

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 08 MAY 2019	DAY: WED
TABLED BY: The Majority Whip Hon. Benjamin W. Wachira	
CLERK-AT-THE-TABLE: M. Mado	

REPORT



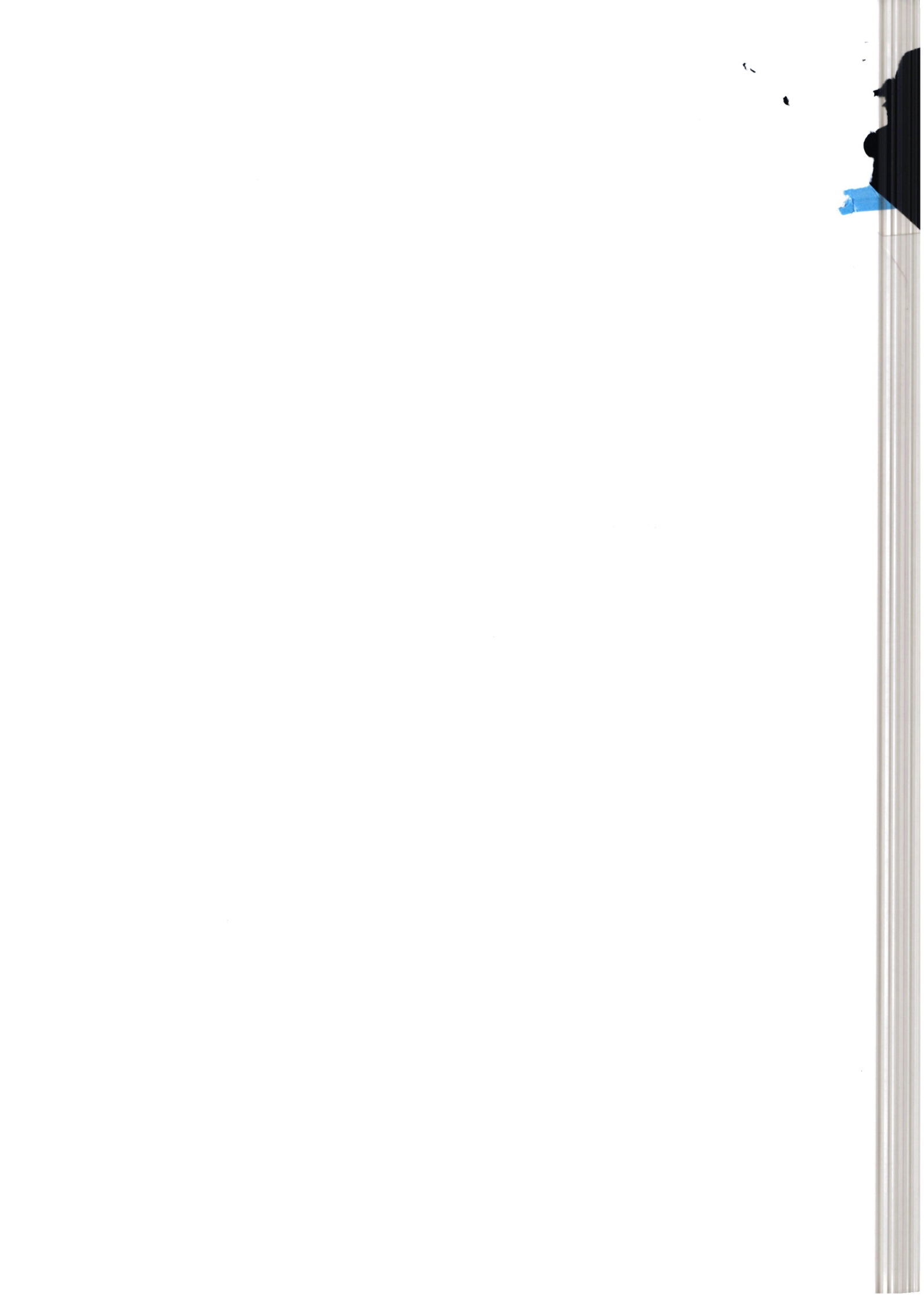
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
MINISTRY OF TOURISM

FOR THE YEAR ENDED
30 JUNE 2018





**MINISTRY OF TOURISM
VOTE 1201**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018**

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

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

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I. KEY MINISTRY INFORMATION AND MANAGEMENT

(a) Background information

The Ministry of Tourism was formed by Executive Order No.1 /2016 dated May 2016(Organisation of the Government of the Republic of Kenya). At Cabinet level, the Ministry is represented by the Cabinet Secretary for Tourism, who is responsible for the general policy and strategic direction of the Ministry. The Vision of the Ministry of Tourism is to make Kenya “To be the preferred tourism destination of choice” while the Mission is “To develop, manage and market sustainable tourism in Kenya”. The mandate of the Ministry of Tourism is Tourism Policy and Standards, Development, Promotion and Marketing of Tourism, Tourism Research and Monitoring, Protection of Tourism and Regulation, Tourism Financing and Tourism Training.

(b) Key Management

The Ministry of Tourism day-to-day management is under the following key organs:

- Senior Management Committee
- Ministerial Human Resource Advisory Committee

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June, 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Fatuma M. Hirsi
2.	Tourism Secretary	Said Athman
3.	Director of Administration	Albert Kobia
4.	Chief Finance Officer	Margaret Byama
5.	Assistant Accountant General	Rita Njiru
6.	Chief Economist	Simon Korir

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(d) Fiduciary Oversight Arrangements

- *Audit committee activities*
- *Ministerial budget implementation committee*

(e) Ministry of Tourism Headquarters

NSSF Building, Block A 15th Floor
Ngong Rd 5th Avenue
P.O Box 30126
Nairobi, Kenya

Contacts

Telephone: (254) 20 315001-6
E-mail: ps@tourism.go.ke
Website: www.tourism.go.ke

(f) Bankers

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

(g) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(h) Principal Legal Adviser

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

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II. FORWARD BY THE CABINET SECRETARY

The Tourism sector plays an important role in the economy of Kenya through its contribution to Gross Domestic Product (GDP), employment and foreign exchange earnings. It also has several linkages with other sectors of the economy. This puts the sector as a good pedestal to catalyze investment and growth in other sectors and therefore stimulate economic diversification across sectors through multiplier effect.

The Kenya Vision 2030 identifies Tourism as one of the key sectors that will spearhead the envisaged economic growth rate of 10% per annum in the medium term. The overall aim of the tourism sector is to position Kenya among the top ten long haul tourist destinations offering a high end, diverse and distinctive and unique visitor experience.

The total allocation for the Ministry in the 2017-2018 Financial year was Kshs. 2.744 Billion of which Kshs. 1.763 Billion (65%) was Recurrent and Kshs. 0.98 Billion (35%) being Development. The actual expenditure amounted to Kshs. 2.10 Billion translating to an absorption rate of 76.5%. This is represented as follows:

No	Economic Classification	Amount (Kshs Millions)	Percentage
1	Compensation of Employees	186	9%
2	Transfers to SAGAS	1,351	64%
3	Acquisition of Assets	189	9%
4	Others	383	18%
	Total	2,109	100%

During the Financial year, the Ministry's programmes were geared towards recovery and growth of the tourism industry and sustaining it towards increased tourism sector contribution to the economy. The year 2017 witnessed sustained growth in international arrivals and earnings, a trend which had commenced in 2015. The security situation in the Country normalized, this led to the lifting of travel restrictions to Kenya by key source markets. Additionally, strategic marketing and destination reassurance efforts provided the much needed impetus to put the sector firmly on the recovery path.

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**TOTAL
INTERNATIONAL
ARRIVALS**



2017 **1,474,671**
2016 **1,342,899**
2015 **1,180,500**

**UP
9.8%**

**TOURISM
RECEIPTS**



2017 **Ksh 119.9 bn.**
2016 **Ksh 99.69 bn.**
2015 **Ksh 84.6 bn.**

**UP
20.3%**

Aggressive tourism promotion in both the domestic and international markets together with enhanced security within the country saw an improvement in the tourism sector during the year. Tourism receipts grew to Kshs 119.9 Billion in 2017 from 99.7 Billion the previous year. This was as a result of an increase in international tourist arrivals from 1,339,700 Million to 1,448,800 million. Domestic bed-night occupancy stood at 3.645 million against the previous year's 3.495 million.

Specific programmes and activities that contributed to the improved performance include creating brand awareness and sustaining growth in key markets and increased penetration into new markets. This was done through various programs like joint marketing campaigns with Huawei in China, Joint marketing campaign with Travel Trade United States Tour Operator Association's Annual (USTOA) conference, participating in travel expos, direct consumer engagement in the USA, strategic

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partnerships with premium brands as well as PR and Media interviews to maintain the visibility of the brand.

To stimulate growth and grow awareness of the domestic market, various programmes like the Tembea, *Kenyanamimi* campaign and other social media campaigns were undertaken. In addition, various cultural festivals were undertaken across the country. Stakeholder engagements for both the local and international stakeholders were undertaken, like foreign correspondents breakfast forum and domestic familiarization trips. Other programs and initiatives included targeted trade forums in a number of counties, implementation of a 360 degree communication framework as well as installing a number of tourist signages.

Product and Infrastructure development was also another key focus of the Ministry during the financial year with focus on innovative and sustainable products. The Ministry carried on with the development of Nairobi International Convention and Exhibition Centre (NAICEC) which aims at expanding the MICE tourism capacity. Development of cruise terminal in Mombasa is also underway as well as the construction of Ronald Ngala Utalii College in Kilifi. The Ministry also continued with the rehabilitation works on one of the access roads to Meru National Park from Farm to Murera Gate.

Other initiatives included efforts to mainstream Women and Youth into Tourism. One such intervention “Ushanga Programme”, which is part of the ‘big four’ agenda with the aim of adding value to locally made products to increase income for Kenyans specifically Women from the beads producing communities. Secondly, as regards youths, the ministry rehabilitated the little theater club in Mombasa, as a way of developing music and performing arts talent, one of the flagship projects under Vision 2030 and a potential tourism product.

On emerging issues, today’s traveller is technology savvy and technology plays an immense role in choosing a destination and in consumption of the tourism product offering. In addition, the tourists are increasingly becoming sophisticated, wants experiential travel to interact with the destination. Tourists have changed across the generations ranging from the young millennials and the baby boomers. Policy interventions are being formulated taking into considerations some of these emerging issues. These emerging issues have been mainstreamed in the National Tourism Blueprint.

Tourism sector experienced a number of challenges which included product quality, incidences of poaching, inadequate physical infrastructure, inadequate bed capacity and poor distribution of facilities across regions, funding challenges and weak inter-governmental collaboration among others.

Hon. Najib Balala, EGH

CABINET SECRETARY

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STATEMENT OF MINISTRY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Ministry shall prepare financial statements in respect of that Ministry. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the Ministry of Tourism is responsible for the preparation and presentation of the Ministry's financial statements, which give a true and fair view of the state of affairs of the Ministry for and as at the end of the financial year (period) ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Ministry; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Ministry; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the Ministry of Tourism accepts responsibility for the Ministry's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Ministry's financial statements give a true and fair view of the state of Ministry's transactions during the financial year ended June 30, 2018, and of the Ministry's financial position as at that date. The Accounting Officer charge of the Ministry of Tourism further confirms the completeness of the accounting records maintained for the Ministry, which have been relied upon in the preparation of the Ministry's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the Ministry of Tourism confirms that the Ministry has complied fully with applicable Government Regulations and the terms of external financing covenants (where

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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 Accounting Officer confirms that the Ministry's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The Ministry's financial statements were approved and signed by the Accounting Officer on 31st December 2018.



Principal Secretary

Name: Joe Okudo



Principal Accountant

Name: Isaac Mbuthia

ICPAK Member No.8730



REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON MINISTRY OF TOURISM FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ministry of Tourism set out on pages 8 to 42 which comprise the statement of financial assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of changes in equity, statement of cash flows and statement of comparison of budget and actual amounts 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 35 of the Public Audit Act, 2015. 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.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ministry of Tourism as at 30 June 2018 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccurate Cash and Cash Equivalents

The cash and cash equivalents as at 30 June reflected Kshs.32,545,359. However, the supporting trial balance indicated a figure of Kshs.14,450,735,288 resulting to an unreconciled difference of Kshs.14,418,189,929 as tabulated below:-

Bank Account No.	Balance as Per Trial Balance Kshs.	Balance as Per Financial Statement Kshs.	Difference Kshs.
1000210133- Recurrent account	3,130,903,694	433,698	3,129,653,359
1000210095 - Development Account	4,820,828,208	598,042	4,820,826,122
1000212675 - Deposit Account	--	31,506,997	(31,506,997)

Report of the Auditor-General on the Financial Statements of Ministry of Tourism for the year ended 30 June 2018

Bank Account No.	Balance as Per Trial Balance Kshs.	Balance as Per Financial Statement Kshs.	Difference Kshs.
Cash in hand	6,499,003,386	6,622	6,498,996,764
Total	14,450,735,288	32,545,359	14,418,785,885

In view of the above unreconciled differences, it has not been possible to confirm the accuracy and completeness of cash and cash equivalents balance of Kshs.32,545,359 as at 30 June 2018.

2. Expenditure on Payment of a Pending Bill and Non-Disclosure

As reported in the previous year's audit, the Ministry made a payment of Kshs.150 million to a local law firm in respect of pending bill from the former Ministry of Trade. Available information indicates that the payment was in respect of an initial bill of Kshs.12 million payables to Tele News Africa and Atlantic Region but which was in contention as the contract for advertising services by the firm had expired in June 2004 but the firm continued to render the service. The Attorney General vide letter Ref. A.G/CIR/3016/04 in 2006 observed that the Ministry was obligated to settle the claim since the Ministry agreed to participate in disputed third phase of the Programme. As at 17 June 2010, the bill had accumulated to Kshs.52,606,872 being outstanding amount plus 3% interest since 2004. In August 2011, the Attorney General advised the Ministry of Trade and Industry to pay the contractual amount but negotiate the interest payable even though there was no formal contract for Phase 11. However, the advice was not adhered to.

The firm went to court for non-payment and by the judgement dated 24 July 2012 ruled in their favour, the firm was awarded Kshs.110,061,691 being the initial Kshs.12 million plus 26% interest since April 2004. Part payment was made in July 2013 of Kshs.65 million as interest continued to accumulate. As at December 2016, the outstanding bill had accumulated to Kshs.210 million.

It was noted that there was lack of diligence on the side of the then Ministry's officials in allowing the company to continue offering the services without a valid contract. There was also further negligence on part of the officials in not adhering to the professional advice by the Attorney General to pay the outstanding amount and negotiate the interest payable in 2011. Had this advice been followed, this could have saved the Government the interest accumulated of Kshs.198 million.

In the year under review, a further payment of Kshs.70 million was made. Despite the fact that the Ministry to date has paid Kshs.220 million against Kshs.210 million as per December 2016 accumulated balance, the Ministry has since received an estimation statement from the Attorney General instructing the Ministry to pay a further amount of Kshs.62 million arising from the accrued interest. The same has not been disclosed on the face of the financial statements nor by way of notes.

Consequently, there is risk of further loss of public funds through continued accumulated interest and penalties. The Ministry should therefore fast track on settlement of this issue to avoid further interest and penalties.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Ministry of Tourism in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAIs and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no Key Audit Matters to communicate in my report.

Other Matter

1. Budget Under Absorption

The following expense items were noted to have significant under absorption;

Program	Item	Description	Final Budget Kshs.	Actual Expense Kshs.	Variance Kshs.	Variance %
306000000		Tourism Development and Promotion	3,689,008,614	3,015,059,025	673,949,589	18%
	2520000	Subsidies	116,600,000	-	116,600,000	100%
	2630000	Transfer to other Government Units	2,729,868,517	2,253,782,739	476,085,778	17%
	3110000	Acquisition of Assets	253,021,941	189,904,622	63,117,319	25%
	2210000	Goods and Services	361,586,673	343,049,093	18,537,580	5%

Consequently, the Ministry may not have achieved its desired objectives in its planned activities.

2. Unrelated Expenditure on Various Items and Unrealistic Budget

The Ministry's mandate entails the management to spend mainly on items aimed at development of tourism policy and standards, development, promotion, marketing of tourism, tourism research and monitoring, protection of tourism and regulations, tourism financing, tourism training, tourism recovery and supervision. However in the cause of audit it was not possible to establish how Kshs.63,731,876 spent on various heads/items were related to tourism recovery as detailed below;

No.	Nature of Item	Specific Expenditure	Amount Kshs.
1	Hospitality Supplies and Services	Token of Appreciation Task Force	720,000
2	Specialized materials and services	Task force	5,001,600
3	Foreign Travel	Task Force	320,100
4	Operating Expenses	Task Force	3,753,000
5	Acquisition of Assets-Tourism Recovery	Task Force (Various) Imprest Surrender	18,172,627 35,764,550
Total			63,731,876

3. Acquisition of Assets - Tourism Recovery

As previously reported in the year ended 30 June 2017, the Ministry spent an amount of Kshs.1,042,214,337 under expenditure item acquisition of assets (tourism recovery) sub-item; research, studies, project preparation, design and supervision. The scrutiny of the expenditure in the previous year revealed that an amount of Kshs.206,569,933 was incurred on items not related to tourism recovery. Further, most of the expenditure were recurrent in nature rather than development (acquisition of assets) as ought to have been the case. Consequently, it was not possible to confirm propriety of funds amounting to Kshs.206,569,933 as then reflected in the financial statements.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the basis for Qualified Opinion section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Qualified

Report of the Auditor-General on the Financial Statements of Ministry of Tourism for the year ended 30 June 2018

Opinion section of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with international Public Sector Accounting Standards (Cash Basis) and for maintaining effective 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 and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, management is responsible for assessing the Ministry's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Ministry's or to cease operations, or have no realistic alternative but to do so.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Ministry's financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment

Auditor-General's Responsibilities for the Audit of the Financial Statements

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level

of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and the audit of compliance, I consider internal control in order to give an assurance on effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article (229)(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in the amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue to sustain its services. If I conclude that a material

uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Ministry to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Ministry to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



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

Nairobi

29 March 2019



MINISTRY OF TOURISM**Reports and Financial Statements****For the year ended June 30, 2018****III. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2017-2018 Kshs	2016-2017 Kshs
RECEIPTS			
Exchequer releases	1	2,105,599,884	4,652,850,000
Transfers from Other Government Entities	2	2,450,005	0
Proceeds from Sale of Assets	3	0	24,000
Other Receipts	4	902,357,570	745,132,313
TOTAL RECEIPTS		3,010,407,459	5,398,006,313
PAYMENTS			
Compensation of Employees	5	186,831,481	223,270,827
Use of goods and services	6	343,049,093	102,666,515
Transfers to Other Government Units	7	2,253,782,739	3,997,132,313
Other grants and transfers	8	24,100,000	21,949,281
Social Security Benefits	9	16,999,998	2,644,125
Acquisition of Assets	10	189,904,622	1,042,700,957
TOTAL PAYMENTS		3,014,667,933	5,390,364,018
SURPLUS/DEFICIT		(4,260,474)	7,642,295

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on 31st December 2018 and signed by:



Principal Secretary
Name: Joe Okudo



Principal Accountant
Name: Isaac Mbutia
ICPAK Member No.8730



MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

IV. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017-2018	2016-2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	11A	32,538,737	45,101,844
Cash Balances	11B	6,622	0
Total Cash and cash equivalent		32,545,359	45,101,844
Accounts receivables – Outstanding Imprests	12	2,343,460	(3,352,148)
TOTAL FINANCIAL ASSETS		34,888,819	41,749,696
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	13	31,506,997	34,107,400
NET FINANCIAL ASSETS		3,381,822	7,642,296
REPRESENTED BY			
Fund balance b/fwd	14	7,642,296	132,040,085
Prior year adjustment	15	0	(132,040,085)
Surplus/Deficit for the year		(4,260,474)	7,642,295
NET FINANCIAL POSITION		3,381,822	7,642,295

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on 31st December 2018 and signed by:

Principal Secretary
Name: Joe Okudo

Principal Accountant
Name: Isaac Mbuthia
ICPAK Member No.8730

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

V. STATEMENT OF CASH FLOWS

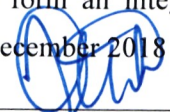
		2017-20 18	20 16 -20 17
		Kshs	Kshs
Receipts for operating income			
Exchequer Releases	1	2,105,599,884	4,652,850,000
Transfers from Other Government Entities	2	2,450,005	0
Other Revenues	4	902,357,570	745,132,313
		3,010,407,459	5,397,982,313
Payments for operating expenses			
Compensation of Employees	5	186,831,481	223,270,827
Use of goods and services	6	343,049,093	102,666,515
Transfers to Other Government Units	7	2,253,782,739	3,997,132,313
Other grants and transfers	8	24,100,000	21,949,281
Social Security Benefits	9	16,999,998	2,644,125
		2,824,763,311	4,347,663,061
Adjusted for:			
Changes in receivables		(5,695,608)	4,275,115
Changes in payables		(2,600,403)	(13,361,040)
Adjustments during the year		0	(132,040,085)
Net cash flow from operating activities		177,348,138	909,193,242
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	3	0	24,000
Acquisition of Assets	10	(189,904,622)	(1,042,700,957)
Net cash flows from Investing Activities		(189,904,622)	(1,042,676,957)
CASHFLOW FROM BORROWING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENT			
		(12,556,485)	(133,483,715)
Cash and cash equivalent at BEGINNING of the year	14	45,101,844	178,585,558
Cash and cash equivalent at END of the year		32,545,359	45,101,843

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on 31st December 2018 and signed by:

Principal Secretary
Name: Joe Okudo



Principal Accountant
Name: Isaac Mbutia
ICPAK Member No.8730



Reports and Financial Statements
For the year ended June 30, 2018

VI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Exchequer releases	5,798,900,000	(3,054,891,386)	2,744,008,614	2,105,599,884	638,408,730	77%
Transfers from Other Government Entities	0	0	0	2,450,005	(2,450,005)	#DIV/0!
Other Receipts -AIA	979,000,000	(34,000,000)	945,000,000	902,357,570	42,642,430	95%
TOTAL RECEIPTS	6,777,900,000	(3,088,891,386)	3,689,008,614	3,010,407,459	678,601,155	82%
PAYMENTS						
Compensation of Employees	79,500,000	107,331,483	186,831,483	186,831,481	3	100%
Use of goods and services	110,606,118	250,980,556	361,586,674	343,049,093	18,537,581	95%
Subsidies	216,800,000	(100,200,000)	116,600,000	0	116,600,000	0%
Transfers to Other Government Units	3,923,300,000	(1,193,431,483)	2,729,868,517	2,253,782,739	476,085,778	83%
Other grants and transfers	11,700,000	12,400,000	24,100,000	24,100,000	0	100%
Social Security Benefits	0	17,000,000	17,000,000	16,999,998	2	100%
Acquisition of Assets	1,011,543,882	(758,521,941)	253,021,941	189,904,622	63,117,319	75%
TOTAL PAYMENTS	5,353,450,000	(1,664,441,385)	3,689,008,615	3,014,667,933	674,340,682	82%
Surplus/Deficit	1,424,450,000	(1,424,450,001)	(1)	(4,260,474)	4,260,473	

**MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018**

Notes

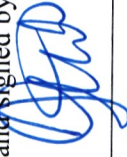
- (a) Underutilization (below 90% of utilization) in Transfers to Other Government Units and Acquisition of Assets was due to lack of exchequer
- (b) The changes between the original and final budget are as a result of reallocations within the budget and budget cuts.

The Ministry financial statements were approved on 31st December 2018 and signed by:



Principal Secretary

Name: Joe Okudo



Principal Accountant

Name: Isaac Mbuthia

ICPAK Member No.8730

Reports and Financial Statements
For the year ended June 30, 2018

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Exchequer releases	1,877,900,000	(114,141,386)	1,763,758,614	1,550,941,924	212,816,690	88%
Transfers from Other Government Entities			0.00	2,450,005	(2,450,005)	
Other Receipts - AIA	979,000,000	(34,000,000)	945,000,000	902,357,570	42,642,430	95%
TOTAL RECEIPTS	2,856,900,000	(148,141,386)	2,708,758,614	2,455,749,499	253,009,115	91%
PAYMENTS						
Compensation of Employees	79,500,000	107,331,483	186,831,483	186,831,481	3	100%
Use of goods and services	110,606,118	250,980,556	361,586,674	343,049,093	18,537,581	95%
Subsidies	216,800,000	(100,200,000)	116,600,000	0	116,600,000	0%
Transfers to Other Government Units	1,013,300,000	989,068,517	2,002,368,517	1,890,032,739	112,335,778	94%
Other grants and transfers	11,700,000	12,400,000	24,100,000	24,100,000	0	100%
Social Security Benefits	0	17,000,000	17,000,000	16,999,998	2	100%
Acquisition of Assets	543,882	(271,941)	271,941	0	271,941	0%
TOTAL PAYMENTS	1,432,450,000	1,276,308,615	2,708,758,615	2,461,013,311	247,745,304	91%
Surplus/ Deficit	1,424,450,000	(1,424,450,001)	(1)	(5,263,812)	5,263,811	

Notes

(a) The changes between the original and final budget are as a result of reallocations within the budget and budget cuts. The Ministry financial statements were approved on 31st December 2018 and signed by 

Principal Secretary
Name: Joe Okudo

Principal Accountant
Name: Isaac Mbuthia
ICPAK Member No.8730


MINISTRY OF TOURISM
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SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT


Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Exchequer releases	3,921,000,000	(2,940,750,000)	980,250,000	554,657,960	425,592,040	57%
TOTAL RECEIPTS	3,921,000,000	(2,940,750,000)	980,250,000	554,657,960	425,592,040	57%
PAYMENTS						
Transfers to Other Government Units	2,910,000,000	(2,182,500,000)	727,500,000	363,750,000	363,750,000	50%
Acquisition of Assets	1,011,000,000	(758,250,000)	252,750,000	189,904,622	62,845,378	75%
TOTAL PAYMENTS	3,921,000,000	(2,940,750,000)	980,250,000	553,654,622	426,595,378	56%
Surplus/Deficit	0	0	0	1,003,338	(1,003,338)	

Notes

- (a) Underutilization of 50% and 75% of utilization in Transfers to Other Government Units and Acquisition of Assets respectively was due to lack of exchequer.
- (b) The changes between the original and final budget are as a result of budget cuts.

The Ministry financial statements were approved on 31st December 2018 and signed by: 

Principal Secretary
 Name: Joe Okudo


 Principal Accountant
 Name: Isaac Mbuthia
 ICPAK Member No.8730

Reports and Financial Statements

For the year ended June 30, 2018

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on	Budget
	20xx Kshs	Kshs	20xx Kshs	comparable basis Date, 20xx Kshs	utilization difference Kshs
Tourism Development and Promotion	6,777,900,000	(3,088,891,386)	3,689,008,614	3,015,059,025	673,949,589
Sub-programme 1: Tourism Promotion and Marketing	2,226,100,424	(1,014,500,424)	1,211,600,000	992,100,000	219,500,000
Sub-programme 2: Niche tourism product development and diversification	1,047,528,024	(477,389,795)	570,138,229	547,267,359	22,870,871
Sub-programme 3: Tourism Infrastructure Development	620,096,478	(282,596,478)	337,500,000	168,750,000	168,750,000
Sub-programme 4: Tourism Training & Capacity Building	1,315,523,195	(599,523,195)	716,000,000	648,164,222	67,835,778
Sub-programme 5:	1,568,651,879	(714,881,494)	853,770,385	658,755,205	195,015,180
TOTAL	6,777,900,000	(3,088,891,386)	3,689,008,614	3,015,036,786	673,971,828

MINISTRY OF TOURISM
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For the year ended June 30, 2018

IX. 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 Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Ministry

The financial statements are for the Ministry of Tourism The financial statements encompass the reporting Ministry as specified under section 81 of the PFM Act 2012 and also comprise of the following development projects implemented by the Ministry:

- (a) Sustaining new markets and sitting booths in tourism target markets
- (b) Meru national park access road
- (c) Little theatre club in Mombasa
- (d) Charter Incentive Programme
- (e) Tourism Recovery
- (f) Nairobi International Convention centre (NICEC)
- (g) Ronald Ngala Utalii College
- (h) Capital Lending to hotels

3. Reporting Currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

4. Significant Accounting Policies

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For the year ended June 30, 2018

The accounting policies set out in this section have been consistently applied by the Ministry for all the years presented.

a) Recognition of Receipts

The Ministry recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Ministry.

- **Transfers from the Exchequer**

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving Ministry.

- **Other receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognised in the financial statements the time associated cash is received.

b) Recognition of payments

The Ministry recognises all payments when the event occurs and the related cash has actually been paid out by the Ministry.

- **Compensation of Employees**

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

- **Use of Goods and Services**

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

- **Acquisition of Fixed Assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public Ministry and a summary provided for

MINISTRY OF TOURISM
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purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

5. 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.

Restriction on Cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2018, this amounted to Kshs 31,506,997.30 compared to Kshs 31,826,890.00 in prior period as indicated on note 13.

There were no other restrictions on cash during the year.

6. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

7. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

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8. Pending Bills

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

9. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2017 for the period 1st July 2017 to 30th June 2018 as required by Law and there were two supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-Ministry transfers.

10. Comparative Figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

11. 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 30th June 2018.

12. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented. During the year, errors that have been corrected are disclosed under note 15 explaining the nature and amounts.

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

X. NOTES TO THE FINANCIAL STATEMENTS

1 EXCHEQUER RELEASES

Description	2017 -2018	2016 -2017
	Kshs	Kshs
Total Exchequer Releases for quarter 1	460,484,484.00	1,056,150,000
Total Exchequer Releases for quarter 2	52,396,400.00	1,275,200,000
Total Exchequer Releases for quarter 3	774,250,000.00	53,800,000
Total Exchequer Releases for quarter 4	818,469,000.00	2,267,700,000
Total	2,105,599,884	4,652,850,000

Budgeted exchequer versus received exchequer varies due to exchequer requested but not funded during the year

2 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	20 17 -20 18	2016 -2017
	Kshs	Kshs
Transfers from Central government entities	2,450,005.00	0
TOTAL	2,450,005.00	0

The above transfers were received from the following self-reporting entities in the year

2a) TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	Recurrent	Development	Total	2017 -2018
	Kshs	Kshs	Kshs	Kshs
Transfers from Central government entities				
TOURISM REGULATORY AUTHORITY JUNE 2017 PE REFUND	2,450,005.00	0	2,450,005.00	2,450,005.00
TOTAL			2,450,005.00	2,450,005.00

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 PROCEEDS FROM SALE OF ASSETS

	2017 -20 18	2016 -2017
	Kshs	Kshs
Receipts from the Sale of Strategic Reserves Stocks	0	24,000.00
Total	0	24,000.00

4 OTHER REVENUES

Description	2017 -2018	2016 -2017
	Kshs	Kshs
Receipts from Administrative Fees and Charges - Collected as AIA	902,164,222	745,132,313
Other Receipts Not Classified Elsewhere	193,348	
Total	902,357,570	745,132,313

Other Receipts Not Classified Elsewhere comprise of:

- i. Salary refund i.r.o Simon Kiarie for May and June 2017 salary paid after secondment 178,348.00
- ii. FT18129Z0L7V received on 9th may in recurrent bank no details provided 15,000.00

5 COMPENSATION OF EMPLOYEES

	2017 -2018	2016 -2017
	Kshs	Kshs
Basic salaries of permanent employees	105,536,193	109,889,117.00
Personal allowances paid as part of salary	70,870,481	108,646,190.00
Personal allowances paid as reimbursements	10,424,807	4,735,520.00
Total	186,831,481	223,270,827

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 USE OF GOODS AND SERVICES

	2017 -2018	2016 -2017
	Kshs	Kshs
Utilities, supplies and services	990,000	703,038.00
Communication, supplies and services	1,558,384	4,155,640.00
Domestic travel and subsistence	23,428,234	6,018,861.00
Foreign travel and subsistence	31,009,994	8,934,051.00
Printing, advertising and information supplies & services	916,960	1,201,790.00
Rentals of produced assets	40,011,070	45,601,920.00
Training expenses	2,795,747	5,172,302.00
Hospitality supplies and services	9,132,315	6,616,430.00
Insurance costs	-	-
Specialized materials and services	30,715,756	15,045,969.00
Office and general supplies and services	1,785,946	4,011,023.00
Other operating expenses	184,801,288	909,461.00
Routine maintenance – vehicles and other transport equipment	4,053,962	705,083.00
Routine maintenance – other assets	320,607	1,214,679.00
Fuel Oil and Lubricants	11,491,031	2,376,268.00
Total	343,049,093	102,666,515

MINISTRY OF TOURISM**Reports and Financial Statements****For the year ended June 30, 2018****NOTES TO THE FINANCIAL STATEMENTS (Continued)****7 GRANTS AND TRANSFERS TO OTHER GOVERNMENT ENTITIES**

Description	2017 -2018	2016 -2017
	Kshs	Kshs
Transfers to National Government entities (SCOA Codes 2630100, 2630200, 2640400, 2640500, 2649900, 2820100, 2820200, 2820300)		
See attached list	2,253,782,739	3,997,132,313
TOTAL	2,253,782,739	3,997,132,313

The above transfers were made to the following self-reporting entities in the year:

Description	Recurrent	Development	A-I-A	2017-2018
	Kshs	Kshs	Kshs	Kshs
Transfers to SAGAs and SCs				
Tourism Regulatory Authority	201,000,000	15,000,000	131,000,000.00	347,000,000
Bomas of Kenya	249,768,517	20,000,000	195,000,000.00	464,768,517
Kenya Utalii College	130,000,000	25,000,000	473,164,222.00	628,164,222
Kenya Tourism Board	360,500,000	125,000,000	103,000,000.00	588,500,000
Tourism Fund	0	93,750,000	0	93,750,000
Tourism Finance Corporation	0	75,000,000	0	75,000,000
Tourism Research Institute	46,600,000	10,000,000		56,600,000
TOTAL	987,868,517	363,750,000	902,164,222	2,253,782,739

We have confirmed these amounts with the recipient entities and attached these confirmations as an Appendix to this financial statements

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 OTHER GRANTS AND TRANSFERS

Explanation	2017 -2018	2016 -2017
	Kshs	Kshs
Membership dues and subscriptions to international organizations	4,100,000	1,949,281
Scholarships and other educational benefits	20,000,000	20,000,000
Total	24,100,000	21,949,281

- (a) Scholarships were provided to Kenya Utalii College
(b) Subscription was to World Tourism Organization.

9 SOCIAL SECURITY BENEFITS

Explanation	2017 -2018	2016 -2017
	Kshs	Kshs
Government pension and retirement benefits	16,999,998	2,644,125
Total	16,999,998	2,644,125

Gratuity payments were to employees on contract at the end of their contacts

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 ACQUISITION OF ASSETS

Non Financial Assets	2017 -2018	2016 -2017
	Kshs	Kshs
Overhaul of Vehicles and Other Transport Equipment	0	486,620
Research, Studies, Project Preparation, Design & Supervision	189,904,622	1,042,214,337
Sub-total	189,904,622	1,042,700,957
Financial Assets		
Sub-total	0	0
Total	189,904,622	1,042,700,957

11A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit e.t.c	Exchange rate (if in foreign currency)	2017 -2018	2016 -2017
				Kshs	Kshs
<i>Central Bank of Kenya, 1000303255, KShs</i>		RECURRENT	1	433,698	13,008,083
<i>Central Bank of Kenya, 1000303263, KShs</i>		DEVELOPMENT	1	598,042	266,871
<i>Central Bank of Kenya, 1000303573, KShs</i>		DEPOSIT	1	31,506,997	31,826,890
<i>Central Bank of Kenya, 1000303298, KShs</i>		CBK 165	1	0	0
Total				32,538,737	45,101,844

MINISTRY OF TOURISM
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For the year ended June 30, 2018

11B: CASH IN HAND

	2017 -2018	2016 -2017
	Kshs	Kshs
Cash in Hand – Held in domestic currency	6,622	0
Total	6,622	0

12: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

<i>Description</i>	2017 -2018	2016 -2017
	Kshs	Kshs
Government Imprests	2,290,909	351,100
Salary advances	40,090	12,404
District suspense	0	(3,715,652)
Clearance accounts	12,461	0
Total	2,343,460	(3,352,148)

See annex 2

13. ACCOUNTS PAYABLE

Description	2017 -2018	2016 -2017
	Kshs	Kshs
Deposits	31,506,997	31,826,890
Amounts Payable to Third parties		2,280,510
Total	31,506,997	34,107,400

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

ANALYSIS OF DEPOSIT ACCOUNT NO.1000303573

DATE OF RECEIPT	MR NO.	FROM WHOM RECEIVED	PURPOSE OF DEPOSIT	AMOUNT
30-Jun-15	4382615	Flolizz Contractors	Retention Money	548,937.75
30-Jun-15	10000862	Mulji -Tourism Fund	Retention Money	25,000,000.00
6-Jul-17	7287690	Flolizz Contractors	Retention Money	672,069.20
6-Jul-17	7287689	Joytech Enterprises	Retention Money	1,004,803.60
10-Jul-17	7287691	Flolizz Contractors	Retention Money	4,281,186.75
TOTAL				31,506,997.30

14. FUND BALANCE BROUGHT FORWARD

Description	2017 -2018	2016 -2017
	Kshs	Kshs
Bank accounts	45,101,844	177,371,047
Cash in hand	0	1,214,511
Accounts Receivables	(3,352,148)	922,967
Accounts Payables	(34,107,400)	(47,468,440)
Total	7,642,296	132,040,085

15. PRIOR YEAR ADJUSTMENTS

Description of the error	2016-2017
	Kshs
Adjustments on bank account balances	(177,371,047)
Adjustments on cash in hand	(1,214,511)
Adjustments on payables	(922,967)
Adjustments on receivables	47,468,440
Others	0
Total	(132,040,085)

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

16. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the Financial Year 2014/2015 summary of issues raised by the external auditor, and recommendations by Parliamentary Account Committee.

FINANCIAL YEAR	PARAGRAPH NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
2014/2015	458.Expenditure Not Related to the State Department	<p>The Committee recommend that:-</p> <ol style="list-style-type: none"> 1. Within three months of the adoption of this Report, the former Accounting Officer, Dr. Ibrahim Mohammed should ensure that he liaises with the current Accounting Officer to avail to the Auditor General supporting documentation requested to support payment of Kshs.3,680,000.00 for audit verification and review. 2. Where the former Accounting Officer fails to provide the supporting documents, the Cabinet Secretary-National Treasury should proceed to surcharge him for Ksh.3,680,000.00 pursuant to the provisions of Article 226(5) of the Constitution and section 202 of the Public Finance Management Act, 2012. 3. The EACC and DCI must investigate the propriety of transfer of Ksh.3,680,000.00 from the State Department of Commerce and Tourism during the financial year 2014/2015 with a view to prosecuting any person found culpable for a criminal offence. 	<p>The current accounting officer liaised with the former accounting officer with a view of reviewing the supporting documents to be availed to the auditor.</p> <p>The following documents were then availed to the auditor for review and verification:</p> <ol style="list-style-type: none"> 1. Letter from Coffee directorate ref:ADM/2/8/2 C dated 6th july 2015 2. Copies of bank statements showing receipt and onward forwarding of Kshs.3,680,000.00

MINISTRY OF TOURISM**Reports and Financial Statements****For the year ended June 30, 2018**

2014/2015	459. Prior Year Adjustment	The Committee recommended that the Accounting Officers must at all times ensure that they provide the Auditor General and any other office, where relevant, with any information it may require to fulfill its functions pursuant to the provisions of section 68(2)(n) of the Public Finance Management Act, 2012.	Accurate and complete financial statements are submitted to the auditors within three months after the end of each financial year
2014/2015	460. Pending Bills	Resolved	
2014/2015	461. Late disbursements of Grants	<p>The Committee recommended that the Accounting Officers must at all times ensure that they:</p> <ol style="list-style-type: none">1. prepare annual cash flow which shall be broken down into a three months rolling basis and adjust them reflect any implementation realities in consultation with the National Treasury pursuant to the provisions of regulation 44(3) of the Public Finance Management (National Government) Regulations, 2015.2. submit financial statements for review at least within three months after the end of the financial year pursuant to the provisions of Section 81(4)(a) of the Public Finance Management Act, 2012.	Accurate and complete financial statements are submitted to the auditor within three months after the end of each financial year
2014/2015	462. Budgetary Control and Performance	Resolved	

MINISTRY OF TOURISM

Reports and Financial Statements

For the year ended June 30, 2018

2014/2015	463. Payments towards Ronald Ngala Utalii Academy	The Committee recommended that the Accounting Officers must ensure that all contracts entered into by the entity are lawful and are complied with pursuant to the provisions of section 68(2)(d) of the Public Finance Management Act, 2012.	The accounting officer has ensured that all contracts entered into by the state department are lawful and are complied with.
2014/2015	464. Open Plan Partitioning Contract at Utalii Housed 4 th Floor	<p>The Committee recommended that:</p> <ol style="list-style-type: none"> 1. Within three months of the adoption of this Report, the former Accounting Officer, Dr. Ibrahim Mohammed should ensure that he liaises with the current Accounting Officer to avail to the Auditor General justification for payment of Ksh8.5million without a signed contract. 2. where the former Accounting Officer fails to provide the supporting documents, the Cabinet Secretary – National Treasury should proceed to surcharge him for Ksh8.5million pursuant to the provisions of Article 226(5) of the Constitution and section 202 of the Public Finance Management Act, 2012. 3. the EACC and DCI should within three months after the adoption of this report, investigate the propriety of payment of Ksh8.5million from the State Department of Commerce and Tourism during the financial year 2014/2015 with a view to prosecuting any person found culpable for a criminal offence. 	<p>The current accounting officer liaised with the former accounting officer with a view of reviewing the supporting documents to be availed to the auditor.</p> <p>The following documents were then availed to the auditor for review and verification:</p> <ol style="list-style-type: none"> 1. Copy of the agreement dated 24th July, 2014. 2. Certificate No.2 for Contract No. MEAACT/13/2 013-14 dated 27th October 2014. 3. Certificate of practical completion dated 22nd October, 2014.

MINISTRY OF TOURISM

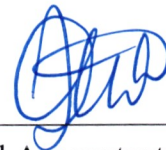
Reports and Financial Statements

For the year ended June 30, 2018

2014/2015	465. Payment of Irregular Pending Bills	The Committee recommended that the Accounting Officers must at all times ensure that they submit accurate and complete financial statements for review at least within three months after the end of the financial year pursuant to the provisions of section 81(4)(a) of the Public Finance Management Act, 2012.	Accurate and complete financial statements are submitted to the auditor within three months after the end of each financial year.
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Principal Secretary
Name: Joe Okudo



Principal Accountant
Name: Isaac Mbutia
ICPAK Member No.8730

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE
TABLE 1: PENDING VOUCHERS FROM ACCOUNTS

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance JUNE 2018	Comments
	A	B	c	d=a-c		
Construction of civil works						
FLOLIZ CONTRACTORS LIMITED	198,799,982.20	27/4/2017	42,811,867.40	155,988,114.80	19,288,302.60	ON-GOING CONTRACT/ Unfunded Exchequer
Sub-Total					19,288,302.60	
Supply of goods						
CARLPAX ENTERPRISES	552,000	21/6/2018	-	-	552,000	Unfunded Exchequer
DIATECH CLEANING SERVICES	1,230,000	21/6/2018	-	-	1,230,000	Unfunded Exchequer
JOCELLA INVESTMENTS	397,500	21/6/2018	-	-	397,500	Unfunded Exchequer
FAST CHOICE LIMITED	188,000	21/6/2018	-	-	188,000	Unfunded Exchequer
VIKES SUPPLIES LIMITED	1,225,000	21/6/2018	-	-	1,225,000	Unfunded Exchequer
DOCIE GENERAL SUPPLIERS	598,000	21/6/2018	-	-	598,000	Unfunded Exchequer
Sub-Total					4,190,500	
Supply of services						
PEARL BEACH HOTELS LTD	665,000	7/6/2018	-	-	665,000	Unfunded Exchequer
BATIAN CAPITAL LIMITED	2,194,816	24/5/2018	-	-	2,194,816	Unfunded Exchequer
HOPEODOR ENTERPRISES	989,200	21/6/2018	-	-	989,200	Unfunded Exchequer
SOLYNET WORKS AGENCIES	350,000	21/6/2018	-	-	350,000	Unfunded Exchequer
Supply of services						
TRAVEL MATTERS (K) LIMITED	37,800	31/5/2018	-	-	37,800	Unfunded Exchequer

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance JUNE 2018	Comments
TRAVEL MATTERS (K) LIMITED	58,400	31/5/2018	-	-	58,400	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	39,450	31/5/2018	-	-	39,450	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	68,790	31/5/2018	-	-	68,790	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	305,600	24/5/2018	-	-	305,600	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	69,350	31/5/2018	-	-	69,350	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	68,480	31/5/2018	-	-	68,480	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	186,250	24/5/2018	-	-	186,250	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	68,700	31/5/2018	-	-	68,700	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	42,300	31/5/2018	-	-	42,300	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	67,900	4/6/2018	-	-	67,900	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	40,800	31/5/2018	-	-	40,800	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	37,850	31/5/2018	-	-	37,850	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	850,000	24/5/2018	-	-	850,000	Unfunded Exchequer
TRAVEL MATTERS (K) LIMITED	69,400	31/5/2018	-	-	69,400	Unfunded Exchequer
GLOBUS TOURS & TRAVEL LIMITED	78,000	22/6/2018	-	-	78,000	Unfunded Exchequer
GLOBUS TOURS & TRAVEL LIMITED	49,200	24/5/2018	-	-	49,200	Unfunded Exchequer
GLOBUS TOURS & TRAVEL LIMITED	117,000	31/5/2018	-	-	117,000	Unfunded Exchequer
GLOBUS TOURS & TRAVEL LIMITED	39,000	24/5/2018	-	-	39,000	Unfunded Exchequer
ATTIC TOURS & TRAVEL LIMITED	104,325	24/5/2018	-	-	104,325	Unfunded Exchequer
ATTIC TOURS & TRAVEL LIMITED	195,500	24/5/2018	-	-	195,500	Unfunded Exchequer
ATTIC TOURS & TRAVEL LIMITED	167,895	24/5/2018	-	-	167,895	Unfunded Exchequer
ATTIC TOURS & TRAVEL LIMITED	78,160	24/5/2018	-	-	78,160	Unfunded Exchequer
ATTIC TOURS & TRAVEL LIMITED	69,550	24/5/2018	-	-	69,550	Unfunded Exchequer
ATTIC TOURS & TRAVEL LIMITED	73,790	24/5/2018	-	-	73,790	Unfunded Exchequer
ATTIC TOURS & TRAVEL LIMITED	168,765	24/5/2018	-	-	168,765	Unfunded Exchequer

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance JUNE 2018	Comments
ATTIC TOURS & TRAVEL LIMITED	36,410	24/5/2018	-	-	36,410	Unfunded Exchequer
ATTIC TOURS & TRAVEL LIMITED	39,040	24/5/2018	-	-	39,040	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	139,740	24/5/2018	-	-	139,740	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	258,160	24/5/2018	-	-	258,160	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	237,440	24/5/2018	-	-	237,440	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	166,655	7/6/2018	-	-	166,655	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	47,450	24/5/2018	-	-	47,450	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	197,880	24/5/2018	-	-	197,880	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	34,600	24/5/2018	-	-	34,600	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	1,034,800	24/5/2018	-	-	1,034,800	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	39,387	24/5/2018	-	-	39,387	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	58,760	24/5/2018	-	-	58,760	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	468,100	24/5/2018	-	-	468,100	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	1,466,435	24/5/2018	-	-	1,466,435	Unfunded Exchequer
THE TRAVEL LOUNGE LIMITED	762,295	24/5/2018	-	-	762,295	Unfunded Exchequer
KSG-LOWER KABETE	306,240	-	-	-	306,240	Unfunded Exchequer
SAFARICOM KENYA LIMITED	385,132	-	-	-	385,132	Unfunded Exchequer
Sub-Total					13,029,795	
Grand Total					36,508,597.60	

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Reports and Financial Statements

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**TABLE 2: PENDING WITH PROCUREMENT
ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX	Comments
	A	B	c	d=a-c		
Supply of services						
TRAVEL MATTERS (K) LIMITED	37,600		-	-	37,600	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	37,180		-	-	37,180	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	68,750		-	-	68,750	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	1,182,000		-	-	1,182,000	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	243,650		-	-	243,650	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	678,900		-	-	678,900	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	69,870		-	-	69,870	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	68,100		-	-	68,100	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	68,250		-	-	68,250	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	68,580		-	-	68,580	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	194,600		-	-	194,600	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	43,600		-	-	43,600	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	68,400		-	-	68,400	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	113,940		-	-	113,940	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	39,800		-	-	39,800	Closure of Ifmisis
TRAVEL MATTERS (K) LIMITED	38,800		-	-	38,800	Closure of Ifmisis

MINISTRY OF TOURISM
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For the year ended June 30, 2018

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX	Comments
TRAVEL MATTERS (K) LIMITED	77,400		-	-	77,400	Closure of Ifmis
TRAVEL MATTERS (K) LIMITED	38,900		-	-	38,900	Closure of Ifmis
TRAVEL MATTERS (K) LIMITED	75,200		-	-	75,200	Closure of Ifmis
TRAVEL MATTERS (K) LIMITED	39,700		-	-	39,700	Insufficient Funds
TRAVEL MATTERS (K) LIMITED	38,900		-	-	38,900	Closure of Ifmis
TRAVEL MATTERS (K) LIMITED	34,800		-	-	34,800	Closure of Ifmis
TRAVEL MATTERS (K) LIMITED	39,850		-	-	39,850	Insufficient Funds
TRAVEL MATTERS (K) LIMITED	69,870		-	-	69,870	Closure of Ifmis
TRAVEL MATTERS (K) LIMITED	42,900		-	-	42,900	Closure of Ifmis
TRAVEL MATTERS (K) LIMITED	68,500		-	-	68,500	Closure of Ifmis
ATTIC TOURS AND TRAVEL LIMITED	48,685		-	-	48,685	Closure of Ifmis
ATTIC TOURS AND TRAVEL LIMITED	438,900		-	-	438,900	Insufficient Funds
GLOBUS TOURS AND TRAVEL LIMITED	36,155		-	-	36,155	Closure of Ifmis
GLOBUS TOURS AND TRAVEL LIMITED	78,000		-	-	78,000	Closure of Ifmis
TONDWE AFRICA GROUP LIMITED	59,910		-	-	59,910	Closure of Ifmis
TONDWE AFRICA GROUP LIMITED	29,955		-	-	29,955	Closure of Ifmis
THE TRAVEL LOUNGE LIMITED	32,450		-	-	32,450	Closure of Ifmis
THE TRAVEL LOUNGE LIMITED	18,151		-	-	18,151	Closure of Ifmis
THE TRAVEL LOUNGE LIMITED	34,600		-	-	34,600	Closure of Ifmis
THE TRAVEL LOUNGE LIMITED	22,400		-	-	22,400	Closure of Ifmis
THE TRAVEL LOUNGE LIMITED	32,450		-	-	32,450	Closure of Ifmis

MINISTRY OF TOURISM

Reports and Financial Statements

For the year ended June 30, 2018

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX	Comments
THE TRAVEL LOUNGE LIMITED	33,600		-	-	33,600	Closure of Ifmimis
THE TRAVEL LOUNGE LIMITED	32,400		-	-	32,400	Closure of Ifmimis
AIMAT COMPANY LIMITED	814,641.60		-	-	814,641.60	Closure of Ifmimis
Sub-Total						
Grand Total					5,260,337.60	

MINISTRY OF TOURISM
Reports and Financial Statements
For the year ended June 30, 2018

TABLE 3: HISTORICAL PENDING BILLS
ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance 2017/18	Comments
A	B	C	D=A-C			
Supply of services						
ATTIC TOURS AND TRAVEL	12,635		-	-	12,635	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	147,010		-	-	147,010	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	87,710		-	-	87,710	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	25,940		-	-	25,940	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	35,175		-	-	35,175	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	69,200		-	-	69,200	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	30,600		-	-	30,600	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	29,500		-	-	29,500	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	67,540		-	-	67,540	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	57,610		-	-	57,610	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	26,140		-	-	26,140	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	39,410		-	-	39,410	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	32,365		-	-	32,365	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	66,060		-	-	66,060	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	198,740		-	-	198,740	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	198,740		-	-	198,740	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	67,840		-	-	67,840	Pending Supporting Documents

MINISTRY OF TOURISM

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance 2017/18	Comments
ATTIC TOURS AND TRAVEL	12,460		-	-	12,460	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	36,225		-	-	36,225	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	39,720		-	-	39,720	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	61,685		-	-	61,685	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	116,930		-	-	116,930	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	35,270		-	-	35,270	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	260,270		-	-	260,270	Pending Supporting Documents
ATTIC TOURS AND TRAVEL	39,800		-	-	39,800	Pending Supporting Documents
LONGROCK TOURS AND TRAVEL	27,375		-	-	27,375	Pending Supporting Documents
LONGROCK TOURS AND TRAVEL	20,445		-	-	20,445	Pending Supporting Documents
LONGROCK TOURS AND TRAVEL	28,410		-	-	28,410	Pending Supporting Documents
THE TRAVEL LOUNGE	39,675		-	-	39,675	Pending Supporting Documents
THE TRAVEL LOUNGE	16,975		-	-	16,975	Pending Supporting Documents
THE TRAVEL LOUNGE	29,790		-	-	29,790	Pending Supporting Documents
THE TRAVEL LOUNGE	33,450		-	-	33,450	Pending Supporting Documents
THE TRAVEL LOUNGE	59,700		-	-	59,700	Pending Supporting Documents
THE TRAVEL LOUNGE	37,780		-	-	37,780	Pending Supporting Documents
THE TRAVEL LOUNGE	59,480		-	-	59,480	Pending Supporting Documents
THE TRAVEL LOUNGE	29,800		-	-	29,800	Pending Supporting Documents
THE TRAVEL LOUNGE	59,480		-	-	59,480	Pending Supporting Documents
THE TRAVEL LOUNGE	96,880		-	-	96,880	Pending Supporting Documents

MINISTRY OF TOURISM
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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance 2017/18	Comments
THE TRAVEL LOUNGE	36,218		-	-	36,218	Pending Supporting Documents
THE TRAVEL LOUNGE	39,530		-	-	39,530	Pending Supporting Documents
THE TRAVEL LOUNGE	61,240		-	-	61,240	Pending Supporting Documents
THE TRAVEL LOUNGE	43,210		-	-	43,210	Pending Supporting Documents
THE TRAVEL LOUNGE	32,400		-	-	32,400	Pending Supporting Documents
THE TRAVEL LOUNGE	45,700		-	-	45,700	Pending Supporting Documents
THE TRAVEL LOUNGE	39,720		-	-	39,720	Pending Supporting Documents
AFRICAN TOUCH SAFARIS	30,000		-	-	30,000	Pending Supporting Documents
AFRICAN TOUCH SAFARIS	85,605		-	-	85,605	Pending Supporting Documents
AFRICAN TOUCH SAFARIS	17,750		-	-	17,750	Pending Supporting Documents
AFRICAN TOUCH SAFARIS	2,755		-	-	2,755	Pending Supporting Documents
AFRICAN TOUCH SAFARIS	22,520		-	-	22,520	Pending Supporting Documents
AFRICAN TOUCH SAFARIS	37,400		-	-	37,400	Pending Supporting Documents
Sub-Total						
Grand Total					2,827,863	

SUMMARY OF TOTAL PENDING

Pending From Accounts Ksh. 36,508,597.60
 Pending With Procurement.....Ksh.5, 260, 337.60
 Historical..... Ksh. 2,827,863

MINISTRY OF TOURISM

**Reports and Financial Statements
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ANNEX 2 - ANALYSIS OF ACCOUNTS RECEIVABLE

GOVERNMENT IMPRESTS

NO.	NAME	PERSONAL No.	FOLIO No.	F.O No.	DATE ISSUED	SURR/DATE	AMOUNT
1	SAID ATHMAN	2008080402	31	3140546	14/11/2017	24/11/2017	288,531.20
1	SAID ATHMAN	2008080402	31	3140698	02-07-18	15/2/2018	67,200.00
1	SAID ATHMAN	2008080402	31	3140629	01-04-18	26/1/2018	605,502.00
1	SAID ATHMAN	2008080402	31	3140920	04-09-18	18/4/2018	37,800.00
1	SAID ATHMAN	2008080402	31	3388655	14/5/2018	28/5/2018	168,000.00
1	SAID ATHMAN	2008080402	31	3388722	06-06-18	15/6/2018	444,216.00
1	SAID ATHMAN	2008080402	31	3388750	15/6/2018	07-12-18	558,560.00
2	ISAAC OTIENO OKAL	2010002494	111	3140699	02-05-18	16/2/2018	81,500.00
3	JOSEPH K. KAMAU	2005061239	137	3140957	04-10-18	18/4/2018	1,000.00
4	KENNETH J. KIOKO	2009125970	60	3388652	14/5/2018	21/5/2018	37,800.00
5	STEVEN KINYANJI	2009109699	63	3140627	01-04-18	26/1/2018	800.00
TOTAL							2,290,909

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CLEARANCE ACCOUNTS
DEDUCTIONS NOT PAID

PAYEE	MONTH	AMOUNT
Magereza sacco	Mar-18	6,088.00
Kenindia assurance company limited	Jun-18	6,372.90
TOTAL		12,460.90

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ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/2018	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2018/2019
Land	n/a	n/a	n/a	n/a
Buildings and structures				
Transport equipment				
Mercedes Benz	6,873,780/=		800,000/=	6,000,780/=
Toyota Prado	13,825,000/=		New	13,825,000/=
Toyota Prado	7,000,000/=		4,500,000/=	2,500,000/=
Toyota Prado	7,000,000/=		4,500,000/=	2,500,000/=
Toyota Prado	7,000,000/=		4,500,000/=	2,500,000/=
Mercedes Benz	6,873,780/=		New	6,873,780/=
Volkswagen Passat	5,000,000/=		4,200,000/=	800,000/=
Toyota corolla	3,000,000/=		2,550,000/=	450,000/=
Toyota Corolla	3,000,000/=		2,550,000/=	450,000/=
Mitsubishi Pajero GKA 543L	5,000,000/=		3,000,000/=	2,000,000/=

MINISTRY OF TOURISM
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Asset class	Historical Cost b/f (Kshs) 2017/2018	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2018/2019
Mitsubishi Pajero GKA 542L	5,000,000/=		3,000,000/=	2,000,000/=
Volkswagen Passat GKA118U	5,000,000/=		4,910,000/=	90,000/=
Nissan Terrano KAQ 837E	4,500,000/=		3,000,000/=	1,500,000/=
Mitsubishi Pajero GKA 695K	5,000,000/=		3,500,000/=	1,500,000/=
Foton pick up GKB 502E	4,500,000/=		2,200,000/=	2,300,000/=
Toyota Hiace GKA 468T	4,500,000/=		3,000,000/=	1,500,000/=
Nissan Urvan GKA 445L	4,500,000/=		3,000,000/=	1,500,000/=
Toyota Corolla GKA 568Y	3,000,000/=		2,100,000/=	900,000/=
Nissan Patrol GKA 507Q	6,000,000/=		5,300,000/=	700,000/=
Nissan Xtrail KAV 400K	3,000,000/=		2,100,000/=	900,000/=
Nissan Urvan GKA 702G	4,500,000/=		3,000,000/=	1,500,000/=
Toyota Hilux GKA 911K	5,500,000/=		3,500,000/=	2,000,000/=
Opel Astra KAH 930T	2,000,000/=		1,940,000/=	60,000/=
Land rover GKA 140Y	5,000,000/=		4,950,000/=	50,000/=

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Asset class	Historical Cost b/f (Kshs) 2017/2018	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2018/2019
Office equipment, furniture and fittings				
Executive tables	12,000,000/=	1,200,000/=	4,200,000/=	9,000,000/=
Executive high back chair	8,000,000/=	500,000/=	1,500,000/=	7,000,000/=
Water dispensers	1,000,000/=		200,000/=	800,000/=
Coat hangers	300,000/=		100,000/=	200,000/=
Visitors chairs	5,000,000/=		1,500,000/=	3,500,000/=
Computer tables	5,000,000/=		3,000,000/=	2,000,000/=
Book shelves glass	2,000,000/=		500,000/=	1,500,000/=
Coffee tables (table)	2,000,000/=		1,000,000/=	1,000,000/=
TV's 21" J.V.C	700,000/=		450,000/=	250,000/=
TV stands	300,000/=		100,000/=	200,000/=
Window curtains	700,000/=		300,000/=	400,000/=
Window nets	200,000/=		50,000/=	150,000/=
Sofa sets	4,800,000/=		1,800,000/=	3,000,000/=
Filing cabinets	5,000,000/=		500,000/=	4,500,000/=
Pedestal tables	300,000/=		100,000/=	200,000/=

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Asset class	Historical Cost b/f (Kshs) 2017/2018	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2018/2019
Office chairs	7,000,000/=		2,000,000/=	5,000,000/=
Table side drawers	400,000/=		150,000/=	150,000/=
Fridges	700,000/=		300,000/=	400,000/=
Stapler small	130,000/=		10,000/=	120,000/=
Staplers Big	130,000/=		10,000/=	120,000/=
Microwave	400,000/=		150,000/=	250,000/=
Dust hoovers	120,000/=		15,000/=	105,000/=
ICT Equipment, Software and Other ICT Assets				
Desk top computers	15,000,000/=		5,000,000/=	10,000,000/=
Laptops	12,000,000/=	900,000/=	2,900,000/=	10,000,000/=
Printers	8,000,000/=	800,000/=	3,800,000/=	5,000,000/=
Photocopiers	6,000,000/=		2,000,000/=	4,000,000/=
IP Headsets	1,000,000/=		200,000/=	800,000/=
Projectors	400,000/=		150,000/=	250,000/=

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Asset class	Historical Cost b/f (Kshs) 2017/2018	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2018/2019
Projector screens	150,000/=		0	150,000/=
Other Machinery and Equipment				
	n/a	n/a	n/a	n/a
Heritage and cultural assets				
	n/a	n/a	n/a	n/a
Total	225,302,560/=	2,320,000/=		85,955,000/=

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ANNEX4 – LIST OF PROJECTS IMPLEMENTED BY THE MINISTRY OF TOURISM

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements(yes/no)
1	Sustaining new markets and sitting booths in tourism target markets	Marketing Kenya as a preferred tourist destination of choice	Fatuma Hirsi Mohamed (Mrs), CBS	YES
2	Meru national park access road	Grading and re-carpeting 26.1Km of access road to the park	Fatuma Hirsi Mohamed (Mrs)	YES
3	Little theatre club in Mombasa	Rehabilitation of Club to enhance art and other creative art talents	Fatuma Hirsi Mohamed (Mrs)	YES
4	Charter Incentive Programme	Incentivise charters through rebates and subsidised landing fees	Fatuma Hirsi Mohamed (Mrs)	YES
5	Tourism Recovery	Undertake Tourism Recovery initiatives	Fatuma Hirsi Mohamed (Mrs)	YES
6	Nairobi International Convention centre (NICEC)	Feasibility Studies and master planning (NICEC)	Fatuma Hirsi Mohamed (Mrs)	YES
7	Ronald Ngala Utalii College	Construction of college	Fatuma Hirsi Mohamed (Mrs)	YES
8	Capital Lending to hotels	Concession loans to tourism operators	Fatuma Hirsi Mohamed (Mrs)	YES

MINISTRY OF TOURISM

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ANNEX 5 – LIST OF SCs, SAGAs AND PUBLIC FUNDS UNDER THE MINISTRY OF TOURISM

Ref	SC, SAGA or Public Fund's name	Principal activity of Ministry	Accounting Officer	Amount transferred during the year	Inter- Ministry reconciliations done?(yes/no)
1	Tourism Regulatory Authority	Regulatory	Fatuma Hirsi Mohamed (Mrs), CBS	216,000,000.00	YES
2	Bomas Of Kenya	Cultural activities	Fatuma Hirsi Mohamed (Mrs), CBS	269,768,517.00	YES
3	Kenya Utalii College	Training	Fatuma Hirsi Mohamed (Mrs), CBS	175,000,000.00	YES
4	Kenya Tourism Board	Promotional	Fatuma Hirsi Mohamed (Mrs), CBS	485,500,000.00	YES
5	Tourism Fund	Financing	Fatuma Hirsi Mohamed (Mrs), CBS	93,750,000.00	YES
6	Tourism Finance Corporation	Financing	Fatuma Hirsi Mohamed (Mrs), CBS	75,000,000.00	YES
7	Tourism Research Institute	Research	Fatuma Hirsi Mohamed (Mrs), CBS	56,600,000.00	YES
TOTAL				1,371,618,517.00	

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**APPROPRIATION-IN-AID COLLECTED BY SAGAS UNDER THE MINISTRY OF
TOURISM**

NO	SAGA	AMOUNT
1	TOURISM REGULATORY AUTHORITY	131,000,000.00
2	BOMAS OF KENYA	195,000,000.00
3	KENYA UTALII COLLEGE	473,164,222.00
4	KENYA TOURISM BOARD	103,000,000.00
	TOTAL A-I-A	902,164,222.00

MINISTRY OF TOURISM
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ANNEX6- REPORTS GENERATED FROM IFMIS

The following financial Reports Generated from IFMIS are appendices to these financial statements.

- i. GOK IFMIS Comparison Trial Balance
- ii. FO30 (Bank reconciliations) for all bank accounts
- iii. GOK IFMIS Receipts and Payments Statement
- iv. GOK IFMIS Statement of Financial Position
- v. GOK IFMIS Statement of Cash Flows
- vi. GOK IFMIS Notes to the Financial Statements
- vii. GOK IFMIS Statement of Budget Execution
- viii. GOK IFMIS Statement of Deposits
- ix. GOK IFMIS Budget Execution by Programme and Economic Classification
- x. GOK IFMIS Budget Execution by Heads and Programmes
- xi. GOK IFMIS Budget Execution by Programmes and Sub-programmes

