information in decision making, establishing a modern Geodetic Framework, updating and digitization of maps and KNSDI guidelines at local, county and national levels.

Land Adjudication and Titling Programme: The programme will entail; finalization and operationalisation of Community Land Bill in order to embark on adjudication and titling of community land; establishment of special community land tribunals working with local leaders to resolve disputes on Community Land; fast-tracking land adjudication and settlement programmes in order to ensure security of tenure and the process of registering the unregistered community land.

Housing development: this involves facilitation of production of 300,000 housing units annually through various initiatives; development of quality and affordable houses for lower income Kenyans; and development of appropriate building materials and technologies.

Up-scaling slum upgrading and prevention initiative: This involves installation of physical and social infrastructure in slums and informal settlements in selected urban areas and implementation of Kenya Informal Settlement Improvement Programme.

Metropolitan Development: this will involve preparation and implementation of strategic development and investment plans in six metropolitan regions (Nairobi, Mombasa, Kisumu-Kakamega; Nakuru-Eldoret, Wajir-Garissa-Mandera, Kitui-Mwingi-Meru) and their respective Spatial Plans.

Urban areas planning: The flagship projects will include preparation of strategic integrated physical development plans for five urban centres along the Lamu Port, Southern Sudan and Ethiopia Transport (LAPSSSET) Corridor; special border towns and all other municipalities; Review and formulation of National Urban Development Policy; and implementation of Cities and Urban Areas Act of 2011.

Improvement of Living and Working Conditions in Government Buildings: It will include completion of 35 stalled public buildings; design, document and supervise completion of 300 new government buildings as requested by government ministries, agencies, departments and county governments; and rehabilitate and maintain 250 public buildings in both national and county governments.

Development and Maintenance of Coastline Infrastructure and Inland Water Transport: Construction and maintenance of 8 jetties and 7,500 meters of sea wall will be undertaken to improve movement into and out of waters, and protect land and property in low lying areas from erosion, flooding and sea wave action. Inland water berths facilities will also be improved

Regulation and Development of the Construction Industry in Kenya: The National Construction Authority (NCA) will be strengthened to regulate standards in the construction industry; oversee and coordinate construction industry; register contractors and regulate their conduct for improved performance in the construction industry.

Design and Supervision of Development of Foreign Missions Abroad: the Ministry will supervise the construction of chancery and ambassador's residence in Kampala, Uganda; the construction of commercial buildings with chanceries in Juba, Bujumbura and Kigali; the construction of convention centre, office blocks and hotel in Gigiri, Nairobi and construction of an ultra-modern building to house the Foreign Affairs headquarters.

Research in Appropriate Building Technology: Over the plan period, seven researches on alternative building technologies will be undertaken namely: brick/soil based materials; natural stones; cement based materials; wood based materials; indigenous roofing materials; interlocking bricks; and prefabricated buildings.

Procurement of common user items for government institutions: this will involve procurement of term supply contracts; promotion of local manufacturers and the jua kali enterprises in Government

procurement activities; setting up a website where contracted suppliers will be listed for ease of access by the client departments and advertising bidding opportunities relating to supplies.

Other programmes include:

- a) Physical Development Plans for Resort Cities of Lamu, Turkana, Isiolo, Kilifi and Diani – Ukunda.
- b) Implementation of 24 hour economy initiative.
- c) Development and implementation of a metropolitan branding and promotion, safety and emergency, social Infrastructure and quality of life, metropolitan planning and environment management.
- d) Technical assistance and support to County Governments in planning, urbanization and infrastructure development.
- e) Completion, review and harmonization of legal and institutional framework governing urbanisation.
- f) Establishment of national housing data base and a monitoring and evaluation framework.
- g) Development and implementation of housing finance initiatives.

Policy, Legal and Institutional Reforms

- a) Formulation/review and implementation of : National Land Use; KNSDI; National Housing; Kenya National Slum Prevention and Upgrading; National Maintenance; Leasing and Accommodation; Public Works; National Urban Development, Metropolitan, Markets Development Policies
- b) Lobbying for enactment of Community Land; Spatial Planning; Eviction and Resettlement; Built Environment; Housing; Building Surveyors' and Landlord and Tenant Bill; Metropolitan Areas Bills
- c) Repeal the Architects and Quantity Surveyors' Act and review the Urban Areas and Cities Act
- d) Preparation of subsidiary legislation, review of enacted Acts to eliminate any inconsistencies and harmonization of land related legislations with the new Acts such as the Survey Act Cap.299

Emerging Issues and Challenges

During the period under review, the following issues and challenges emerged:

Inadequate funding:

Inadequate funding has negatively affected the implementation of programmes and projects.

Demographic shifts and urbanization:

This coupled with an increase in urban area populations has created pressure on land for settlement and infrastructure development. In some parts of the country, high population densities, cultural practices on inheritance and the fact that most Kenyans live on their own plots in the countryside have resulted in highly fragmented and hence uneconomical plot sizes. This will enhance food security in the country to cater for this growing population.

Manual Land Information System:

The volume of land records and the manual system used in land transactions have made it untenable for expeditious land transactions.

Climate Change:

Climate change is becoming a major development concern and it has a major effect on the efficacy of land as an instrument for development. Its effect on the degradation of land and the survival of communities can no longer be ignored. It will be critical that land management practices during the second medium term plan period and beyond integrate climate change mitigation interventions to secure the short, medium and long term development objectives of the nation.

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

The Principal Secretary in charge of the Ministry of Land, Housing and Urban development is responsible for the preparation and presentation of the Ministry's financial statements, which give a true and fair view of the state of affairs of the Ministry's for and as at the end of the financial year (period) 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 Principal Secretary in charge of the Ministry of Land, Housing and Urban Development accepts responsibility for the Ministry's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Principal Secretary 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 Principal Secretary in charge of the Ministry of Land, Housing and Urban Development further confirms the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Principal Secretary in charge of the Ministry of Land, Housing and Urban Development confirms that the Ministry has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the Ministry's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Principal Secretary 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 _____ 2014.

Principal Secretary

Principal Accounts Controller

**V. REPORT OF THE INDEPENDENT AUDITORS ON THE ENTITY (MINISTRY OF LAND,
HOUSING AND URBAN DEVELOPMENT)**

Auditor General


Date



STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2013-2014 Kshs	2012-2013 Kshs
RECEIPTS			
Tax Revenues	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	221,233,575	-
Transfers from National Treasury	4	11,938,034,553	15,077,411,325
Transfers from Other Government Entities	5	-	-
Proceeds from Domestic Borrowings	6	-	-
Domestic Currency and Domestic Deposits	7	1,886,481,598	2,389,012,735
Proceeds from Foreign Borrowings	8	536,328,114	-
Proceeds from Sale of Assets	9	20,046,184	47,648,303
Reimbursements and Refunds	10	-	-
Returns of Equity Holdings	11	-	-
Other Revenues	12	2,303,877,188	4,200,099
TOTAL REVENUES		<u>16,906,001,212</u>	<u>17,518,272,462</u>
PAYMENTS			
Compensation of Employees	13	2,595,170,993	3,769,710,446
Cost of goods and services	14	1,259,457,982	2,018,315,632
Interest payments	15	-	-
Subsidies	16	-	-
Transfers to Other Government Units	17	-	-
Foreign grants and transfers	18	690,546,537	470,296,592
Social Security Benefits	19	675,759	19,371,825
Acquisition of Assets	20	10,512,917,374	9,208,845,997
Finance Costs, including Loan Interest	21	-	-
Payment of principal on Domestic and Foreign Borrowing	22	-	-
Other Expenses	23	-	-
TOTAL PAYMENTS		<u>15,058,768,645</u>	<u>15,486,540,492</u>
PLUS		<u>1,847,232,567</u>	<u>2,031,731,970</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 29 SEPT 2014 and signed by:


 Principal Secretary


 Principal Accounts Controller



Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 for the year ended June 30, 2014

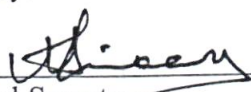
STATEMENT OF ASSETS

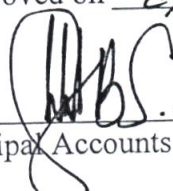
	Note	2013-2014 Kshs	2012-2013 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	24A	1,889,407,692	2,476,306,531
Cash Balances	24B	15,156	32,519
Cash Equivalents	24C	-	-
Outstanding Imprests	24D	<u>4,937,655</u>	<u>5,137,029</u>
TOTAL FINANCIAL ASSETS		<u>1,894,360,503</u>	<u>2,481,476,079</u>

REPRESENTED BY

Fund balance b/fwd	25	-	296,415,402
Surplus for the year		1,847,232,567	2,031,731,970
Prior year adjustments	26	-	-
General suspense		<u>47,127,936</u>	<u>153,328,707</u>
NET FINANCIAL POSITION		<u>1,894,360,503</u>	<u>2,481,476,079</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 29 SEPT 2014 and signed by:


 Principal Secretary


 Principal Accounts Controller



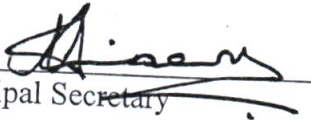
VII. STATEMENT OF CASHFLOW

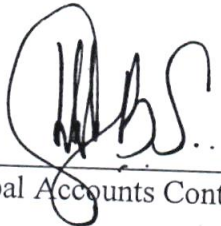
	Note	2013 - 2014 Kshs	2012 - 2013 Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Tax Revenues	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	221,233,575	-
Transfers from National Treasury	4	11,938,034,553	15,077,411,325
Transfers from Other Government Entities	5	-	-
Reimbursements and Refunds	10	-	-
Returns of Equity Holdings	11	-	-
Other Revenues	12	2,303,877,188	4,200,099
Payments for operating expenses			
Compensation of Employees	13	(2,595,170,993)	(3,769,710,446)
Use of goods and services	14	(1,259,457,982)	(2,018,315,632)
Interest payments	15	-	-
Subsidies	16	-	-
Transfers to Other Government Units	17	-	-
Other grants and transfers	18	(690,546,537)	(470,296,592)
Social Security Benefits	19	(675,759)	(19,371,825)
Finance Costs, including Loan Interest	21	-	-
Other Expenses	23	-	-
Adjusted for:			
Adjustments during the year		-	-
Net cashflow from operating activities		9,917,294,045	8,803,916,929
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	9	20,046,184	47,648,303
Acquisition of Assets	20	(10,512,917,374)	(9,208,845,997)
Net cash flows from Investing Activities		(10,492,871,190)	(9,161,197,694)
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Domestic Borrowings	6	-	-
Domestic Currency and Domestic Deposits	7	1,886,481,598	2,389,012,735
Proceeds from Foreign Borrowings	8	536,328,114	-
Repayment of principal on Domestic and	22	-	-

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 for the year ended June 30, 2014

	Note	2013 - 2014 Kshs	2012 - 2013 Kshs
Foreign borrowing			
Net cash flow from financing activities		2,422,809,712	2,389,012,735
General Suspense		47,127,936	153,328,707
NET INCREASE IN CASH AND CASH EQUIVALENT		1,894,360,503	2,185,060,677
Cash and cash equivalent at BEGINNING of the year		-	296,415,402
Cash and cash equivalent at END of the year	24	<u>1,894,360,503</u>	<u>2,481,476,079</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 29 SEPT 2014 and signed by:


 Principal Secretary


 Principal Accounts Controller

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation	Comment
Receipt/Expense Item	a	b	c=a+b	d	e=c-d	f=d/c %	
RECEIPTS							
Tax Receipts	-	-	-	-	-	0%	
Social Security Contributions	-	-	-	-	-	0%	
Proceeds from Domestic and Foreign Grants ("AIA")	4,296,034,894	471,973,173	4,768,008,067	221,233,575	4,546,774,492	5%	(i)
Exchequer releases	17,584,753,318	302,376,510	17,887,129,828	11,938,034,553	5,949,095,275	67%	
Transfers from Other Government Entities	-	-	-	-	-	0%	
Proceeds from Domestic Borrowings ("AIA")	3,928,033,462	(1,050,000,000)	2,878,033,462	536,328,114	2,341,705,348	19%	(ii)
Proceeds from Foreign Borrowings ("AIA")	528,914,750	(9,600,000)	519,314,750	20,046,184	499,268,566	4%	(iii)
Proceeds from Sale of Assets	-	-	-	-	-	0%	
Reimbursements and Refunds	-	-	-	-	-	0%	
Returns of Equity Holdings	-	-	-	-	-	0%	
Other Receipts	1,000,000	-	1,000,000	2,303,877,188	(2,302,877,188)	>100%	
Total receipts	26,338,736,424	(285,250,317)	26,053,486,107	15,019,519,614	11,033,966,493		
PAYMENTS							
Compensation of Employees	1,858,618,299	702,532,093	2,561,150,392	2,595,170,993	(34,020,601)	101%	
Use of goods and services	1,912,150,964	(113,575,679)	1,798,575,285	1,259,457,982	539,117,303	70%	
Interest payments	-	-	-	-	-	0%	
Subsidies	-	-	-	-	-	0%	
Transfers to Other Government Units	-	-	-	-	-	0%	
Other grants and transfers	1,464,936,001	(234,174,305)	1,230,761,696	690,546,537	540,215,159	56%	

For the year ended June 30, 2014

	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation	Comment
Social Security Benefits	2,230,000	-	2,230,000	675,759	1,554,241	30%	(iv)
Acquisition of Assets	17,499,366,266	(1,157,005,599)	16,342,360,667	10,512,917,374	5,829,443,293	64%	
Finance Costs, including Loan Interest	-	-	-	-	-	0%	
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	0%	
Other Payments	-	-	-	-	-	0%	
Total Payments	22,737,301,530	(802,223,490)	21,935,078,040	15,058,768,645	6,876,309,395		

- i. The under collection in "AIA" is due to late approval by donors in approving the work plan and non-receipt of direct expenditures from donors
- ii. The under collection in "AIA" is due to late approval by lenders in approving the work plan and non-receipt of direct expenditures from lenders.
- iii. There were delays in procurement of Public-Private-Partnership agreements in the building of new houses for sale.
- iv. This was due to lack of exchequer funding

The entity financial statements were approved on 29 sep 7 2014 and signed by:


Principal Secretary


Principal Accounts Controller



IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation	Comments
Receipt/Expense Item	a	b	c=a+b	d	e=c-d	f=d/c %	
RECEIPTS							
Tax Receipts	-	-	-	-	-	0%	
Social Security Contributions	-	-	-	-	-	0%	
Proceeds from Domestic and Foreign Grants	-	-	-	-	-	0%	
Exchequer releases	3,601,434,894	516,973,173	4,118,408,067	3,710,306,258	408,101,809	90%	
Transfers from Other Government Entities	-	-	-	-	-	0%	
Proceeds from Domestic Borrowings	-	-	-	-	-	0%	
Proceeds from Foreign Borrowings ("AIA")	528,914,750	(9,600,000)	519,314,750	20,046,184	499,268,566	4%	(i)
Proceeds from Sale of Assets	-	-	-	-	-	0%	
Reimbursements and Refunds	-	-	-	-	-	0%	
Returns of Equity Holdings	-	-	-	-	-	0%	
Other Receipts	1,000,000	-	1,000,000	55,758,487	-	>100%	
Total receipts	4,131,349,644	507,373,173	4,638,722,817	3,786,110,929	907,370,375		
PAYMENTS							
Compensation of Employees	1,858,618,299	702,532,093	2,561,150,392	2,595,170,993	(34,020,601)	101%	
Use of goods and services	807,747,518	57,174,321	864,921,839	680,633,643	184,288,196	79%	
Interest payments	-	-	-	-	-	0%	
Subsidies	-	-	-	-	-	0%	
Transfers to Other Government	-	-	-	-	-	0%	


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

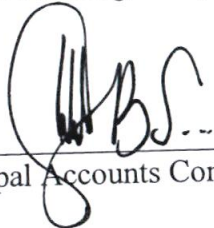
	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation	Comments
Units							
Other grants and transfers	1,414,935,057	(234,174,305)	1,180,760,752	654,814,569	525,946,183	55%	
Social Security Benefits	2,230,000	-	2,230,000	675,759	1,554,241	30%	(ii)
Acquisition of Assets	47,818,770	(18,158,936)	29,659,834	24,150,964	5,508,870	81%	
Finance Costs, including Loan Interest			-		-	0%	
Repayment of principal on Domestic and Foreign borrowing			-		-	0%	
Other Payments			-		-	0%	
Total Payments	4,131,349,644	507,373,173	4,638,722,817	3,955,445,928	683,276,889		

Notes

- i. There were delays in procurement of Public-Private-Partnership agreements in the building of new houses for sale.
- ii. This was due to lack of exchequer funding

The entity financial statements were approved on 29 SEPT 2014 and signed by:


Principal Secretary


Principal Accounts Controller



X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

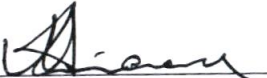
Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %	Comment
RECEIPTS							
Tax Receipts	-	-	-	-	-	0%	
Social Security Contributions	-	-	-	-	-	0%	
Proceeds from Domestic and Foreign Grants ("AIA")	694,600,000	(45,000,000)	649,600,000	221,233,575	428,366,425	34%	(i)
Exchequer releases	13,983,318,424	(214,596,663)	13,768,721,761	8,227,728,295	5,540,993,466	60%	
Transfers from Other Government Entities			-		-	0%	
Proceeds from Domestic Borrowings ("AIA")	3,928,033,462	(1,050,000,000)	2,878,033,462	536,328,114	2,341,705,348	19%	(ii)
Proceeds from Foreign Borrowings			-		-	0%	
Proceeds from Sale of Assets			-		-	0%	
Reimbursements and Refunds			-		-	0%	
Returns of Equity Holdings			-		-	0%	
Other Receipts			-	2,248,118,701	(2,248,118,701)	>100%	
Total receipts	18,605,951,886	(1,309,596,663)	17,296,355,223	11,233,408,685	6,062,946,538	65%	
PAYMENTS							
Compensation of Employees			-		-	0%	
Use of goods and services	1,104,403,446	(170,750,000)	933,653,446	578,824,339	354,829,107	62%	
Interest payments			-		-	0%	
Subsidies			-		-	0%	
Transfers to Other Government Units			-		-	0%	
Other grants and transfers	50,000,944	-	50,000,944	35,731,968	14,268,976	71%	
Social Security Benefits			-		-	0%	


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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation	Comment
Acquisition of Assets	17,451,547,496	(1,138,846,663)	16,312,700,833	10,488,766,410	5,823,934,423	64%	
Finance Costs, including Loan Interest			-		-	0%	
Repayment of principal on Domestic and Foreign borrowing			-		-	0%	
Other Payments			-		-	0%	
Total Payments	18,605,951,886	(1,309,596,663)	17,296,355,223	11,103,322,717	6,193,032,506	64%	

- v. *The under collection in "AIA" is due to late approval by donors in approving the work plan and non-receipt of direct expenditures from donors*
- vi. *The under collection in "AIA" is due to late approval by lenders in approving the work plan and non-receipt of direct expenditures from lenders.*

The entity financial statements were approved on 29 SEPT 2014 and signed by:


Principal Secretary


Principal Accounts Controller

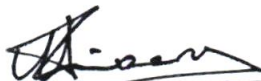
XI. SUMMARY STATEMENT OF PROVISIONINGS

- Details of General Accounts On Vote

	2013 - 2014	2012 - 2013
	Kshs	Kshs
GAV Provisioning account balance	5,369,255,070	-
<i>Total</i>	<u>5,369,255,070</u>	<u>-</u>

- Details of Exchequer Account

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Exchequer Provisioning account balance	7,933,853,570	-
<i>Total</i>	<u>7,933,853,570</u>	<u>-</u>



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 of Lands, Housing and Urban Development. 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 of Lands, Housing and Urban Development.

2. Recognition of revenue and expenses

The Ministry of Lands, Housing and Urban Development 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 of Lands, Housing and Urban Development 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 of Lands, Housing and Urban Development 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 of Lands, Housing and Urban Development includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Ministry of Lands, Housing and Urban Development 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 of Lands, Housing and Urban Development 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.

XIII. NOTES TO THE FINANCIAL STATEMENTS

1 TAX RECEIPTS

	2013 - 2014 Kshs	2012 - 2013 Kshs
Taxes on Income, Profits and Capital Gains	-	-
Taxes on Property	-	-
Taxes on Goods and Services	-	-
Taxes on International Trade and Transactions	-	-
Other Taxes (not elsewhere classified)	=	=
Total	=	=

2 SOCIAL SECURITY CONTRIBUTIONS

	2013 - 2014 Kshs	2012 - 2013 Kshs
Receipts for Health Insurance Contribution	-	-
Receipts to NHIF for Health Insurance Contributions	-	-
Receipts from Govt Employees to Social & Welfare Schemes in Govt	=	=
Total	=	=

3 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2013 - 2014	2012 - 2013
			Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)				
KfW			81,387,716	-
KfW			139,845,859	
Grants Received from Multilateral Donors (International Organisations)				
(Insert name of donor)			-	-
(Insert name of donor)			-	-
Grants Received from other levels of government				
(Insert name of donor)			-	-
(Insert name of donor)			-	-
Total			221,233,575	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 EXCHQUER RELEASES

Description and reference of the transfer	2013 - 2014	2012 - 2013
	Kshs	Kshs
1st quarter transfer	1,361,000,000	3,841,000,000
2nd quarter transfer	4,183,467,065	3,786,226,585
3rd quarter transfer	2,830,470,470	3,406,809,740
4th quarter transfer	<u>3,563,097,018</u>	<u>4,043,375,000</u>
Total	<u>11,938,034,553</u>	<u>15,077,411,325</u>

5 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2013 - 2014	2012 - 2013
	Kshs	Kshs
Transfers from Central government entities	-	-
Transfers from Counties	=	=
TOTAL	=	=

6 PROCEEDS FROM DOMESTIC BORROWINGS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	=	=
Total	=	=

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 DOMESTIC CURRENCY AND DOMESTIC DEPOSITS

	2013 - 2014 Kshs	2012 - 2013 Kshs
x% Retention amount in relation to project A	-	-
y% Retention amount in relation to project B	-	-
z% Retention amount in relation to project C	-	-
Deposits held in trust	<u>1,886,481,598</u>	<u>2,389,012,735</u>
Total	<u>1,886,481,598</u>	<u>2,389,012,735</u>

8 PROCEEDS FROM FOREIGN BORROWINGS

	2013 - 2014 Kshs	2012 - 2013 Kshs
Foreign Borrowing – Draw-downs Through Exchequer	410,393,747	-
Foreign Borrowing - Direct Payments (AFD)	125,934,367	-
Foreign Currency and Foreign Deposits	-	-
Total	<u>536,328,114</u>	<u>-</u>

9 PROCEEDS FROM SALE OF ASSETS

	2013 - 2014 Kshs	2012 - 2013 Kshs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	20,046,184	47,648,303
Disposal and Sales of Non-Produced Assets	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Total	<u>20,046,184</u>	<u>47,648,303</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 REIMBURSEMENTS AND REFUNDS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Refund from World Food Programme (WFP)	-	-
Reimbursement of Audit Fees	-	-
Reimbursement on Messing Charges (UNICEF)	-	-
Reimbursement from World Bank – ECD	-	-
Reimbursement from Individuals and Private Organisations	-	-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Reimbursement within Central Government	-	-
Reimbursement Using Bonds	=	=
Total	=	=

11 RETURNS OF EQUITY HOLDINGS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	=	=
Total	=	=

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12 OTHER RECEIPTS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Interest Received	-	-
Profits and Dividends	-	-
Rents	-	-
Other Property Income	-	-
Sales of Market Establishments	-	-
Receipts from Administrative Fees and Charges	-	-
Receipts from Administrative Fees and Charges - Collected as AIA	-	-
Receipts from Incidental Sales by Non-Market Establishments	-	-
Receipts from Sales by Non-Market Establishments	-	-
Receipts from Sale of Incidental Goods	598,000	4,200,099
Fines Penalties and Forfeitures	-	-
Receipts from Voluntary transfers other than grants	-	-
Other Receipts Not Classified Elsewhere	<u>2,303,279,188</u>	<u>-</u>
Total	<u>2,303,877,188</u>	<u>4,200,099</u>

13 COMPENSATION OF EMPLOYEES

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Basic salaries of permanent employees	1,722,558,589	2,372,153,318
Basic wages of temporary employees	11,308,080	999,700
Personal allowances paid as part of salary	858,804,324	1,396,522,928
Personal allowances paid as reimbursements	2,500,000	34,500
Personal allowances provided in kind	-	-
Pension and other social security contributions	-	-
Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	<u>2,595,170,993</u>	<u>3,769,710,446</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 USE OF GOODS AND SERVICES

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Utilities, supplies and services	40,199,555	-
Communication, supplies and services	42,199,715	77,852,509
Domestic travel and subsistence	65,810,306	204,471,838
Foreign travel and subsistence	18,174,494	17,880,423
Printing, advertising and information supplies & services	33,600,106	93,914,754
Rentals of produced assets	121,592,021	105,343,309
Training expenses	50,875,192	89,333,309
Hospitality supplies and services	51,400,757	206,252,405
Insurance costs	-	-
Specialised materials and services	87,719,574	86,605,453
Office and general supplies and services	41,883,444	97,306,303
Fuel Oil and Lubricants	18,128,294	139,727,023
Other operating expenses	513,112,627	220,709,593
Routine maintenance – vehicles and other transport equipment	25,751,475	75,138,993
Routine maintenance – other assets	<u>149,010,422</u>	<u>603,779,720</u>
Total	<u>1,259,457,982</u>	<u>2,018,315,632</u>

15 INTEREST PAYMENTS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Interest Payments on Foreign Borrowing	-	-
Interest on Domestic Borrowing	-	-
Interest on Borrowing From Other Government Units	-	-
Total	<u>-</u>	<u>-</u>

16 SUBSIDIES

Description	2013 - 2014	2012 - 2013
	Kshs	Kshs
Subsidies to Public Corporations	-	-
Subsidies to Private Enterprises	-	-
TOTAL	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2013 - 2014 Kshs	2012 - 2013 Kshs
Transfers to Central government entities	-	-
Transfers to Counties	-	-
TOTAL	<u>-</u>	<u>-</u>

18 OTHER GRANTS AND OTHER PAYMENTS

	2013 - 2014 Kshs	2012 - 2013 Kshs
Scholarships and other educational benefits	-	-
Emergency relief and refugee assistance	-	-
Membership Fees and Dues, and Subscriptions to Intl. Orgns	51,051,741	21,679,160
Subsidies to small businesses, cooperatives, and self employed	-	-
Other current transfers, grants	44,594,796	31,070,564
Other capital grants and transfers	594,900,000	417,546,868
Total	<u>690,546,537</u>	<u>470,296,592</u>

19 SOCIAL SECURITY BENEFITS

	2013 - 2014 Kshs	2012 - 2013 Kshs
Government pension and retirement benefits	675,759	19,371,825
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
Total	<u>675,759</u>	<u>19,371,825</u>

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

NOTES TO THE FINANCIAL STATEMENTS (Continued)

20 ACQUISITION OF ASSETS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
<u>Non-Financial Assets</u>		
Purchase of Buildings	-	-
Construction of Buildings	2,734,273,190	3,663,651,149
Refurbishment of Buildings	89,706,492	339,965,446
Construction of Roads	925,836,513	871,266,762
Construction and Civil Works	5,208,734,436	2,552,063,043
Overhaul and Refurbishment of Construction and Civil Works	-	108,107,298
Purchase of Vehicles and Other Transport Equipment	44,220,292	22,579,548
Overhaul of Vehicles and Other Transport Equipment	571,880,476	817,856
Purchase of Household Furniture and Institutional Equipment	1,100,000	1,138,833
Purchase of Office Furniture and General Equipment	60,497,550	81,427,830
Purchase of Specialised Plant, Equipment and Machinery	219,074,844	667,527,354
Rehabilitation and Renovation of Plant, Machinery and Equip.	227,188	28,000
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	-
Research, Studies, Project Preparation, Design & Supervision	339,422,627	228,163,946
Rehabilitation of Civil Works	139,443,766	30,296,609
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	178,500,000	641,812,323
Acquisition of Intangible Assets	-	-
<u>Financial Assets</u>		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Foreign financial Institutions operating Abroad	-	-
Other Foreign Enterprises	-	-
Foreign Payables - From Previous Years	-	-
Total	<u>10,512,917,374</u>	<u>9,208,845,997</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

21 FINANCE COSTS, INCLUDING LOAN INTEREST

	2013 – 2014	2012 – 2013
	Kshs	Kshs
Exchange Rate Losses	-	-
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
-Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	=	=

22 REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING

	2013 – 2014	2012 – 2013
	Kshs	Kshs
Repayments on Borrowings from Domestic	-	-
Principal Repayments on Guaranteed Debt Taken over by Government	-	-
Repayments on Borrowings from Other Domestic Creditors	-	-
Repayment of Principal from Foreign Lending & On – Lending	-	-
Total	=	=

23 OTHER EXPENSES

	2013 – 2014	2012 – 2013
	Kshs	Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Capital Transfers to Non-Financial Public Enterprises	-	-
Capital Transfer to Public Financial Institutions and Enterprises	-	-
Capital Transfer to Private Non-Financial Enterprises	-	-
Other expenses	-	-
Domestic Accounts	-	-
	=	=



NOTES TO THE FINANCIAL STATEMENTS (Continued)

24A: Bank Accounts

Name of Bank, Account No. & currency	Amount in foreign currency	Exchange rate	2013 – 2014 Kshs	2012 – 2013 Kshs
Central bank of Kenya – A/c 1000181753 (Development) - KES			2,152,260	32,253,526
Central bank of Kenya – A/c 1000181548 (Recurrent) – KES			773,834	55,040,270
Central bank of Kenya – A/c 1000182245 (Deposit) – KES			<u>1,886,481,598</u>	<u>2,389,012,735</u>
Total			<u>1,889,407,692</u>	<u>2,476,306,531</u>

24B: CASH IN HAND

	2013 – 2014 Kshs	2012 – 2013 Kshs
Location 1	15,156	32,519
Location 2	-	-
Location 3	-	-
Other Locations (specify)	-	-
Total	<u>15,156</u>	<u>32,519</u>

24C: Cash equivalents (short-term deposits)

Name of Bank, Account No. & currency	Amount in foreign currency	Exchange rate	2013 – 2014 Kshs	2012 – 2013 Kshs
	-	-	-	-
	-	-	-	-
Total			-	-

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000



NOTES TO THE FINANCIAL STATEMENTS (Continued)

24D: OUTSTANDING IMPRESTS AND ADVANCES

	2013/2014	2012/2013
Directorate	Amount	Amount
Housing	671,050	1,041,400
Lands	2,517,938	3,149,591
Metropolitan	45,132	13,012
Works	1,399,135	933,026
Lands - salary advances	304,400	-
TOTAL	4,937,655	5,137,029

25. BALANCES BROUGHT FORWARD

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Bank accounts	-	293,934,729
Cash in hand	-	19,816
Cash equivalents (short-term deposits)	-	-
Imprest	-	<u>2,460,857</u>
Total	<u>-</u>	<u>296,415,402</u>

26. PRIOR YEAR ADJUSTMENTS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
Imprest	-	-
Total	<u>-</u>	<u>-</u>

27. OTHER IMPORTANT DISCLOSURES

27.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2013 - 2014	2012 - 2013
Directorate	Kshs	Kshs
Lands	169,406,798	-
Public Works	88,344,646	-
Housing	86,420,984	-
Metropolitan	22,715,262	-
Urban Development	<u>14,482,615</u>	-
	<u>381,370,305</u>	=

27.2: PENDING STAFF PAYABLES (See Annex 2)

	2013 - 2014	2012 - 2013
Directorate	Kshs	Kshs
Lands	410,025	-
Public Works	5,018,024	-
Housing	2,876,430	-
Metropolitan	2,921,379	-
Urban Development	<u>-</u>	-
	<u>11,225,858</u>	=

27.3: OTHER PENDING PAYABLES

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Amounts due to National Government entities	-	-
Amounts due to County Government entities	-	-
Amounts due to third parties	-	-
Others (<i>specify</i>)	=	=
	=	=

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

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.

1) Lands Directorate

Referen ce No. on the externa l audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timefram e: (Put a date when you expect the issue to be resolved)
Para 986.	Pending bills	It is true that pending bills totalling Kshs. 158,223,342.75 relating to 2012/2013 financial year were not settled during the year. Had the bills been settled and the expenditure charged to the financial statements for 2012/2013 the appropriation account for vote R136 for the year ended 30 th June 2013 would have reflected a reduced net supply to be surrendered to the exchequer of Kshs.53,645,387.25 instead of Kshs.211,868,730.00 now shown. These bills were not paid due to lack of funding amounting to Kshs.354,901,976.00 (exchequer). However the ministry has cleared all pending bills relating to recurrent vote in the financial year 2013/2014.	Samson Ongalo	Resolved	
Para 987.	Long outstanding Uncleared Balances.	It is true that the statement shows balance brought forward relating to 2011/2012 and earlier years which were ought to be cleared 2012/2013. These balances were to be cleared 2011/2012 but however the accounts for the year 2010/2011 were cleared by public accounts committee on April 2014, after these clearance we are expecting treasury will give an instruction in accordance with section 5 (41) (12) of the government financial regulation and procedure on exchequer over issues and under	Richard Nyagwachi & Samson Ongalo	Not resolved	15 October 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>issues for the financial year 2010/2011 to enable as to pass necessary Journal adjustments to clear the exchequer and the GAV accounts.</p> <p>Temporary Imprest/Advances and District Suspense Account</p> <p>It is true that Temporary Imprest amounting to Kshs.2,106,279.20 was still outstanding as at 30th June, 2013. As at 30th August, 2013 all the officers with outstanding imprest had surrendered after settling all IDPs in various parts of the Country except for Kshs.428,257.00 for Mr. Abbas Michuki who is in suspension. It is also true that advances amounting to Kshs.384,264.35 was still outstanding as at 30th June, 2014. As you are aware advances is an amount which keeps on increasing or reducing depending various requests from officers, but however as at 30th August 2013 advances had reduced to Kshs.287,464.50. For District Suspense Account we have already received District Expenditure and all outstanding amount of Kshs.49,692,695.75 has already being cleared 2012/2013.</p>			
Para 988.	Kenya national Spatial Infrastructure Complex	<p>It is true that the expenditure on construction of Buildings reflected in the Appropriation account relates to a contract for the construction of Kenya National Spatial Data Infrastructure complex at Ruaraka was delayed for its completion as per the contract, however the completion was extended due to the following factors:</p> <p>a) Location of bore hole and appointment of subcontractor for the works</p>	Richard Nyagwachi & Samson Ongalo	Not resolved	15 October 2014

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

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>b) Location of the High Level Tanks</p> <p>c) Delay in issuance of details</p> <p>d) Delay in issuance of site instructions</p> <p>e) Lack of Permanent Power on site</p> <p>The above factors were compounded by the project Architect and analyzed the reasons and recommended the contract period to be extended by a total of seven weeks to enable the contractor to finish his work. Currently the work is at 95% completion level, the remaining 5% is expected to be completed soon.</p>			
Para 989	Under-expenditure and under-collection of Appropriation-In-Aid	<p>It is true that the appropriation accounts for the Development Vote D136 for the year ended 30th June 2013 reflected gross under expenditure of Kshs.615, 019,077.20 which is about 27% of gross approved estimates of Kshs2,208,850,281.00.</p> <p>The under expenditure was mainly due to change of donor conditionality of the integrated lands and urban sector program (ILSUP) which had an allocation of Kshs. 256,904,726 and also the ministry was not issued with all exchequer releases as per the approved estimates which resulted into carrying over pending bills amounting Kshs.356,116,100.60.</p> <p>It is also true that the ministry was to receive A.I.A amounting to</p>	Perris Mangira	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)
		Kshs.81,226,100 from the donor in respect of land policy formulation and integrated rural and urban land program. This amount was to be received from SIDA who were funding the program. However this expenditure was not realized from the donor. The ministry has written various letters to the donor requesting for the expenditure vide Ref. CON/L/A/5/VOL.XIX dated 19 th September 2013 and Ref; CON/L/A/5/VOL.XIX dated 21 st February 2013 to facilitate the ministry preparation of annual accounts copy attached (Annex 2) to date the donor has not responded.			
Para 990	Pending bills	It is true that pending bills totalling Kshs.356,116,100.00 relating to 2012/2013 financial year were not settled during the year. Had the bills been settled and the expenditure charged to the financial statements for 2012/2013 the appropriation account for vote D136 for the year ended 30 th June 2013 would have reflected a reduced net supply to be surrendered to the exchequer of Kshs.177,676,876.60 instead of Kshs.356,116,100.00 now shown. These bills were not paid due to lack of funding amounting to Kshs.609,530,441.00 (exchequer). However the ministry has cleared all pending bills relating to recurrent vote in the financial year 2013/2014.	Samson Ongalo	Resolved	
Para 991	Yatta district Lands Officer	It is true that payment vouchers amounting to Kshs.350, 000 was paid to a construction company for renovation of Kithimani Settlements offices of which no specific details or bills of quantities detailing what the renovation entailed. Further there was no inspection and acceptance report or completion certificate to show the specific work carried out and the period work was under taken. In addition no market survey was done nor quotation raised prior to acquisition of the works and hence cases of	District land Adjudication and Settlement Officer.	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)
		<p>over pricing would not be ruled out.</p> <p>I categorically state that all issues raised there in have been noted and here by respond as below:</p> <p>i) According to the report no specific details or Bill of Quantities detailing what the renovation entailed .Attached please find a certified copy of the BQ dated 23rd October 2012 detailing renovation works and a copy of LSO Number 0032061 (Annex 3)</p> <p>ii) According to the report there was no inspection and acceptance/completion certificate. Attached please find a certified copy of inspection and acceptance certificate from the inspection committee of 12th November 2012.(Annex 4)</p> <p>According to the report market survey were not done prior to the acquisition of works. Attached please find a copy of evaluation committee its report of 29th October 2012 from public work engineer and also a copy of District tender committee its minutes of 29th October 2012. In conclusion the amount in the LSO number 0032061 is equal to the work done and the procurement was followed in accordance to article 227 of the constitution and the financial and procurement regulations. (Annex 5)</p>			
Para 992/993	Exchequer Account and General Account Vote.	It is true that the Statement of Assets and Liabilities for Vote D136 reflect a balance of Kshs. 959,147,559.30 and Kshs.885, 771,618.50 as at 30 th June 2013 against exchequer account and GAV account which includes a balance of Kshs.351, 617,118.30 and Kshs.351,978,641.30	Richard Nyagwachi & Samson Ongalo	Not resolved	15 October 2014

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>respectively. However these balances will have been cleared from the statement but the accounts for the year 2010/2011 was cleared by Public accounts committee in the year 2013/2014 financial year. We are expecting treasury to give guidelines as to how to clear these outstanding balances after receiving PAC recommendation.</p>			
Para 994	Paymaster General	<p>It is true that the statement of asset and liabilities for deposit reflects PMG account balance of Kshs.926, 095,543.70 as at 30th June 2013.However the reconciliation as at 30th June 2013 reflects payments totalling Kshs.147, 745.00 in the cash book not in the bank statement relating to period 19th August 2010 and 6th December 2010 which are stale cheques.</p> <p>The amount of Kshs.147, 745.00 has now been corrected and reversed from the cash book accordingly</p> <p>It is true that the reconciliation statement shows receipt in cash book not recorded in the bank statement amounting to Kshs.45,349,339.80 relating to period between 20th August 2009 and 30th June 2012, further it reflects receipts in the bank statement not recorded in the cash book totalling Kshs.169,620,957.05 relating to period between 26th March 2009 and 21st May 2013 which includes Kshs.56,143,000.00 described as funds transfer from Kenya Port Authority.</p> <p>It is true that the statement reflects payments in the bank statement not in the cash book totalling Kshs. 3,079,736.95 relating to the period between 29th August 2012 and 11th February 2013. This amount has already been</p>	Richard Nyagwachi & Samson Ongalo	Not resolved	15 October 2014

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)
		updated in the cash book as at January 2014.			
Para 995	Accuracy of balances	It is true that the trial balance was not made available for audit verification as at 30 th June 2013. As you are aware Integrated Financial Management System (IFMIS) has not developed the ledger for deposit into itemized codes, however the Ministry is using manual ledger to update the transactions in Deposit ledger. We are expecting the development of Deposit ledger will be completed by the consultant who has been engaged by Treasury in this financial year 2014/2015.	Richard Nyagwachi & Samson Ongalo	Not resolved	15 October 2014
Para 996	Revenue paid to Exchequer	<p>It is true that the statement reflects revenue totalling Kshs.1,791,959,213.31 paid to exchequer which includes Kshs. 716,164,236.32 remitted by Ministry of land and Kshs.1,075,794,976.99 paid directly by Kenya Revenue Authority during the financial year under review. However, records held at treasury indicate that revenue totalling Kshs.1, 072,504,035.00 was received during the year, hence a difference of Kshs.719, 455,178.30. The amount totalling to Kshs.716,164,236.32 remitted by the Ministry can be confirmed by Bank Statements attached</p> <p>The statement of revenue was prepared based on the returns from KRA thus the difference of Kshs.719, 455.178.30 is the amount held by KRA not transferred to the exchequer.</p>	Peter Kahuhu	Resolved	
Para 997	Revenue Collected by KRA	It is true the statement reflects remittance made directly by KRA to Ministry of finance during the year totalling Kshs.1, 075,794,976.99.However, agency agreement between the Ministry of Land and KRA was not availed for audit confirmation of the specific	Peter Kahuhu	Resolved	

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)
		terms and condition of agreement. The agreement is hereby attached (Annex 7) for audit verification.			
Para 998	Accuracy of the Statement	It is true the statement reflects total revenue collected over the year of Kshs.1,846,530,320.99 instead of the correct figure of Kshs.1,838,311,851.49 of which it has resulted into an over collection amounting to Kshs.8,218,469.50 the error was as a result of additional in our statement. However the Ministry will adjust the error in 2013/14 Financial Year collection.	Samson Ongalo	Resolved	
Para 999	Failure to include notes to the Financial Statements	It is true that the township road and drains financial statement for the year ended 30 th June 2013 excludes notes to the financial statement, including disclosure of significant accounting policies and comparative figures and statement of cash flows. These notes were not given since the fund is dormant and also parliamentary accounts committee recommendation for the year 2000/2001 to 2003/2004 has not been implemented due to Kenya Anticorruption Authority has not completed investigation into the allegation of misappropriation of public funds into its logical conclusion.	Richard Nyagwachi & Samson Ongalo	Not resolved	15 October 2014
Para 1000	Cash at Bank	It is true that the balance sheet as at 30 th June 2013 reflects cash at bank balance of Kshs.276,155.00 of which no cashbook is maintained in the Ministry. This balance is an amount which has been carried over since 1998 and the amounts are being deposited in our deposit account since the fund is dormant.	Richard Nyagwachi & Samson Ongalo	Not resolved	15 October 2014
Para 1001	Un-authorized Clearance of	It is true the audit report for 2011/2012 and prior years, reference was made to an unsupported book entry of Kshs.361,196,634.45 dated 30 th	Mariam El Maawy	Not Resolved	15 October 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)
	Accumulated Deficit	September 2005 used to clear an accumulated deficit of Kshs.345,585,533.65 against township road and drains account as at 30 th June 2004. The matter was referred to Kenya Anticorruption Authority as per parliamentary accounts committee recommendation for the years 2000/2001 to 2003/2004 report. KACC is still enquiring into the allegation of misappropriation of public funds to its logical conclusion as per letter ref: KACC/INV./6/16 (170) dated 31 st July 2009. As a result of the ongoing investigation by KACC treasury is unable to grant authority to write off the accumulated deficit as requested through the letter Ref Ag.18/17 VOL.5/(88) dated 16 th January 2012			

2) Housing

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)
Para 1113	Under Expenditure and Under Collection of Appropriations -In-Aid	<p>It is true that the Appropriation Account for vote R44 for year ended 30th June, 2013 reflects gross under-expenditure of Kshs.651,993,802.30 representing approximately 30% of approved estimates of Kshs.2,190,997,266. The account further reflects an under collection of Appropriation-In-Aid of Kshs. 485,000,000 being 100% of approved estimates.</p> <p>In order to ensure that there is no under expenditure in the subsequent years, the Ministry has trained in liaison with Treasury, Accountants in IFMIS procedure particularly on General Ledger (G.L) module. This will enable the up-loading of District expenditure data into the Ministry's main ledger on a monthly basis. Furthermore, the Ministry has been in continuous communication with the Treasury to ensure timely and full issue of exchequer.</p> <p>To address the challenge of under collection of A-I-A which we envisaged to be realized through sale of houses to Civil Servants, the Ministry in liaison with the treasury has reduced the A-I-A it expects to collect in the budget for 2014/2015 Financial Year.</p>	Peninah Njuguna (Senior Finance Officer)	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)
Para 1114	Personal Emoluments	<p>It is true that the appropriation account reflects a total expenditure of Kshs. 458,626,761.00 under various Heads, sub-heads, Items 2110100 and 2110300– Basic Salaries-permanent employees and personal allowances paid as part of salary respectively; whereas payment vouchers, IPPD and related records show an expenditure of Kshs. 463,329,021.40.</p> <p>The difference in totals for items 2110100 and 2110103 of Kshs. 4,702,260.40 relates to leave allowance that was paid to staff during the month of December, 2012 and May 2013. (APPENDIX 1)</p>	Francis G. Mwobobia (Chief Accountant)	Not Resolved	15 October 2014
Para 1115	Pending Bills	<p>It is true that at the close of the Financial Year the Ministry had pending bills totalling Kshs.301, 814,107.40 which were chargeable to recurrent vote. These bills were carried forward to FY.2013/2014 affecting the budgetary provision for the year. These bills were settled as first charge in financial year 2013/2014.</p> <p>The pending bills were caused by liquidity problems due to lack of Exchequer releases. Out of the approved budget of Kshs. 1,705,997,266.00 the exchequer</p>	Peninah Njuguna (Senior Finance Officer)/ Monicah Gogo (Assistant Director, Supply Chain Management Services)	Resolved	



10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

Referen ce No. on the externa l 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)
		received was Kshs. 1,165,000,000.00 leading to under issue of exchequer to the tune of Kshs. 540,997,266.00. (APPENDIX 2)			
Para 1116	Trial Balance And Ledger	It is true that the statement of assets and liabilities for vote R.144 as at 30th June 2013; had not been supported by a trial balance and general ledger. Trial balance and general ledger are voluminous over 500 pages, hence the reason for not attaching them to the financial statements. The trial balance and general ledger have since been generated and furnished as soft copy attachments for audit review.	Francis G. Mwobobia (Chief Accountant)	Resolved	
Para 1117	Unanalyzed Balances	The Ministry's statement of assets and liabilities for vote R.144 reflects balances of Kshs. 209,522,097.50 and Kshs. 37,648.00 against district suspense account and advances accounts, respectively that had not been supported with analyses. An analysis to these sums have now been done and availed for audit review. (APPENDIX 2A).	Francis G. Mwobobia (Chief Accountant)	Not Resolved	15 October 2014
Para 1118	Long Outstanding	We are in agreement that the statement for assets and liabilities for vote R144; reflects long outstanding	Francis G. Mwobobia (Chief	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)
	Balances	<p>balances, for FY.2011/2012 and earlier years, that have not been cleared from the books of accounts.</p> <p>These balances have not been cleared from our books, for the reason that, requisite instruction from The National Treasury to clear these balance have not been received. Once instructions are given, the Ministry shall clear these balances accordingly.</p>	Accountant)		
Para 1119	Unsupported Cleared Balances	<p>It is true, that the statement shows account balances that were cleared during the year under review, which had no supporting documentary evidence. The ministry has now provided this evidence for audit review. (APPENDIX 3)</p>	Francis G. Mwobobia (Chief Accountant)	Not Resolved	15 October 2014
Para 1120	Paymaster General Account	<p>It is true that the statement reflects a paymaster General Account balance of Kshs. 34,478,993.25 which tallies with the cashbook balance as at 30 June 2013.</p> <p>It is also true that the Paymaster General Account reflects payments in cashbook not in bank statement, of Kshs. 177,046,147.80, which include stale cheques amounting to Kshs. 8,556,505.95. Kshs. 8,556,505.95 comprises of amounts paid in development vote, but posted in recurrent cashbook which was an error.</p>	Francis G. Mwobobia (Chief Accountant)	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)
		<p>The ministry prepared payment voucher number BR/0023, which could not be effected to correct this error, due to inadequate cashbook balance. Appropriate adjustments will be done, once account balances are merged to the new Ministry. (APPENDIX 4)</p> <p>As per the statement, receipts in bank statement had not been recorded in the cashbook as at 30th June 2013. These are mainly receipts from other Ministries and banking by the cashier that were not recorded in the cashbook. The final reconciliation was done in August 2013 and the cashbook for the Ministry had been closed on 30th June. Adjustments will be done when the balances from all the directorates are consolidated.</p> <p>It is true that the statement further reflects payments in bank statement not recorded in cashbook totalling Kshs. 112,691,680.35, which include payments amounting to Kshs. 91,824,214.10 relating to the period between 19 December 2011 and 28th May 2013.</p> <p>These payments comprised of district AIE's and payroll deductions that had not been posted at the time of reconciliation, this will be done once the balances are</p>			

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>carried forward to new Ministry.</p> <p>It is also true that, out of total payments in bank statement not in cashbook totalling Kshs. 112,691,680.35, payments totalling Kshs. 14,401,235.40 were charged to development account but were reflected in the recurrent account.</p> <p>The ministry prepared payment voucher number BR/0010, which could not be effected to correct this error, due to inadequate cashbook balance. Appropriate adjustments will be done, once account balances are merged to the new Ministry.</p> <p>The statement further reflects receipts in cashbook not in bank statement totalling Kshs. 134,581,442.45 As per the bank reconciliation statement, receipts in cashbook not in bank totalled Kshs. 34,531,441.51 for the period between 18th August, 2011 and 4th April, 2013. This error will be corrected once cashbook balances are merged to new Ministry.</p>			
Para 1121	Accuracy Of The Appropriation	It is true that the appropriation account reflects approved supplementary estimates of Kshs. 2,400,648,914.00, which is the correct approved supplementary estimate	Francis G. Mwobobia (Chief Accountant)	Resolved	

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)
	account	<p>No.2. (APPENDIX 6)</p> <p>The appropriation account reflects Kshs. 656,430,892 as the actual expenditure for head 007, housing department and not Kshs. 656,295,892 as stated by the audit report. Also the account summary also shows Kshs. 656,430,892.00 and not Kshs. 639,922,554.00 and therefore the difference of Kshs. 16,373,337.00 does not arise.</p>			
Para 1122	Under – Expenditure	<p>It is true that the appropriation account for the year ended 30th June 2013, reflects gross under-expenditure of Kshs. 339,791,084.75, being 14% of the approved estimates of Kshs. 2,400,648,914.</p> <p>The bills were not paid because of exchequer under issue.</p> <p>To alleviate under expenditure in subsequent years, the ministry has put in place the following measures:</p> <ul style="list-style-type: none"> ➤ Prompt and consistent follow up for exchequer, ➤ Prompt and early procurement, as planned, to avoid inconveniences associated with closure of financial year. 	Francis G. Mwobobia (Chief Accountant)	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)
		<ul style="list-style-type: none"> ➤ Timely submission of cash flow projections ➤ Training of personnel on IFMIS modules. 			
Para 1123	Excluded Expenditure	<p>The appropriation account reflects Kshs. 656,430,892 as the actual expenditure for head 007, housing department and not Kshs. 656,295,892 as stated by the audit report. Payment vouches and other supporting documents are in support of the expenditure of Kshs. 656,430,892 and not Kshs. 793,057,785.</p> <p>The Ministry did not therefore exclude expenditure for Kshs. 136,761,893 from the appropriation accounts, in respect to this head. (APPENDIX 7).</p>	Francis G. Mwobobia (Chief Accountant)	Not Resolved	15 October 2014
Para 1124	Transfers To Kenya Slum Upgrading Project Fund (Kensuf)	It is true that the appropriation account reflects under Head 0006, sub-head 01, Items 2211300 and 3110500 expenditure of Kshs. 903,290,648 incurred in respect to Kenya Slum Upgrading Project Fund. This expenditure is inclusive of amounts transferred to KENSUF of Kshs. 810,553,613. The balance of Kshs. 92,737,035 represents other operating expenses of the fund that were directly expended via IFMIS.	Francis G. Mwobobia (Chief Accountant)	Not Resolved	15 October 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)
Par 1125	<p>Renovation And Alteration To Bima House – Mombasa (Phase Ii) And Crescent House – Nairobi</p>	<p>It is true that a contract for renovation and alteration to Bima House – Mombasa (Phase II) and Crescent House – Nairobi was awarded on 14 July 2011 to a construction company at a contract price of Kshs. 328,381,208.84 and a contract period of 52 weeks, commencing 9 August 2011 and ending on 2 August 2012. It is also true that amount paid as at 30 June 2013 is Kshs. 135,435,727.45.</p> <p>It is also true that at the time of Audit the Contractor was on site. The contractor had applied for an extension of time up to March 2013 on account of the following reasons:</p> <ul style="list-style-type: none"> ➤ Delay in appointment of the air conditioning subcontractor. These works had to be retendered since the first tender was non-responsive. The builders' works were awarded in July 2011 while the subcontractor was appointed in February 2012. ➤ Some of the floors were occupied by the tenants. Works had to be done first to the available floors and then the tenants were to be temporarily moved into the completed floors to enable works proceed on the occupied floors. This was a challenge as some of the occupants were unwilling to be relocated. 	Sammy Kamanda (Deputy Director Estates)	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)
		<ul style="list-style-type: none"> ➤ Delays in getting exchequer from Treasury. Making timely payment to the contractor and subcontractors was a challenge. <p>The request for extension was granted up to 25th February 2013 by Ministerial Tender Committee on its sitting held on 31st October 2012 (Appendix 9)</p> <p>Although the contract has been delayed, the Government will get value for money on account of:</p> <ul style="list-style-type: none"> ➤ Crescent House works are already complete while Bima House is expected to be completed within this financial year. ➤ Although there has had been some delays owing to the above factors the works are expected to be completed as per the specifications and within the project cost. 			
Para 1126	Pending Bills	<p>It is true that during financial year under review, the Ministry had pending bills totalling Kshs. 306,137,343.90 which were chargeable to development vote. These bills were carried forward to FY.2013/2014.</p> <p>The ministry lacked adequate exchequer issue of Kshs.</p>	Peninah Njuguna (Senior Finance Officer)/ Monicah Gogo	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)
		285,667,329.00, and reduction of the budget in the supplementary Estimates No.2 by Kshs. 190,000,000.00 which was uploaded in IFMIS in the last week of June 2013. (APPENDIX 10)	(Assistant Director, Supply Chain Management Services)		
Para 1127	Irregular Award Of Contract – Mandera North District	<p>It is true that the procurement of works amounting to Kshs. 4,999,814.00 was done through direct procurement method. This was because the ABT Centre was to be constructed with Interlocking Stabilized Soil Blocks, and the method of construction is relatively new in Mandera. The tender was awarded to Kalaliyo Building Contractors, after inspection of similar works that this contractor had done in Mandera East.</p> <p>Since the role of the Ministry, is to market the technology as a cheaper method of construction, the ABT centre needed to be done by a contractor with adequate technical capacity.</p> <p>It is also true that the payment voucher to the contractor amounting to Kshs. 4,999,814.00 was prepared on 28th June, 2013. However, the cheque was released to the contractor in September, 2013, after a site meeting which recommended that the contractor be paid Kshs. 2,249,916.30 less 10% retention. This was based on the</p>	Jane Mwangi (Director – Housing Department)	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)
		<p>amount of work that had been done as at that time (APPENDIX 11)</p> <p>It is also true that the Department of Housing had written a letter in October, 2012 requesting the clerk to the County Council of Mandera, to allocate one acre of land for the development of an ABT Centre. The land was not allocated and it is on this basis, that the ABT center was constructed in the current location. The land belongs to Government under the custody of the then Department of Roads. Public Works officers are also in the same compound. This was done in consultation with the District Officer Mandera North.</p> <p>The project was satisfactorily completed as evidenced by the certificate of practical completion dated 18th December, 2013. Photographs of the ABT centre are also attached indicating the value of money was realized. (APPENDIX 12)</p>			
Para 1128	Proposed Construction Of County Housing	It is true that audit of county records revealed, that request for quotation method was used to identify, the contractor for the proposed construction of County Housing Offices.	Jane Mwangi (Director – Housing Department)	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)
	<p>Offices In Lodwar Town, Turkana Central District</p>	<p>It is also true that a local construction company, being the lowest bidder was awarded a contract at a cost of Kshs. 4,973,546.40 that exceeded the threshold for Request for Quotation method. In addition, the minutes of the Tender Committee, Engineer's estimate and drawings were not provided for audit review.</p> <p>Construction of the proposed county offices was to be done in phases, and the first phase was funded at a cost Kshs. 2,000,000.00 which is within the threshold of Request for Quotation. Further the minutes of the Tender Committee, Engineer's estimate and drawings have since been availed for audit review. (APPENDIX 13).</p> <p>It is also true that during the audit it was revealed that the contractor was paid Kshs. 1,432,200.00 and no supporting documents were availed. The support documents have since been availed for audit. (APPENDIX 14)</p>			
<p>Para 1129</p>	<p>District Suspense Account</p>	<p>We do agree that the statement of assets and liabilities for vote D.144 as at 30th June, 2013 reflects a district suspense account balance of Kshs. 235,400,773.40</p>	<p>Francis G. Mwobobia (Chief Accountant)</p>	<p>Not Resolved</p>	<p>15 October 2014</p>

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>which had not been analyzed. This was an oversight, and we have now analyzed this balance and availed for audit review. (APPENDIX 15)</p>			
Para 1130	Long Outstanding Balances	<p>We are in agreement that the statement for assets and liabilities for vote D.144; reflects long outstanding balances, for FY.2011/2012 and earlier years, that have not been cleared from the books of accounts.</p> <p>These balances have not been cleared from our books, for the reason that, requisite instruction from The National Treasury to clear these balance have not been received.</p> <p>Once instructions are given, the Ministry shall clear these balances accordingly</p>	Francis G. Mwobobia (Chief Accountant)	Not Resolved	15 October 2014
Para 1131	Trial Balance	<p>It is true that the statement of assets and liabilities for vote D.144 as at 30th June 2013; had not been supported by a trial balance and general ledger. Trial balance and general ledger are voluminous and over 500 pages, hence the reason for not attaching them to the financial statements. The trial balance and general ledger have since been generated and furnished as soft copy attachments submitted for audit review.</p>	Francis G. Mwobobia (Chief Accountant)	Resolved	
Para	Paymaster	It is true that Paymaster General Account reflects	Francis G.	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)
1132	General Account	<p>payments in cashbook not in bank statement of Kshs. 123,144,659.65 that include stale cheques of Kshs. 52,995,604.05. This comprises payments in recurrent budget but posted in development cashbook. The ministry prepared payment voucher number BR/009/0010, which could not be effected to correct this error, due to inadequate cashbook balance. Appropriate adjustments will be done, once account balances are merged to the new Ministry. (APPENDIX 16)</p> <p>The statement further reflects payments in bank statement not recorded in cashbook totalling KShs 66,662,358.30 for the period between; 17th June, 2011 to 22nd May, 2013. These payments comprise district AIE's and payroll deductions that had not been posted at the time of reconciliation. This error will be corrected once cashbook balances are merged to new Ministry.</p>	Mwobobia (Chief Accountant)		
Para 1133	Paymaster General Account	It is true that the statement of Assets and Liabilities for Deposits 144 as at 30 th June, 2013 reflects a pay master general account balance of Kshs. 454,917,787.90, which differs with cashbook balance of Kshs. 251,780,166.45 by Kshs. 203,137,621.50.	Francis G. Mwobobia (Chief Accountant)	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)
		<p>This variance is as a result of wrong preparation of the statement for assets and liabilities; since opening balance for financial year 2012/2013 was correctly brought forward as Kshs. 203,137,621.50 and the net change in the Ministry's deposit fund is Kshs. 48,642,544.95 whose closing balance as at 30th June 2013 is kshs.251,780,166.45. The ministry has restated this statement, and availed it for audit review. Therefore an omission of PMG balance of Kshs. 203,137,621.50 does not arise.</p> <p>As per the deposit cashbook balances of 30th June, 2013, un-presented cheques of Kshs. 1,417,820.95 were reflected. This amount included stale cheques of Kshs. 134,547.00. The ministry prepared voucher number BR. 007 to adjust this oversight.</p> <p>The statement also reflects an amount of Kshs. 6,861,049.10 as receipts in the bank statement which had not been recorded in the cashbook as at 30 June 2013. Adjustments of the long outstanding receipts was done in the cashbook vide FO17, BR No. 0001 dated 5th May 2014 (Appendix 17)</p>			

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>The reconciliation statement had a sum of Kshs. 1,860,494.80 being payments in bank not recorded in cashbook for the period between May and June 2012. The ministry had not explained why it delayed in recording these payments in the cashbook. The payments have since been cleared vide F.O.21 number BR. 002, Dated 5th May, 2014.</p> <p>The receipts in cashbook not recorded in bank statement amounted to Kshs. 5,595,110.70, inclusive of a sum total of Kshs. 5,591,635.70 for period between December 2011 and April 2013. These receipts have since been cleared vide F.O.10 number BR. 002 Dated 5th May, 2014.</p> <p>As per the statement of assets and liabilities, rent restriction deposits had a credit balance of Kshs. 3,189,350 that had not been analyzed at the time of audit. This amount represented funds owed to rent restriction tribunal clients; which have now been paid out.</p> <p>The statement of assets and liabilities reflected a balance of Kshs. 328,779,270.55 as retention account balance, and a BP Shell deposits balance of Kshs.</p>			

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>122,949.167.35. However, given the wrong computation for this statement, the Ministry has restated the statement of assets and liabilities as attached. As per the schedules availed for audit, retention and BP Shell balances were Kshs. 172,899,061.85 and Kshs. 58,631,511.35 respectively, but the correct amounts should be 214,434,450.25 and 38,343,642.35 respectively</p> <p>The sum of Kshs. 172,889,061.85 represents retention sums for construction projects carried out by KENSUF. A balance of Kshs. 41,545,388.40 is retention amount for other Ministry's construction projects hence a retention fund of Kshs 214,434,450.25.</p> <p>As per the statement of assets and liabilities, trial balance for deposits had not been availed for audit review. We acknowledge this oversight, though Integrated Financial Management System (IFMIS); has not developed a general ledger for deposits into itemized codes. As of now we are using a manual ledger to update deposit transactions. (APPENDIX 18)</p>			
Para 1134	Land And Building	It is true that the Balance sheet as at 30 th June 2013 reflects a balance of Kshs 988,060,882.00 against Land	Ruth Momanyi (Chief	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)
	Rental	and buildings rental. Ownership documents for the property were not availed for audit verification. This is because title deeds are not ready. However, the properties were registered as government institutional houses LG 1601A01-A70, LG 1602B01-B70, LGC01-C35, LG 1304A01-A70, LGB01-LG70, MG1401P01-P57, MG1402Q01-Q39. Allotment letter for the whole Ngara Estate is available for audit review. PDP for the projects are also available for audit review. However, survey works for the properties have not been finalized to facilitate registration of the properties under the Principal Secretary Treasury. The ownership documents will be provided once available (Appendix 19- Registration letters, PDP for the sites and letter requesting for survey of the properties)	Accountant)		
Para 1135	Fixed Asset Register	It is true that the balance sheet reflects a fixed asset balance of Kshs 4,721,483,093.05 as at 30 th June 2013 and a fixed asset register was not provided for audit verification. The fixed asset balance comprises Land and building rentals, Land and building unallocated, net fixed assets, mortgage recoverable by the scheme, mortgage recoverable by Housing Finance, mortgage recoverable by Kenya Commercial Bank and group	Ruth Momanyi (Chief Accountant)	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)
		insurance recoverable. The balances are due to outstanding mortgage balances from beneficiaries of the Fund and outstanding depreciated value of fixed assets. A register of the assets is available for the audit review in the integrated management (ERP) system. The reports are bulky (537 pages) and it's not feasible to print them but have been availed in the ERP system for audit review. (Appendix 20- Asset registers)			
Para 1136	Accuracy Of Financial Statements	<p>The financial statements reflect various balances relating to 2011/2012 which differ with corresponding audited closing balances for 2011/2012.</p> <p>i. Land and Building</p> <p>It is true that the audited balance sheet reflected an amount of Kshs 54,421,000.00 under land and buildings. The difference of Kshs 3,200,000.00 was in respect of a house allocated to Ibrahim Kamakil which was unallocated because of court case No NRB HC MISC Application No 350 of 2007. The beneficiary was allocated the house and the same was not immediately posted in the system and hence the difference. This was appropriately posted in the subsequent year.</p>	Ruth Momanyi (Chief Accountant)	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)
		<p>ii. Mortgage recoverable</p> <p>It is true that the audited balance sheet reflected a balance of Kshs 976,664,243.25 as at 30th June 2012. The opening balance of Kshs 1,014,493,627.25 arose because of properties in Nyeri Road which were allocated on May 2011 and not posted in the system immediately. The properties were later posted appropriately bringing in the difference of Kshs37,829,384.00 in mortgage recoverable. Changes in mortgage recoverable is equivalent;- (New mortgages in the year plus interest accrued less mortgage recoveries for the year). The balances have been reconciled and a scheduled report availed for audit review (Appendix 21).</p> <p>iii. Cash and bank balances</p> <p>It is true that the audited balance sheet reflected a cash and bank balance of Kshs 475,525,970.42 as at 30th June 2012. The opening balance of Kshs 460,562,097.42 as at 1st July 2012 arose because of posting the Nyeri road houses which brought changes in cash flow items such as cash from operating activities, accounts payable deposits and mortgage recoverable from the scheme</p>			

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>(Appendix 22)</p> <p>iv. Working capital</p> <p>It is true that the audited balance sheet reflected a working capital balance of Kshs 3,076,135,618.72 as at 30th June 2012. The opening working capital balance of Kshs 3,061,171,745.72 as at 1st July 2012 arose because of posting the Nyeri road houses and the Kileleshwa house of Abraham Kamakil which brought changes in working capital items such as Land and building, cash and bank balances and mortgage recoverable from the scheme (Appendix 23).</p> <p>v. Property validation, other deposits and PS Ministry of Housing collections</p> <p>It is true that the audited balance sheet reflected a Property validation and rental collections balance of Kshs 159,202,376.72 as at 30th June 2012. The opening balance of Kshs 157,630,376.72 as at 1st July 2012 resulted in a difference of Kshs 1,572,000. The difference was brought about by deposits paid by Abraham Kamakil HG 657 'A' Kileleshwa and Bernice Gachegu House No HG 74 Parklands. A transfer of</p>			

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>their deposits through manual journals was made from the account PS ministry of Housing thus reducing balances in the above referenced accounts.</p> <p>vi. Accounts payable 10% deposit</p> <p>It is true that the audited balance sheet reflected accounts payable 10% deposit balance of Kshs 537,724,911.60 as at 30th June 2012. The changes in opening balance of Kshs 558,859,391.60 as at 1st July 2012 was because of allocating Nyeri Road houses, the system never picked some deposits for beneficiaries which were later manually journalized to the respective customer accounts (Appendix 24)</p> <p>vii. Capital reserves</p> <p>It is true that the audited balance sheet reflected a capital reserves balance of Kshs 4,582,244,398.02 as at 30th June 2012. The opening balance of Kshs 4,601,806,878.02 as at 1st July 2012 is because of interest accrued for Nyeri Road properties for the period May 2011 to 30th June 2012 after adjustments. The figure also includes any other adjustments after closure of statements. It is important to note that this was a new</p>			

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>system and closure of statements was not done immediately after every adjustment (Appendix 25).</p> <p>viii. Changes of Fund Balances</p> <p>It is true that the audited balance sheet reflected an increase of Kshs 400,000,000 in capital grant while the statement of changes in Fund balances shows a figure of Kshs. 575,392,935.40. The difference of Kshs 175,392,935.40 is because Fund balances are also affected by operating capital before working capital changes, and cash flow from investing activities over and above capital from financing activities (Government grant).</p> <p>ix. Fixed Assets</p> <p>It is true that the audited balance sheet reflects a figure of Kshs 14,827,166.32 against net fixed assets which differs by an amount of Kshs 25,318.53 from the balance of Kshs 14,801,847.79 shown in the ledger. This was brought by an error during transition from the old system to the ERP system. The error has been corrected within FY 2013/2014 and analysis will be provided in the financial reports for the period.</p>			

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)
Para 1137	Cash And Bank Balances	It is true that the balance sheet reflected an amount of Kshs 1,109,583,425 under cash and bank balances while operational and deposit account and Funds deposit account had a balance of Kshs. 620,400,591 as at 30 th June 2013. The cash and bank balances includes cash flow changes items like cash flow from operating activities, cash flow from financing activities and investing activities over and above the closing bank balance (Appendix 27).	Ruth Momanyi (Chief Accountant)	Resolved	
Par 1138	Unanalysed Debtors/ Accounts Receivable Balance	It is true that the balance sheet reflected a balance of Kshs 47,017,046,64 against debtors/accounts receivable as at 30 th June 2013. Analysis is bulky (88 Pages) and has been availed for audit review in the ERP system.	Ruth Momanyi (Chief Accountant)	Resolved	
Para 1139	Irregular Recording Of Revenue In Recurrent Account	It is true that revenue collected during the year amounting to Kshs. 279,333,102.45 was being banked in recurrent account, rather than in deposit account. This was an oversight on our part because in previous years, rent was being collected as Appropriations in Aid	Francis G. Mwobobia (Chief Accountant)	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)
		<p>(A-I-A) in the recurrent vote. In 2011/2012 Treasury converted rent into revenue and appointed the Permanent Secretary as receiver of revenue. The bank account did not change hence the Ministry continued receiving rent in the recurrent account which was later surrendered as revenue to Treasury.</p> <p>The error is regretted and has since been corrected. Ministries and Government Agencies were directed to pay rent into our deposit account at Central Bank of Kenya. (APPENDIX 28)</p>			
Para 1140	Under-Collection Of Revenue	<p>It is true that the Statement of Revenue for the year ended 30th June 2013 reflects an under-collection of revenue of Kshs. 159,654,202.10 or 36% of the estimated receipts of 438,987,223.00. The ministry is currently implementing the following measures to curtail under collection of revenue:</p> <ul style="list-style-type: none"> ➤ Availing rent and mortgage collection bank accounts to Ministries and government agencies, ➤ Ensuring deduction codes for rent and mortgage are available to all ministries and government agencies, ➤ Performing monthly reconciliation to separate 	Sammy Kamanda (Deputy Director Estates)	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)
		<p>mortgage and rent collection,</p> <ul style="list-style-type: none"> ➤ Ensure all habitable housing units are occupied and rent remitted to the Ministry. 			
Para 1141	Trial Balance And Ledger	It is true that the account balances reflected in the Statement of Revenue have not been supported by a trial balance as at 30 June 2013. We acknowledge this oversight, though Integrated Financial Management System (IFMIS); has not developed a general ledger for revenue into itemized codes. As of now we are	Francis G. Mwobobia (Chief Accountant)	Resolved	
Para 1142	Failure To Have The Statement Signed By The Receiver Of Revenue	<p>It is true that the statement of revenue had not been signed by the Accounting Officer, contrary to the requirement of government financial regulations and procedures.</p> <p>The statement of Revenue has since been signed by the Accounting Officer. (APPENDIX 29). The oversight is highly regretted.</p>	Francis G. Mwobobia (Chief Accountant)	Resolved	
Para 1143	Opening Balances	It is true that, opening balances differ from corresponding closing balances, as per FY.2011/2012 audited financial statement.	Francis Collins Ominde	Resolved	

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>The resulting difference in these two balances is due to restatement of property plant and equipment (fixed assets) net book values, where in prior years, accumulated depreciation for computers and printers had been overstated.</p> <p>Overstatement of accumulated depreciation arose in FY2010/2011, for computers and printers, where it was reported as KShs. 50,033,727, rather than KShs 5,003,372. (APPENDIX 30)</p> <p>As a result, net book values for fixed assets were understated. The Ministry took effort to ensure property plant and equipment components (fixed assets) net book values, are reworked as evidenced in the statement of changes in fixed assets of FY.2008/2009 to FY2012/2013. (APPENDIX 31)</p> <p>A revaluation reserve was reflected, to reinstate fixed assets to their correct values as per the statement of changes in fixed assets.</p> <p>As a result of correcting fixed assets of the fund, Capital</p>	(Senior Accountant)		

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>grants; being representative of total government contribution to fund development cost for the fund, had to be restated as well, so as to reflect correct funding from the Government. This is evidenced in statement of changes in fixed assets for FY.2012/2013.</p>			
<p>Para 1144</p>	<p>Unexplained Variances</p>	<p>It is true the income statement reflected KShs. 80,000,000, being funds forwarded to KENSUF to aid acquisition of land. However this amount should have been reflected as revenue grant and not capital grant. The income statement recognizes revenue and expenses items of the fund, and not capital related items such as capital grants. As such, this grant was reflected correctly to the financial statements.</p> <p>Also, as per footnotes to the funds financial statements, workings reflect capital grants as KShs. 690,536,223.00 and not KShs. 527,307,584.00. (APPENDIX 32)</p> <p>KENSUF's income statement did reflect KShs. 96,913,301.00 as interest received, whereas, cash flow statement reflected interest net of withholding tax of KShs. 82,376,212.00. The difference of KShs. 14,537,089.00 is therefore withholding tax charged on</p>	<p>Francis Collins Ominde (Senior Accountant)</p>	<p>Resolved</p>	

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>interest. This treatment is as per revenue recognition principle, which requires the application of accruals concept towards the recognition of revenue or income.</p> <p>In effect, applying realization principle ensures that the reported performance of fund, as evidenced from the income statement, reflects the true extent of revenue earned during FY2012/2013 rather than the cash inflows generated during this period, which can otherwise be gauged from the cash flow statement.</p> <p>Recognition of revenue on cash basis may not present a consistent basis for evaluating the performance of KENSUF over an accounting period due to the potential volatility in cash flows</p> <p>Under the cash flow statement, depreciation charge for the year added back was KShs. 30,928,957.00, while the statement of changes in fixed assets (fixed assets movement schedule) reflected KShs 47,991,974. The correct amount of depreciation charged during FY.2012/2013 is KShs. 48,192,362.00. This error has since been corrected and financial statements restated accordingly. (APPENDIX 33).</p>			

3) Metropolitan

Referen ce No. on the externa l 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)				
Para 1223	Unauthorized Utilization of Excess Appropriations -in-Aid	It is true that the ministry collected Appropriation in Aid (A.I.A.) of Kshs.4,200,099.00 against the approved estimate of Kshs.1,000,000.00 resulting to excess Appropriation-in-Aid of Kshs.3,200,099.00. These were receipts from sale of tenders and earnings of interest from recurrent account due to gains from Foreign Exchange. However, the excess Appropriation-in-Aid was used to settle pending bills that had been carried forward by the ministry during the financial year ended 2011/2012. <i>(See Appendix 1)</i>	John Mureithi	Resolved					
Para 1224	Omission of Footnotes	It is true that the said footnotes were omitted. However, they have now been provided for audit verification (See Appendix 2)	John Mureithi	Resolved					
Para 1225	Pending Bills	It is true that bills amounting to Kshs. 9,077,306.00 relating to 2012/2013 Financial Year and earlier years were not settled during the year but were instead carried forward to 2013/2014. However, the said bills have since been settled. The Payment Vouchers of bills totalling Kshs.708,586.00 has been analyzed as shown below and are now available for audit review. <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: right;">Payee</td> <td style="text-align: right;">Amount(Kshs)</td> </tr> <tr> <td style="text-align: right;">Nation Media</td> <td style="text-align: right;">238,960.00</td> </tr> </table>	Payee	Amount(Kshs)	Nation Media	238,960.00	John Mureithi	Resolved	
Payee	Amount(Kshs)								
Nation Media	238,960.00								

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>Kenya School of Monetary Studies 320,856.00 Kenya School of Law <u>148,770.00</u> Total <u>708,586.00</u></p> <p>It is also true that, had the bills been paid and expenditure charged to the accounts for 2012/2013, the Appropriation Account would have recorded a reduced net surplus to be surrendered to the Exchequer of Kshs 11,737,747.00 instead of 20,815,053.00 (See Appendix 3)</p>			
Para 1226	STATEMENT OF ASSETS AND LIABILITIES – R. 157	It is true that statement of Assets and Liabilities reflects various balances which were not supported by ledgers and Trial Balance as at 30th June 2013. However, the ledgers and total balance are available for audit review together with the schedule of analysis of the various balances reflected in the statement of Assets and Liabilities. (See Appendix 4)	John Mureithi	Resolved	
Para 1227	Bank Reconciliation Statements	<p>Payment in Cashbook not in Bank Statements It is true that recurrent cashbook reflected uncleared items totalling to Kshs 19,192,943.10 as at 30th June, 2013. The amount of Kshs 9,053,517.80 was uncleared as at 31st July 2013. (See attached Bank Reconciliation statement as at 31st July 2013 – Appendix 5)</p> <p>The amount totalling Kshs 9,053,517.80 out of the original 19,192,943.10 have been cleared as per the attached FO 17 of 30th September 2013 of Kshs</p>	John Mureithi	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)
		<p>5,607,036.35 and the attached FO 17 of 10th September 2013 of Kshs 3,446,481.45 (See Cashbook Folio 46 - Appendix 6)</p> <p>(ii) Payment in Bank Statement not in Cashbook It is true that payment in bank statement not in cashbook was Kshs 3,392,061 as at 30th June 2013. However an amount of Kshs 76,858.85 was cleared as at 31st July 2013 leaving the uncleared amount of Kshs 3,315,202.45.</p> <p>The uncleared amount of Kshs 3,315,202.45 as at 31st July 2013 has now been cleared as at 30th September 2013 as follows: The attached FO21 amounting to Kshs 3,105,202.45 of 31st September 2013 The attached FO 21 amounting to Kshs 210,000.00 of 31st September 2013 (See Cashbook Folio 46 – Appendix 6)</p> <p>(iii) Receipt in Cash Book not in Bank Statement It is true that receipt in Cashbook not in Bank Statement were Kshs 5,986,199.40 as at 30th June 2013. The perceived receipts in cashbook not in bank were actually undercasts or overcasts which necessitated cashbook adjustments which was not done as at the date of the management letter.</p> <p>However cashbook adjustment has now been effected to reverse the anomaly as per the attached FO21 of 31st September 2013</p>			

2

THE UNIVERSITY OF CHICAGO PRESS
5 EAST ASSENDALE AVENUE
CHICAGO, ILLINOIS 60607
TEL: 773-707-5500
WWW.CHICAGO.PRESS.COM

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)																												
		(See Cashbook Folio 46 – Appendix 6)																															
Para 1228	Unanalyzed Balances	<p>It is true that the statement shows Exchequer, Imprest, Advances Account and General Account of Vole balances of Kshs.13,378,589.45, Kshs.696,651.50, Kshs.26,131.60 and Kshs.5,024,757.55 respectively. The balances are analyzed as below:</p> <p style="margin-left: 40px;">➤ Exchequer</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="padding-right: 10px;">2010/2011</td> <td style="padding-right: 10px;">-</td> <td style="padding-right: 10px;">Kshs</td> <td style="text-align: right;">13,140,400.00</td> </tr> <tr> <td>2009/2010</td> <td>-</td> <td><u>Kshs</u></td> <td style="text-align: right;"><u>238,180.00</u></td> </tr> <tr> <td>Total</td> <td>-</td> <td><u>Kshs</u></td> <td style="text-align: right;"><u>13,378,580.00</u></td> </tr> </table> <p>The amount in question is an Exchequer under issue in the referred Financial years. The said amount was not released by Treasury to the ministry during the year under review, hence resulting to none clearance of the same. However, the ministry has sought authority in the past from Treasury to clear the balance in accordance with the requirement of Government Financial Regulations and Procedures – vide letter Ref MONMED/FIN/3/1 VOL/89. (See Appendix 7)</p> <p style="margin-left: 40px;">➤ Imprest Account</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="padding-right: 10px;">2010/2011</td> <td style="padding-right: 10px;">-</td> <td style="padding-right: 10px;">Kshs</td> <td style="text-align: right;">4,500.00</td> </tr> <tr> <td>2010/2011</td> <td>-</td> <td>Kshs</td> <td style="text-align: right;">511.00</td> </tr> <tr> <td>2010/2011</td> <td>-</td> <td><u>Kshs</u></td> <td style="text-align: right;"><u>8,000.00</u></td> </tr> <tr> <td>Total</td> <td>-</td> <td><u>Kshs</u></td> <td style="text-align: right;"><u>13,011.00</u></td> </tr> </table> <p>The said amounts have since been recovered.</p>	2010/2011	-	Kshs	13,140,400.00	2009/2010	-	<u>Kshs</u>	<u>238,180.00</u>	Total	-	<u>Kshs</u>	<u>13,378,580.00</u>	2010/2011	-	Kshs	4,500.00	2010/2011	-	Kshs	511.00	2010/2011	-	<u>Kshs</u>	<u>8,000.00</u>	Total	-	<u>Kshs</u>	<u>13,011.00</u>	John Mureithi	Resolved	
2010/2011	-	Kshs	13,140,400.00																														
2009/2010	-	<u>Kshs</u>	<u>238,180.00</u>																														
Total	-	<u>Kshs</u>	<u>13,378,580.00</u>																														
2010/2011	-	Kshs	4,500.00																														
2010/2011	-	Kshs	511.00																														
2010/2011	-	<u>Kshs</u>	<u>8,000.00</u>																														
Total	-	<u>Kshs</u>	<u>13,011.00</u>																														

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>➤ Advances Account Analysis of the Balances</p> <ul style="list-style-type: none"> - Kshs 1,533.60 - Kshs 5,170.00 - Kshs 8,028.00 - <u>Kshs 11,400.00</u> <p>Total - <u>Kshs26,131.60</u> The said balances have since been recovered. (See Appendix 8)</p> <p>➤ General Account of Vote The analysis of Kshs 5,024,757.55 is as indicated in the schedule of the Balances, in the statement of Assets and liabilities as at 30th June 2013. (See Appendix 9)</p>			
Para 1229	Long Outstanding Balances	<p>It is true that the statement reflects debit balances of Kshs 13,378,589.45, Kshs 13,011.75 and Kshs 26,131.60 against the Exchequer Account, Imprest Account and Advances Account respectively, and a Credit Balance on General Account of Vote of Kshs 13,439,921.30 relating to 2011/2012 and earlier years. However, the following action has been taken to address the issue:</p> <p>➤ Exchequer Balance Kshs 13,378,589.45 A self-explanatory letter to the Treasury seeking authority to write-off the Exchequer balances is already done. (See Appendix 10)</p>	John Mureithi	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)
		<ul style="list-style-type: none"> ➤ Imprest Account Kshs 13,011.75 This amount is now fully recovered. <i>(See Appendix 11)</i> ➤ Advances Account Kshs 26,131.60 The said amount is now fully recovered as shown in the attached IPPD Payroll By-Product, Salary Advance Recoveries <i>(See Appendix 12)</i> ➤ General Account of Vote – Kshs 13,439,921.30 The ministry is in process of writing a letter to the National Treasury to seek authority to write-off the G.A.V Balances. 			
Para 1230	Unreconciled Balances	It is true that the statement of Assets and Liabilities reflects an excess vote of balance Kshs 8,415,163.75 for the Financial Year 2012/2013 which differs with the amount of Kshs 20,815,053.90. The amount of KShs 8,415,163.75 reflects as an excess vote as a result of Pending bills carried forward which were settled during the Financial Year ended 30th June 2013.	John Mureithi	Resolved	
Para 1231	Accuracy of the Accounts	It is true that the Development Appropriation Accounts for the year ended 30th June 2013 reflects a net Expenditure of Kshs.1,699,648,747.70. The correct trial balance supporting the Accounts which has been attached is now in agreement, with the Accounts earlier submitted. The resulting difference of Kshs.5,400,000.00, has now	John Mureithi	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)
		<p>been cleared. We highly regret for the error. (See Appendix 13)</p> <p>It is true that the Development Appropriation Accounts shows an expenditure of KShs.1,699,648,747.70 against approved estimate of KShs.3,259,894,415.00. The resulting under net expenditure is KShs.1,560,245,667.30 which translates to 47% of Gross estimated expenditure. The correct Trial Balance supporting the appropriation account is hereby attached, for your perusal and confirmation.</p>			
Para 1232	Under-Expenditure	<p>The project was in its initial stages and most of the contract documents had not been signed. However most of the documents are now complete and work is in progress. The ministry has also agreed with the Donors to fast-track expenditure.</p>	John Mureithi	Resolved	
Para 1233	Unauthorized Expenditure	<p>HEAD 005-SOCIAL INFRASTRUCTRE 3110200 – Construction of Buildings-Kshs 125,000,000.00</p> <p>The Treasury made a reduction of Kshs100,500,000.00 through austerity measures in the Revised Estimates for the Financial Year 2012/2013 after commitments had been made. However, the ministry had already paid Kshs 85,290,515.00 against a provision of Kshs 24,500,000.00 leading to an over-expenditure of Kshs 60,790,512.00.</p>	John Mureithi	Resolved	

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

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>MEASURES</p> <p>However the Ministry has settled all the pending bills in this current financial year by reallocating funds within the Development Votes. A first Charge was also given by rationalizing its Expenditure and eliminating Non-Prioritized activities and Projects.</p>			
Para 1234	Lack of Trial Balance	<p>It is true that the Statement of Assets and Liabilities reflects balances which were not supported with a Trial Balance as at 30th June 2013 or ledger for the year ended 30th June 2013. The said Balances were supposed to be generated automatically by the IFMIS. However, during the preparation of the Financial Statements for the Year Ending 2012/2013, the system did not produce the balances as required. The trial balance was later submitted to the Kenya National Audit office for review. (See Appendix 14)</p>	John Mureithi	Resolved	
Para 1235	Long Outstanding Items in the Bank Reconciliation	<p>(i) It is true that an amount totalling to Kshs 199,981,257.85 had been outstanding as at 30th June 2013 and amount of Kshs 1,110,462.40 outstanding for over six months. This was occasioned by the fact that the ministry received the development exchequer on 30th June 2013.</p> <p>However, the outstanding amount of Kshs 1,110,462.40 was cleared in the month of September</p>	John Mureithi	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)												
		<p>2013 as the attached appendix below:</p> <p><i>FO 17 Voucher No 009 of 31st September 2013</i> <i>FO 17 Voucher No 0010 of 31st September 2013</i> <i>(See Appendix 15)</i></p> <p>(ii) It is true that payment in bank statement totalling to Kshs 7,269,002.50 was not recorded in the cashbook as at 30th June 2013. However, the outstanding amount was recorded in the cashbook as at 31st September 2013. See the attached folio: <i>FO 21 Voucher No 00001 of 31st September 2013</i> <i>FO 21 Voucher No 00002 of 31st September 2013</i> <i>(See Appendix 16)</i></p>															
Para 1236	Unanalyzed Balances	<p>It is true that the statement show Exchequer, Suspense Account and General Account of Vote balances of Kshs 2,116,829,710.00, Kshs 338,609,365.30 and Kshs 897,024,665.95 respectively.</p> <p>This is the analysis of the said balances:</p> <table data-bbox="591 1149 1208 1453"> <thead> <tr> <th>Exchequer Balance Financial Year</th> <th>Amount (Kshs)</th> </tr> </thead> <tbody> <tr> <td>2008/2009</td> <td>500,000,000.00</td> </tr> <tr> <td>2009/2010</td> <td>106,989,110.00</td> </tr> <tr> <td>2010/2011</td> <td>422,795.00</td> </tr> <tr> <td>2011/2012</td> <td>126,259,390.00</td> </tr> <tr> <td>2012/2013</td> <td>1,383,158,415.00</td> </tr> </tbody> </table>	Exchequer Balance Financial Year	Amount (Kshs)	2008/2009	500,000,000.00	2009/2010	106,989,110.00	2010/2011	422,795.00	2011/2012	126,259,390.00	2012/2013	1,383,158,415.00	John Mureithi	Resolved	
Exchequer Balance Financial Year	Amount (Kshs)																
2008/2009	500,000,000.00																
2009/2010	106,989,110.00																
2010/2011	422,795.00																
2011/2012	126,259,390.00																
2012/2013	1,383,158,415.00																



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>Total 2,116,829,710.00</p> <p>The analysis of Kshs 338,609,365.30 is as shown below: Previous Years Balance Brought Forward Transfer from Development PMG</p> <p>LESS: NaMSIP Expenditure 35,666,483.30 Transfer from GOK Vote 42,950,000.00 Payment to Deposit 13,697,553.80 Amount Captured Twice 3,712,719.95 Cumulative Amount from early Years 3,874,438.70 Reconciled error in Trial Balance 5,400,000.00 Suspense Balance See Appendix 17- Suspense Account analysis)</p> <p>The analysis of Kshs 897,024,665.95 is as shown below: Exchequer Balance - KShs 733,671,295.00 PMG Account - KShs 163,353,370.95 Total - KShs 897,024,665.95</p>			
Para 1237	Long Outstanding Balances	<p>It is true that the statement reflects debit and credit balances of Kshs 733,671,295.00 and Kshs. 897,024,665.95 against the Exchequer Account and General Account of Vote respectively, relating to 2011/2012 and earlier years.</p> <p>➤ Exchequer Account - Kshs 733,671,295.00</p>	John Mureithi	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)
		<p>However, the attached is a self-explanatory letter to the Treasury seeking authority to write-off the Exchequer balances as per letter Ref: MONMED/FIN/3/1 VOL/88 <i>(See Appendix 18)</i></p> <p>➤ General Account of Vote - Kshs 897,024,665.95</p> <p>The ministry is in the process of writing to the National Treasury to seek authority to write-off the balances.</p>			
Par 1238	Non-Remittance of Retention Monies to the Deposit Account	<p>It is true that the statement of Assets and Liabilities for Deposits as at 30th June, 2013 reflects PMG Account debit of Kshs.143,752,291.75.</p> <p>It is also true that an amount of Kshs 13,697,553.00 was deposited in the Development Bank Account instead of the Deposit Account, due to an error which has since been corrected. However the same has been paid to the Deposit Account vide Payment Voucher No 000445 and Receipt No FO 17 000446, attached. <i>(See Appendix 19)</i></p>	John Mureithi	Resolved	
Para 1239	Balances not Supported by a Ledger or Trial Balance	It is true that the statement further reflects balances under Paymaster General Account Retention Monies Account. Attached is the Deposit Ledger which supported the balances as at 30th June 2013. <i>(See Appendix 20)</i>	John Mureithi	Resolved	

4) Public Works

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)
Para 1254	Unreconciled Balances	<p>The difference of kshs 688,500.40, is as a result of below the line items which are part Of the trial balance and not part of the appropriation account. It is correct that the Appropriation Account on Summary item reflects approved estimate and actual expenditure of KShs. 1,962,632,817 and 1,778,914,904 while the Appropriation Account Summary reflects KShs 1,962,581,617 and Kshs 1,799,836,956.95 respectively. The Appropriation Account on Summery item is the correct document for the preparation Of final accounts as generated by the IFMIS System but Appropriation Account Summary carries forward balances which are not for accounts preparation.</p>	Resolved	Zaccheus Ndirangu	
Para 1255	Pending Bills	<p>This was as a result of late approval of supplementary Estimates II by parliament and Lack of exchequer issues from The Treasury. The Ministry would be grand to ensure Prompt pay-out of all claims as they fall due if adequate funding and exchequer releases would be given. Some budgetary line items exhaust funds earlier than others, an issue normally addressed through supplementary budget approval which was done too close to the end of financial</p>	Resolved	Zaccheus Ndirangu	

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)
		year.			
Para 1256	Unreconciled Cashbook Balances	<p>Payments in cashbook not in bank statement (Un-presented) It is correct that payments amounting to kshs 47,980,363.60 are still appearing as payment in cashbook not in bank statements. We have continued to clear this amount and currently, the balance outstanding is KShs. 18,446,157.50 as per the latest Bank Reconciliation Statement attached. A team of accountants have been tasked to address these issues conclusively. (See Annex I)</p> <p>Receipts in cashbook not yet recorded in bank statement It is correct that receipts amounting to kshs 50,321,227.15 are still appearing as receipts in cashbook not in bank statements. We have continued to clear this amount and currently, the balance outstanding is KShs. 15,207,781.15 As per the latest Bank Reconciliation Statement attached. A team of accountants have been tasked to address these issues conclusively. (See Annex I)</p>	Resolved	Zaccheus Ndirangu	
Para 1257	Uncleared Balances	Under exchequer issue balances are carried forward pending finalization of respective year audit and authority to clear from treasury. However clearance is done by posting the treasury authority in the cash book and not by journal entry.	Resolved	Zaccheus Ndirangu	
Para 1258	Suspense	The statement of asset & liabilities as at 30th June 2013	Resolved	Zaccheus	

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)
	Account	reflected a total of kshs 25,412,526.75 for the financial year 2012/2013 and balance brought forward from prior year of kshs 6,577,707.70. Therefore, there figure of kshs 31,990,234.45 is a combination of the two balances. (See Annex 2)		Ndirangu	
Para 1259	Paymaster General Account	The PMG account balance of kshs 62,505,322.75 is combined prior year balance of kshs 18,391,185.85 & F/Y 2011/2012 balance of kshs 44,114,136.90. See Annex3???? It is true as reported in 2011-2012 the statement excluded Exchequer debit balance of kShs. 236,313,951.35 and GAV credit balance of KShs. 265,020,880.00 but it is not true the figures were cleared in 2011.2012 Financial Year. Clearance of the balances will be issued by treasury after finalization of the accounts for the period. It is true that the GAV brought forward balance of KShs. 369,104,978.00 in 2011-2012 financial year differed with the 2010-2011 carried forward balance of 363,726,403.00 by a difference of KShs. 5,378,575.00, this amount is the excess A.I.A that was surrendered to the treasury. (See annex 4)	Resolved	Zaccheus Ndirangu	
Para 1260	Paymaster General Account	The resultant difference of KShs. 6,336,607.05 between the two sets of record is the un-presented payments entered in the cashbook but yet to be cleared by the central bank of Kenya as at 30th June 2013.	Resolved	Zaccheus Ndirangu	
Para 1261	Pending Bills	These resulted from the rollover of pending bills, from	Resolved	Zaccheus	

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>earlier year 2011/2012 and were paid in 2012/2013. The ministry was not able to pay all certificates presented by contractors since life of projects run for more than one financial year. The Ministry also encountered some Treasury exchequer release challenges during the month of June 2013 and approval of supplementary II estimates by parliament done too close to the financial year end to alleviate the problem.</p>		Ndirangu	
Para 1262	Government Housing project at West park	<p>The contractor has been handing over phases of the project as they get completed and according to the contract. It is true that the project would have been completed in time but the contract was extended to 2nd October, 2014. Interest on delayed payments is payable in accordance with clause 23.3 of the conditions of contract as soon as the contractor provides proof of delay in honouring certificates. Delays in honouring certificates have been occasioned by inadequate funding and inadequate exchequer releases. (See Annex 4A)</p>	Resolved	Zaccheus Ndiragu	
Para 1263	Refurbishment of MOW Sports club	<p>Initially there was a long delay in handing over the entire site to the contractor due to constrain of the limited site and the presence of the earlier contractor who was still on site. This attracted a contractual claim on extended preliminaries</p>	Resolved	Zaccheus Ndiragu	

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)
		and enhanced rates from the contractor and had to be paid as stipulated in the contract			
Para 1264	Completion of New Mitihani House Phase V	It is true that the status of the project was 55% complete. Interest on delayed payments was due to inadequate exchequer releases. There would not be any delayed payment if the exchequer is given on time. Interest of delayed payments is payable in accordance with clause 23.3 of the conditions of contract as soon as the contractor provides proof of delay in honouring certificates. Delays in honouring certificates have been occasioned by inadequate funding. There was no pending bill at the end of the financial year but several payment vouchers were still pending unpaid and funds given could not clear all the pending certificates at once.(See Annex 6)	Resolved	Zaccheus Ndiragu	
Para 1265	Kibish Police Station and GSU Base Camp Project	The contract was extended to 12th December, 2013 please see (Annex 6)	Not resolved	Richard Nya.../Zaccheus Ndiragu	
Para 1266	Unvouched Expenditure	It is correct that Certificates No. 1,2 and 3 on account of Quantibill Consult and Certificates No. 1 and 2 on account of Gibb Africa Ltd were not availed for audit review . These payment certificates could not be retrieved from the archives at the time. These were payments that were made before the ministry of roads and public works split into two ministries. These payment vouchers remained with the ministry of	Not resolved	Richard Nya .../Zaccheus Ndiragu	

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)
		Roads. However, file copies are available for audit review. (See Annex 6)			
Para 1267		<p>The permissible Contractual Claims of KShs. 41,698,988.00 consisted of three distinct items as follows:</p> <ol style="list-style-type: none"> 1. Interest on delayed payments 2. Preliminaries 3. Redundant labour, plant and equipment on site. <p>The amount paid on interest on delayed payment was KShs 6,662,177.00 using the CBK rates at the time, the interest on the delayed payment works out to 4,356,265.81, representing an overstatement of KShs. 2,305,911.19 and not KShs. 37,342,723.15 as stated. The project is ongoing and currently at 70% completion. The overstated amount will be recovered from subsequent payments due to the contractor. Annex Letter to contractor informing on this???</p>	Resolved	Zaccheus Ndirangu	
Para 1268	Overpayment	<p>As similarly reported in 2011/2012, examination of payment vouchers and supporting certificates revealed that by 21 December, 2011, the contractor had been paid a cumulative amount of Kshs.836,711,224.95 in respect of Certificates Nos. 1 to 11. Included in this cumulative amount is an amount of Kshs.74,983,650.00 relating to Civil Works which were overstated by Kshs.300,000.00.</p>	Resolved	Zaccheus Ndirangu	

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>Response</p> <p>It is correct that there was an overpayment in certificate no.11 amounting to KShs 300,000.00. This was due to a typographical error in the payment certificate. The amount in the payment certificate was KShs. 74,983,650.00 while the figure in the backup for the same certificate was KShs. 74,683,650.00. The error will be adjusted in the next certificate due to the contractor as we have indicated above that the works are still ongoing.</p> <p>(See Annex 6)</p> <p>Certificate for correcting the error???</p>			
Para 1269	Milimani-Siwakafi, Kirmuk-Endo and Cheptoo Footbridges	<p>We hereby attach completion certificate and handover certificates and photos.</p> <p>Project completion certificate ????</p>	Resolved	Zaccheus Ndirangu	
Para 1270	Cost Overruns	<p>It is true the review of the records available at the Ministry of Public Works Eldoret, showed that numerous site instructions were issued which led to price variations which were not properly supported. As at March 2012 work on the on the three footbridges had been completed at a cost of KShs 28,958,542.00 which was KShs. 2,819,054.00 over and above the contract sum of KShs. 26,139,488.00.</p> <p>The additional cost were due to extra works including creation of access path to the footbridge and also due to</p>	Resolved	Zaccheus Ndirangu	

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>currency fluctuations which raised cost of the vehicle. These works had not been documented in the contract but were necessary for the use of the footbridge. Was it within 15% variation limit????? Was additional work approved???</p>			
Para 1271	Overpricing of project vehicle and ineligible payment of maintenance costs	<p>The reason for late delivery was due to the fact that the vehicles were out of stock. The correspondence on the supply of the vehicle is at (Annex 7). The shop price stated in the report does not include costs of insurance, anti-theft devices etc. which were specified in the Bills of Quantities. The payment to the Contractor factored all these and was as per the Bills of Quantities. Moreover there was change of import cost of vehicle due to currency fluctuation.</p>	Resolved	Zaccheus Ndirangu	
Para 1272	Ownership of Vehicle	<p>The vehicle was registered in the name of the Contractor as required as per the Contract. The registration of the project vehicle is usually done initially in the name of the Contractor to protect the Government from liabilities including accident claims. The purchase agreement was done before the end of the Contract and required the name of the Contractor to be used in the log book.</p>	Resolved	Zaccheus Ndirangu	
Para 1273	Chepkemei, Muruny and Nakwijit-	<p>The additional costs were due to extra works including creation of access path to the footbridge and also due to currency fluctuations which raised cost of the project.</p>	Resolved	Zaccheus Ndirangu	

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)
	Lokichar Footbridges	These works had not been documented in the Contract but were necessary for the use of the footbridge. The shop price stated in the report did not include costs of insurance, anti-theft devices etc. which were specified in the Bills of Quantities. The payment to the Contractor factored all these and was as per the Bills of Quantities.			
Para 1274	Overpricing of Project Vehicle and Ineligible Payment of Maintenance Costs	The costs of running and maintaining the vehicle were not covered by the warranty. The warranty on a vehicle covers manufacturer's defects which may arise during the stated period and not fuel, service and maintenance which were quoted items in the contract. The vehicle was available for about 50% of the Contract duration. However the Contractor provided another vehicle for project supervision before delivery of the project vehicle whose running and maintenance costs were met from the Contract.	Resolved	Zaccheus Ndirangu	
Para 1275	Ownership of the vehicle	Beside the cost of the vehicle, the contractor incur costs on insurances, anti- theft devices, running & fuelling costs during the project implementation, all of which add up to the cost of the vehicle. The costs are contained in the bills of quantities and therefore do not amount to over payment. The process of transfer of the vehicle to	Resolved	Zaccheus Ndirangu	

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)
		the government is normally done after project completion and has commenced			
Para 1276/1277	Taita, Msambweni and Changanwe Footbridges and Overpricing	<p>The Contract for the construction of the three (3) footbridges was awarded on 26th August, 2010 and not on 20th April, 2010 (See Annex 8)</p> <p>It is not correct that the provision for the purchase of a four wheel drive project vehicle was Kshs.4,830,000.00. The Contractor quoted for Kshs.4,500,000.00 to supply the project vehicle (See ANNEX 8).</p> <p>Payments to Contractors for quoted prices are paid in full and not based on the direct purchase cost. Contractor's rates for items listed in the Bills of Quantities also include profit and overhead costs to cover for obligations under the contract. The Contractor could therefore not have been paid Kshs. 3,800,000.00 as quoted by Toyota Kenya, Mombasa as stated in the audit report. Therefore, the contractor was not overpaid.</p>	Resolved	Zaccheus Ndirangu	
Para 1278	Ownership of the Vehicle	<p>It is correct that the Contractor procured the vehicle on loan; however, this was before he had been paid for the same as payment was done after delivery of the vehicle. The project vehicles remains under the ownership of the contractor for the duration of the contract for the purpose of insurance, fuelling and maintenance as covered under the contract. The vehicle reverts to Government ownership after the end of the contract.</p> <p>The process of converting the ownership of the vehicle to the</p>	Resolved	Zaccheus Ndirangu	

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)
		Government has started in earnest (See Annex 8)			
Para 1279	District Works Office	The reason for non-payment of the various certificates as presented, arose from the fact that this was one of the districts headquarter included towards the end of economic stimulus program. Financial year 2013/2014 did not have budget allocation for economic stimulus to clear the outstanding bills. In the current financial year, the ministry has been allocated kshs 32,850,000.00 to clear the bills and this will be paid.	Resolved	Zaccheus Ndirangu	
Para 1280	Unbudgeted Projects	The construction of the residential house did not require reallocation for funding since the AIEs were for civil works and buildings (both residential & non-residential) Therefore the funds were appropriately applied and proper charge on public funds.	Resolved	Zaccheus Ndirangu	
Para 1281	Ogembo Bus Park Foot Bridge	It is true the footbridge stalled after a protracted period of non-payment but it is not true that the project was stopped by the National Environment Management Authority (NEMA) .Local leaders demanded extension of the bridge span to cover a wider area	Resolved	Zaccheus Ndirangu	
	Statement of asset and liabilities for D159 (Basis of Disclaimer of Opinion)	The IFMIS system does not provide all items shown in the statement e.g. PMG and suspense account balances. However, all balances are usually supported with schedules for audit purpose. The amount of Kshs.80,238,719.50 as reflected in the	Resolved	Zaccheus Ndirangu	

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>statement of assets and liabilities</p> <p>The District Suspense Account debit balance of kshs 78,006,142.85 relates to AIEs issued to various Districts but Expenditure/District Data had not been received. However, the analysis for district suspense account for KShs 67,538,456.65 was done and submitted for audit review. We shall submit the difference of 10,467,686.20 once the exercise is completed. A team of accountants has been tasked to address this analysis conclusively. (See Annex 8A)</p> <p>Under exchequer issue balances are carried forward pending finalization of respective year audit and authority to clear from treasury. However clearance is done by posting the treasury authority in the cash book and not by journal entry. It is true that the trial Balance as at 30th June 2013 reflects district Suspense, Stale cheques. Headquarter Recurrent Cash and ministry Headquarters Bank Account debit balances totalling kshs 4,528,725,222.25. It also reflects Refer to Drawer Cheques, General Suspense Account and Cash Clearing Account credit balances totalling kshs 13,036,964,520.70. This arose from use of the wrong trial balance but a lesser scope trial balance in soft copy with items that have a direct effect on the appropriation account for audit review was provided.</p>			
Para 1282	Bank	i) Payments in cashbook not in bank statement	Resolved	Zaccheus	



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)
	Reconciliation Statements	<p>(Unpresented). It is correct that payments amounting to kshs 92,398,766 were still appearing as payment in cashbook not in bank statements. Efforts have been made to clear the amounts and reconcile the difference so far the balance has been cleared to 63,638,718.65 and the exercise is still ongoing. A team of accountants have been tasked to address these issues conclusively. (See Annex 1)</p> <p>(ii) Receipt in cashbook not in bank It is correct that receipt amounting to kshs 43,425,280.60 were still appearing as receipt in cashbook not in bank. We have continued to clear these amounts and currently the balance outstanding is KShs. 4,811.50 as per the latest Bank Reconciliation Statement attached. A team of accountants have been tasked to address these issues conclusively. (See Annex 1)</p> <p>(iii) Payments in Bank Statement not in Cashbook It is correct that payments amounting to kshs 111,753,272.65 were still appearing as payment in bank not in cashbook We have continued to clear this amount and currently the balance outstanding is KShs.46,371,706.65 As per the latest Bank Reconciliation Statement attached. A team of accountants have been tasked to address these issues conclusively. (See annex I)</p> <p>(iv) Receipt in cashbook not bank statement It is correct that receipt amounting to kshs 25,882,249.35 were still appearing as receipt in bank not cashbook. Efforts have been made to</p>		Ndirangu	

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)
		clear the amounts and reconcile the difference so far the balance has been cleared to kshs.18,392,249.10 and the exercise is still ongoing. A team of accountants have been tasked to address these issues conclusively. (See annex I)			
	Statement of assets and liabilities deposit 159	The IFMIS system does not provide all items shown in the statement e.g. PMG and suspense account balances. However, all balances are usually supported with schedules as required.	Resolved	Zaccheus Ndirangu	
		We noted that some receipts captured in the schedule submitted to you were for F/Y 2011/2012. This anomaly was corrected and amended schedule resubmitted for audit review. (See Annex 9)			
		The overall difference of Kshs. of 33,866,620.35 is as a result of deposits paid through the IFMIS and G-pay systems and posted in the cash book but no exchequer was issued to honor the same. The payments have since been reversed. A figure of Kshs. 437,480 reflected as cash on hand was actually an imprest surrender which is usually posted as a contra entry in the cash book. The balance carried down in the cash book was nil (See annex 10)			
		The figures of financial year 2011/2012 were opening balances for 2012/2013 whereas balances for 2012/2013			

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>represented transactions of receipts and payments that took place during that year. The total between the opening and closing figures were for comparison purposes only.</p> <p>It is true that the statement as at 30th June 2013 reflects a balance brought forward as other deposits of Kshs. 229,455,388.65.</p> <p>It is not true that the amount included Kshs. 474,140,908.05 and Kshs. 234,858,022 relating to retention money and miscellaneous deposits. The balances are quoted in the statement as other deposits since they represent bank guarantees received from contractors and held by the Ministry. The amount of Kshs. 229,455,388.65 held by the ministry is in respect of Dimken limited for west park housing project. A court case on this contract is yet to be determined. (See Annex 11)</p> <p>It is true the statement as at 30th June 2013, reflects under Miscellaneous Deposit and Other Deposits brought forward balances of KShs. 79,586,059.35 and KShs 229,455,388.65 totalling KShs. 309,041,448.00 which differed with the Trial Balance figure of 53,620,825.40 against General Deposits Account. The amount of Kshs. 229,455,388.65 held by the ministry is in respect of Dimken limited for west park housing project. A court case on this contract is yet to be determined. ((See Annex 11)</p>			
Par 1282	Bank reconciliation	It is correct that Bank Reconciliation Statement for deposit 159 as at 30th June 2013 reflected payments in cash book	Resolved	Zaccheus Ndirangu	

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)
	Statement	<p>not recorded in bank statement, receipts in bank statement not recorded in cashbook, payment in the bank statement not in the cashbook and receipt in cash book not in the bank statement totalling to; kshs 7,511,697.80, kshs 36,691,889.00, kshs 5,628,005.70 & kshs 72,442,201.45 respectively.</p> <p>Efforts have been made to clear all outstanding bank reconciliation issues and the current status is as follows; Payments in cash book not recorded in bank statement, receipts in bank statement not recorded in cashbook, payment in the bank statement not in the cashbook and receipt in cash book not in the bank statement totalling to; kshs 3,056,568.45, kshs 3,238,943.80, kshs 5,628,005.70 & kshs 5,244,888.45 respectively.</p> <p>. A team of accountants have been tasked to address these issues conclusively. (See annex 1)</p>			
Para 1283	Accuracy of the Fund Balances	<p>It is correct that the stores and services fund account reflects unsettled losses account balances of Kshs 145,375,999.30 .This included the balance b/f of Kshs 136,721,571.35. The analysis has been provided and attached. The balance of Kshs 145,375,999.30 has remained unchanged for 3 years because there was no auction that took place.</p>	Resolved	Zaccheus Ndirangu	
Para 1285	Losses Account	<p>A select committee has been tasked to deal with outstanding balances ,losses from auctions ,obsolete stocks and donations after which a loss report will be prepared.</p>			
Para 1286	Debtor	<p>The long outstanding debts amounting to Ksh 64,069,466.45</p>	Resolved	Zaccheus	

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)
	Account	arose from various government ministries failure to honour payment of goods provided for a long time. The recovery of debts had been compounded by various reorganisations and restructuring of the functions of government.		Ndirangu	
Par 1287	Unsupported Account Balances	The matter relates to overdraft that was taken over by treasury and cashbook overdraft whose details will be analysed by the task team that has been established	Resolved	Zaccheus Ndirangu	
Para 1288	Suspense credit Balance	The business of the stores and services fund went down due to ministries managing and sourcing of common user items elsewhere . This affected the generation of mark-up that arose from the provisions of goods. During the period, the goods to generate mark-up did not trade.	Resolved	Zaccheus Ndirangu	
Para 1289	Bank Reconciliation	The long outstanding bank reconciliation items will be addressed by the task committee dealing with other matters of historical legacies which are the subject of audit.	Resolved	Zaccheus Ndirangu	

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


Principal Secretary


Principal Accounts Controller

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

1) Lands Directorate

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
				2014
Africa Nazarene Total	45,250	30/06/2014	-	45,250
Avanti Computers Total	790,000	30/06/2014	-	790,000
Banco Agencies Total	9,998,620	30/06/2014	-	9,998,620
Belkings Butchery Supplies Total	1,096,900	30/06/2014	-	1,096,900
Bephat Enterprises Total	81,800	30/06/2014	-	81,800
Bestways Technical Total	3,300,000	30/06/2014	-	3,300,000
Broadlink General Merchants Total	1,387,275	30/06/2014	-	1,387,275
Commissioner of Income TAX Total	1,155,950	30/06/2014	-	1,155,950
Compunet Digital Total	12,124,000	30/06/2014	-	12,124,000
Compunet Digital Systems Total	131,100	30/06/2014	-	131,100
Computer Pride Total	111,360	30/06/2014	-	111,360
Creative Consolidated Total	276,080	30/06/2014	-	276,080
Dosama Investments Total	533,100	30/06/2014	-	533,100
DT Dobie Total	46,226	30/06/2014	-	46,226
Elevator General Services Total	941,602	30/06/2014	-	941,602
Euphrates Investments Total	309,750	30/06/2014	-	309,750
Flagstne Merchants Total	8,818,000	30/06/2014	-	8,818,000
G.G Enterprises Total	119,245	30/06/2014	-	119,245
Gazeti Ltd Total	765,580	30/06/2014	-	765,580
Graken General Supplies Total	480,000	30/06/2014	-	480,000
Intercity Secure Homes Total	151,380	30/06/2014	-	151,380
Jesmus General Agencies Total	625,000	30/06/2014	-	625,000

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 For the year ended June 30, 2014

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
Jodavi Marketing Services Total	60,000	30/06/2014	-	60,000
Kare Commercial Agencies Total	234,120	30/06/2014	-	234,120
Kenya Power and Lighting Co. Total	10,555,048	30/06/2014	-	10,555,048
Kevikat Company Total	340,000	30/06/2014	-	340,000
Lavingtom Security Services Total	105,814	30/06/2014	-	105,814
Lenaq Supplies Total	61,000	30/06/2014	-	61,000
Lokaki Investments Total	8,839,158	30/06/2014	-	8,839,158
Magi Wave Communications Total	376,000	30/06/2014	-	376,000
Magic Wave Communications Total	2,392,000	30/06/2014	-	2,392,000
Mercury Circle Merchants Total	481,800	30/06/2014	-	481,800
Modern Hypermat Slns Total	2,300,000	30/06/2014	-	2,300,000
Modern Hypermat Slts Total	2,050,000	30/06/2014	-	2,050,000
Modern Hypermat Solutions Total	5,851,200	30/06/2014	-	5,851,200
Nairobi Water Company Total	1,111,935	30/06/2014	-	1,111,935
Nality Supplies Ltd Total	492,900	30/06/2014	-	492,900
Nathania Investments Total	491,400	30/06/2014	-	491,400
Nation Media Group Total	860,720	30/06/2014	-	860,720
Nation Media Group Ltd Total	166,299	30/06/2014	-	166,299
New KCC Total	342,000	30/06/2014	-	342,000
One way Cleaning Services Total	164,000	30/06/2014	-	164,000
Pago Airways Travel Total	118,300	30/06/2014	-	118,300
Pekasna Ltd Total	680,000	30/06/2014	-	680,000
Philad Kitui Enterprises Total	282,400	30/06/2014	-	282,400
Rentokil Initial Total	45,017	30/06/2014	-	45,017
Signature Holding E.A Total	170,000	30/06/2014	-	170,000
Specicom Technologies Total	163,500	30/06/2014	-	163,500
Summit Sales & Services Total	5,800,000	30/06/2014	-	5,800,000

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 For the year ended June 30, 2014

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
Sunbeam Computers Total	2,527,200	30/06/2014	-	2,527,200
Telkom Kenya Total	2,434	30/06/2014	-	2,434
Tom Autocare Total	80,179	30/06/2014	-	80,179
Total Kenya Total	909,724	30/06/2014	-	909,724
Tradecart Agencies Total	4,615,000	30/06/2014	-	4,615,000
Trasal Communications Total	990,000	30/06/2014	-	990,000
Tresal Communication Total	62,000,000	30/06/2014	-	62,000,000
Tripple tours Total	141,400	30/06/2014	-	141,400
Triza Investments Total	8,610,587	30/06/2014	-	8,610,587
Trizwood Traders Total	171,840	30/06/2014	-	171,840
Utalii Hotel Total	350,000	30/06/2014	-	350,000
Veron General Supplies Total	267,500	30/06/2014	-	267,500
Woof Enterprises Total	332,250	30/06/2014	-	332,250
Zika General Merchants Total	585,855	30/06/2014	-	585,855
Grand Total	169,406,798			169,406,798

2) **Public Works Directorate**

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
				2014
Alexia Investments Total	460,000	30/06/2014	-	460,000
Board of Registration of Architects Total	2,649,500	30/06/2014	-	2,649,500
Brinks Security Total	12,812,200	30/06/2014	-	12,812,200
Cheroma Communicatins Total	1,884,000	30/06/2014	-	1,884,000
Cheroma Communicatios Total	942,000	30/06/2014	-	942,000
Conerstone Security Total	1,367,640	30/06/2014	-	1,367,640
Copy cat ltd Total	2,416,550	30/06/2014	-	2,416,550
Cornerstone Security Services Total	4,102,920	30/06/2014	-	4,102,920
County Works -Nairobi Total	138,900	30/06/2014	-	138,900
Crown Beverages Ltd Total	379,104	30/06/2014	-	379,104
East Africa Elevators Total	1,440,780	30/06/2014	-	1,440,780
Finetops Enterprises Total	3,085,489	30/06/2014	-	3,085,489
Hatari Security Total	6,533,120	30/06/2014	-	6,533,120
Institute of Quantity Surveyors Total	112,500	30/06/2014	-	112,500
IQSK Total	225,000	30/06/2014	-	225,000
Jantech Express Total	375,000	30/06/2014	-	375,000
Kajhan Quick Service Total	210,600	30/06/2014	-	210,600
Karura Engineering Works Ltd Total	3,163,939	30/06/2014	-	3,163,939
Kenya Power Lighting CO. Total	1,467,204	30/06/2014	-	1,467,204
KIHBT Total	604,800	30/06/2014	-	604,800
Kilasiku Newspapers Total	628,201	30/06/2014	-	628,201

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 For the year ended June 30, 2014

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
KSG-Embu Total	2,911,210	30/06/2014	-	2,911,210
Lavington Security Total	10,759,000	30/06/2014	-	10,759,000
Mechanical Engineering Total	119,760	30/06/2014	-	119,760
Mfi Documents Solutions ltd Total	664,205	30/06/2014	-	664,205
MOW Sports Club Total	10,095,558	30/06/2014	-	10,095,558
Nairobi water Total	408,557	30/06/2014	-	408,557
Nation Media Group Total	178,350	30/06/2014	-	178,350
National Construction Authority Total	10,070,724	30/06/2014	-	10,070,724
Nzouni Enterprises Total	277,500	30/06/2014	-	277,500
Office Technologies Total	959,552	30/06/2014	-	959,552
Office Technologies Total	315,184	30/06/2014	-	315,184
Officer In charge Supplies Branch Total	3,736,038	30/06/2014	-	3,736,038
Okoa Small Enterprises Total	240,000	30/06/2014	-	240,000
Oneway Cleaning Services Total	427,635	30/06/2014	-	427,635
Puriget Enterprises Total	501,000	30/06/2014	-	501,000
San Fan General Total	203,000	30/06/2014	-	203,000
Siaki Office Supplies Total	596,602	30/06/2014	-	596,602
Telkom Kenya Total	556,826	30/06/2014	-	556,826
The Architectural Association Kenya Total	324,500	30/06/2014	-	324,500
Grand Total	88,344,646			88,344,646

3) **Housing Directorate**

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
Bamwi Consulting Services Total	498,750	30/06/2014	-	498,750
Banco Agencies Total	4,982,253	30/06/2014	-	4,982,253
Bephat Enterprise Total	480,600	30/06/2014	-	480,600
Bephat Enterprises Total	9,898,000	30/06/2014	-	9,898,000
Blackwood Ltd Total	4,206,351	30/06/2014	-	4,206,351
Brinks Security Total	1,915,160	30/06/2014	-	1,915,160
City Professional Total	215,400	30/06/2014	-	215,400
Creative Consolidated Total	1,534,294	30/06/2014	-	1,534,294
Davicky Enterprises Total	500,000	30/06/2014	-	500,000
Edmonton Technologies Total	210,100	30/06/2014	-	210,100
Fastight Agencies Total	4,266,056	30/06/2014	-	4,266,056
Fratech Motors Total	248,710	30/06/2014	-	248,710
Frijo Enterprises Total	6,892,812	30/06/2014	-	6,892,812
Halyards Ventures Total	4,109,283	30/06/2014	-	4,109,283
Homestead Services Ltd Total	1,157,100	30/06/2014	-	1,157,100
Joesign Enterprises Total	3,219,496	30/06/2014	-	3,219,496
Kasera Enterprises Total	258,500	30/06/2014	-	258,500
Kenpat Communications Total	559,500	30/06/2014	-	559,500
Kenpat Communications Total	573,000	30/06/2014	-	573,000
Kenya Power Lighting Co. Total	67,254	30/06/2014	-	67,254
KIHBT Total	618,800	30/06/2014	-	618,800
Kyavanzi Farmers Total	973,170	30/06/2014	-	973,170
Kyeiga Enterprises Total	486,050	30/06/2014	-	486,050
Lastra Agencies Total	319,600	30/06/2014	-	319,600

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 For the year ended June 30, 2014

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
Lavington Security Total	549,720	30/06/2014	-	549,720
Leeds Equipment Total	416,000	30/06/2014	-	416,000
Macom Agencies Total	3,435,885	30/06/2014	-	3,435,885
Mercury Circles Total	5,384,377	30/06/2014	-	5,384,377
MFI Document Total	239,632	30/06/2014	-	239,632
Mocam Security Total	657,450	30/06/2014	-	657,450
MOW Sports Club Total	31,500	30/06/2014	-	31,500
Nairobi General Supplies Total	679,040	30/06/2014	-	679,040
Naivas Ltd Total	532,840	30/06/2014	-	532,840
Nation Media Group Total	226,200	30/06/2014	-	226,200
Pago Airways Travel Total	586,845	30/06/2014	-	586,845
PS MOLHUD Total	7,384,389	30/06/2014	-	7,384,389
Secure Homes Total	4,323,049	30/06/2014	-	4,323,049
Senta General Merchants Total	190,280	30/06/2014	-	190,280
Shika Shika Security Total	38,790	30/06/2014	-	38,790
Start General Total	4,994,020	30/06/2014	-	4,994,020
Stejapat Enterprises Total	498,500	30/06/2014	-	498,500
Super Broom Services Total	106,325	30/06/2014	-	106,325
Telkom Kenya Total	1,854	30/06/2014	-	1,854
Triza Investments Total	7,674,049	30/06/2014	-	7,674,049
Winners Frontier Ltd Total	280,000	30/06/2014	-	280,000
Grand Total	86,420,984			86,420,984

4) **Metropolitan Directorate**

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
Alpekiwa Enterprises Total	300,000	30/06/2014	-	300,000
Bernvert General Agencies Total	959,600	30/06/2014	-	959,600
Beton Stationers Total	800,000	30/06/2014	-	800,000
Bosmaj Traders Total	1,988,000	30/06/2014	-	1,988,000
Broken Q Total	880,000	30/06/2014	-	880,000
Capital Four Total	170,000	30/06/2014	-	170,000
Carojohns Total	827,000	30/06/2014	-	827,000
Cartic Enterprises Total	816,000	30/06/2014	-	816,000
Dennick Investment Total	900,000	30/06/2014	-	900,000
Diaz Enterprises Total	490,000	30/06/2014	-	490,000
Emsool Agencies Total	1,711,000	30/06/2014	-	1,711,000
Esclave General Supplies Total	900,000	30/06/2014	-	900,000
Franjos Enterprises Total	880,000	30/06/2014	-	880,000
Josmak Enterprises Total	155,700	30/06/2014	-	155,700
Kenya Bureau of Statistics Total	661,200	30/06/2014	-	661,200
Kenya School Of Law Total	36,644	30/06/2014	-	36,644
Kenyatta University Total	685,550	30/06/2014	-	685,550
Kimbro Investment Total	980,000	30/06/2014	-	980,000
Mafric Agency Total	970,700	30/06/2014	-	970,700
Meldina Investments Total	1,846,000	30/06/2014	-	1,846,000
Muneric Enterprises Total	1,475,000	30/06/2014	-	1,475,000
Mwesuje General Supplies Total	850,000	30/06/2014	-	850,000
Napato Agencies Total	470,000	30/06/2014	-	470,000
Optical Computers Total	385,000	30/06/2014	-	385,000

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 For the year ended June 30, 2014

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
Refugio Merchants Total	850,000	30/06/2014	-	850,000
Run-off Enterprises Total	720,000	30/06/2014	-	720,000
Telkom Kenya Total	17,868	30/06/2014	-	17,868
Wayside Investment Total	990,000	30/06/2014	-	990,000
Grand Total	22,715,262			22,715,262

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 For the year ended June 30, 2014

5) Urban Development Directorate

Supplier	Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance
Bonfield Ltd Total	933,000	30/06/2014	-	933,000
Brocken Q Total	2,020,000	30/06/2014	-	2,020,000
EsclaveGeneral Merchants Total	1,498,000	30/06/2014	-	1,498,000
Jaber Logistics Total	581,000	30/06/2014	-	581,000
Joblink Enterprises Total	817,600	30/06/2014	-	817,600
Kamwene Enterprises Total	1,000,000	30/06/2014	-	1,000,000
Kimus Total	1,320,000	30/06/2014	-	1,320,000
Modern Business Slns Total	1,435,000	30/06/2014	-	1,435,000
Mwesuje Enterprises Total	1,484,000	30/06/2014	-	1,484,000
Pong Agencies Total	706,000	30/06/2014	-	706,000
Telkom Kenya Total	304,000	30/06/2014	-	304,000
The Star Publications Total	131,555	30/06/2014	-	131,555
Trimelink Network Total	1,187,750	30/06/2014	-	1,187,750
Uchumi Supermarkets Total	295,240	30/06/2014	-	295,240
Vals Investment Total	769,470	30/06/2014	-	769,470
Grand Total	14,482,615			14,482,615

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

1) Lands Directorate

Supplier	Amount	Date	Amount Paid To-Date	Outstanding Balance
Cosmas maithya Total	21,750	30/06/2014	-	21,750
Director of Survey Total	44,578	30/06/2014	-	44,578
Dorcas Wandia Total	50,000	30/06/2014	-	50,000
Franklin Munyasya Total	29,912	30/06/2014	-	29,912
Jemimah Marete Total	16,200	30/06/2014	-	16,200
Lucy Kabaya Total	30,000	30/06/2014	-	30,000
Naume Samba Total	100,000	30/06/2014	-	100,000
Naumi Samba Total	50,000	30/06/2014	-	50,000
Robert Obususru Total	61,585	30/06/2014	-	61,585
Winfred Muritu Total	6,000	30/06/2014	-	6,000
Grand Total	410,025			410,025

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 For the year ended June 30, 2014

2) **Public Works Directorate**

Supplier	Amount	Date	Amount Paid To-Date	Outstanding Balance
Anne Wanja Total	273,100	30/06/2014	-	273,100
Catherine Muli Total	380,000	30/06/2014	-	380,000
Charity Kariuki Total	20,000	30/06/2014	-	20,000
Cosmas Maweu Total	50,000	30/06/2014	-	50,000
James Kahunyo Total	245,950	30/06/2014	-	245,950
Jaseck Muragara Total	171,650	30/06/2014	-	171,650
Jason Muraa Total	131,000	30/06/2014	-	131,000
Joel Maina Total	756,480	30/06/2014	-	756,480
Joseck Njagi Total	570,310	30/06/2014	-	570,310
Joseph Githaiga Total	516,450	30/06/2014	-	516,450
Justus Karuri Total	202,300	30/06/2014	-	202,300
Maina Muchemi Total	278,500	30/06/2014	-	278,500
Mary Mundia Total	50,980	30/06/2014	-	50,980
Mercy Muthoni Total	284,000	30/06/2014	-	284,000
Paul Nguthiru Total	210,000	30/06/2014	-	210,000
Paul Nguthitu Total	250,000	30/06/2014	-	250,000
Silvia Njagi Total	600,000	30/06/2014	-	600,000
Sophia Oyoo Total	21,304	30/06/2014	-	21,304
Zaccheus Ndiragu Total	6,000	30/06/2014	-	6,000
Grand Total	5,018,024			5,018,024

Ministry of Land, Housing and Urban Development
 Reports and Financial Statements
 For the year ended June 30, 2014

3) Housing Directorate

Supplier	Amount	Date	Amount Paid To-Date	Outstanding Balance
County Director-Siaya	1,886,300	30/06/2014	-	1,886,300
Daniel Ndiragu	18,350	30/06/2014	-	18,350
Daudi Makite	25,920	30/06/2014	-	25,920
Emmy Ruto	21,950	30/06/2014	-	21,950
Hodon Hassan	4,000	30/06/2014	-	4,000
Lucy Muthike	15,000	30/06/2014	-	15,000
Nelson Kipchirchir	834,100	30/06/2014	-	834,100
Nelson Namisi	10,000	30/06/2014	-	10,000
Pamela Akinyi	10,000	30/06/2014	-	10,000
PS MOLHUD	50,810	30/06/2014	-	50,810
	2,876,430			2,876,430

4) Metropolitan Directorate

Supplier	Amount	Date	Amount Paid To-Date	Outstanding Balance
Ephraim Musambuli Total	487,000	30/06/2014	-	487,000
Eunice Kimani Total	21,600	30/06/2014	-	21,600
Grace Gwaro Total	476,800	30/06/2014	-	476,800
Jane Burugu Total	73,000	30/06/2014	-	73,000
Joyce nganga Total	12,000	30/06/2014	-	12,000
Mercy Wangeci Total	12,000	30/06/2014	-	12,000
PS MOLHUD Total	1,398,979	30/06/2014	-	1,398,979
Rose Nderitu Total	40,000	30/06/2014	-	40,000
S.Indeche Total	400,000	30/06/2014	-	400,000
Grand Total	2,921,379			2,921,379



ANNEX 3 - ANALYSIS OF OUTSTANDING IMPRESTS

Lands Directorate

	NAME	P/NO	DESG	J.G	DEPT	W/NO	ISSUED	DUE ON	OUTSTANDING
1	DILEH MUTISYA	1981033345	SRMA			1741196	27/08/2013	09/10/2013	13,750
2	PURITY W. MWANGI	89024374	CHIEF SELF OFF	M	LANDS	1792973	27/09/2013	15/10/2013	91,900
3	MASIRA J.MIDIRD	1980080917	SCA			1793860	18/09/2013	10/05/2013	60,000
4	JOHN K MWANIKI	1986074540	SLS	L'	SURVEY	1840411	04/10/2013	17/10/2013	4,000
5	SARA MWENDA	91024225	SRRP.STATE		ADMIN	1840488	18/10/2014	04/11/2013	186,174
6	NICHOLAS OBIERO NGANGA	1987111379	SLSA	L'	SURVEY	1942820	12/03/2014	15/04/2014	42,500
7	STEPHEN G. MAYAKA	1991091418	CLAO		ADJ.SETTL	1890703	16/01/2014	20/02/2014	198,000
8	SIMON M. NYAKORIA	1988130334	CLAO		ADJ.SETTL	1890704	16/01/2014	20/02/2014	188,000
9	MARTIN OKIETA ODHIAMBO	2006048072	LAND REGISTRER	M	ADMIN	1962570	15/04/2014	15/05/2014	138,000
10	JEFFERSON NYAKAMBA	1995006392	DRIVER	G	KISM	1896249	26/05/2014	30/03/2014	28,200
11	JOHNSON NYANGWOSO	91043449	DRIVER	K'	SURVEY	1942890	03/04/2014	05/04/2014	11,000
12	M MUCHARU	200229879	D/MAN	K'	ADMIN	1942911	03/04/2014	05/04/2014	10,000
13	FLORENCE MUNGIRIA	1982038217	PP	K'	ADMIN	1896089	08/04/2014	05/04/2014	30,000
14	PURITYM MWANIKI	2006047262			KISM	1896106	17/03/2014	10/04/2014	12,000
15	JACOB SHADIVA	1985097846	SSA	L	SURVEY	1856026	12/11/2013	05/12/2013	8,000
16	DAVID K SOI		HRMO1	K'	WORKS	1856231	21/11/2013	05/12/2013	38,500
17	ISAAC MUMO WAMBUA	200205625	DRIVER	D'	NLC	1890596	24/02/2014	28/02/2014	6,000
18	LYDIA W.MUGO	201245137	SAD	Q'	SURVEY	1962654	05/07/2014	20/05/2014	154,350
19	JOSEPH WAMEHIU	1989024497	ET		SURVEY	1962587	24/04/2014	30/04/2014	14,000
20	Bernard k. kinyamu	2011046996	LS11	K'	SURVEY	1942814	03/10/2014	15/4/14	244,000



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

	NAME	P/NO	DESG	J.G	DEPT	W/NO	ISSUED	DUE ON	OUTSTANDING
2 1	ELIZABETH KAKAI KINGAI	2011047243	LS11		SURVEY	1748337	10/03/2013	15/10/13	7,500
2 2	BERNARD KAHINDI KIPROTICH	1993072892	SLS	M	SURVEY	1748336	10/08/2013	15/10/13	45,000
2 3	ELIUD M.KIRETAI	1989100382	SNR PHOTO	L	KISM	1896129	26/5/14	30/5/14	110,948
2 4	COMM ABDUL KADIR	2013012645			NLC	1890586	22/1/14	02/04/2014	78,000
2 5	PAUL KALOKI	1991099220	DRIVER	K'	SURVEY	1793940	10/08/2013	20/10/13	21,000
2 6	PATRICK BUCHA	89009138	AG.DIRECTOR		HOUSING	1840487	05/05/2014		212,350
2 7	HASSAN ALIO	1988030649	CO	F	HOUSING	1856234	12/04/2013	12/05/2013	33,000
2 8	Peter K. Kahuho	81135529	ASLC	S	lands	1962792	28/5/14	06/03/2014	36,000
2 9	David Wachira Kabugi	1990166951	Driver	G	Housing	1896138	25/5/14	06/05/2014	50,500
3 0	Daniel Maina Wambugu	2004002415	Driver	F	Survey	1962815	18/6/14	20/6/14	50,866
3 1	Paul Njoroge Ndungu	2006000040	SLS	M	Survey	1913194	06/06/2014	25/6/14	394,400
	TOTAL								2,517,938



Housing Directorate

	NAME	P/NO	IMPREST NO	DATE ISSUED	DUE ON	OUTSTANDING
1	CLEMENT A.D OCHALLA	1997024126	1165848	05.12.13	20.12.13	450,000
2	EPHANUEL M. MBAKA	2009007449	1754077	27.03.13	15.04.14	130,000
3	ARCH KIBISU LINUS KIAI	1986084561	1789494	19.05.14	05.06.14	61,250
4	BERNARD ONGAKI GISIRA	2009079470	1754144	06.06.14	20.06.14	29,800
	TOTAL					671,050

