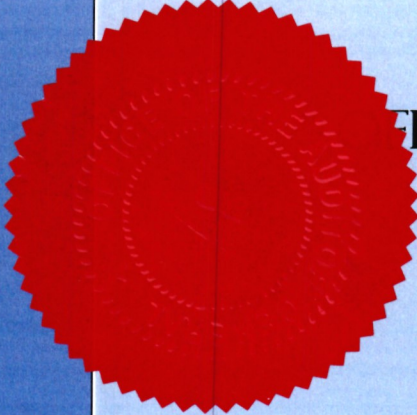


REPUBLIC OF KENYA



Paper Laid
By Hon. Noshali on
behalf of LOMT at Table
of the House on 13/6/2018

OFFICE OF THE AUDITOR-GENERAL



PARLIAMENT
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REPORT

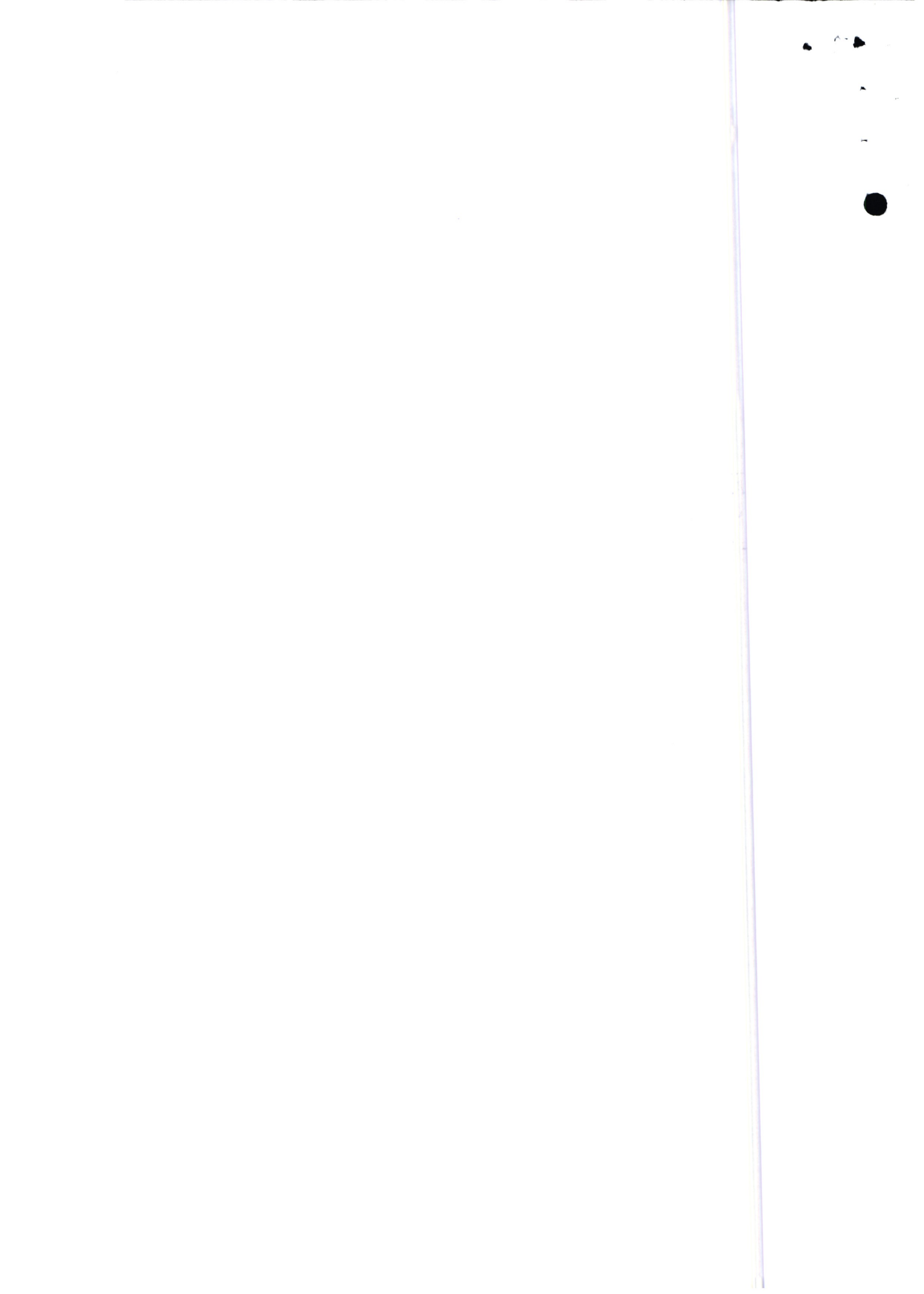
OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
MINISTRY OF LANDS AND PHYSICAL
PLANNING**

**FOR THE YEAR ENDED
30 JUNE 2017**





**NATIONAL GOVERNMENT ENTITY
MINISTRY OF LANDS AND PHYSICAL PLANNING**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2017**

**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	1
II. COMMENTARY BY THE CABINET SECRETARY.....	6
III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES	18
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ENTITY	19
V. STATEMENT OF RECEIPTS AND PAYMENTS	20
VI. STATEMENT OF ASSETS AND LIABILITIES	21
VII. STATEMENT OF CASH FLOWS	22
VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	24
IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT	26
X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT	28
XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES.....	30
XII. SIGNIFICANT ACCOUNTING POLICIES.....	31
XIII. NOTES TO THE FINANCIAL STATEMENTS	35

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Ministry is mandated to provide policy direction and coordinate all matters related to land. In discharging its functions, the Ministry is guided by detailed mandate through Executive Order No. 1 of May 2016 notably: National Lands Policy Management; Physical Planning; Land Transactions; Survey and Mapping; Land Adjudication; Settlement Matters; Rural Settlement planning i.e. eco-village; Land Reclamation; National Spatial Data Infrastructure; Land Registration; Land and Property Valuation Services; Administration of public land as designated by the constitution; and Land Information System

1.1 Vision

“To be a globally competitive organization in sustainable land management”

1.2 Mission

“To facilitate improvement of the livelihood of Kenyans through efficient administration, equitable access, secure tenure and sustainable management of the land resource”

1.3 Core Values

In its endeavor to execute its Mandate, the Ministry will be guided by the following Core Values/ Principles:-

- Team spirit
- Prompt customer responsiveness
- Integrity – honesty, accountability and transparency
- Patriotism
- Consultative
- Professionalism
- Gender equity and equality

1.4 Core Functions

- Policy formulation for management and administration of land
- Processing and issuance of title deeds
- Registration of land transactions and other legal documents
- Determination of land and other boundaries disputes
- Provision of reliable land information
- Valuation of land for various purposes
- Ascertainment of existing land rights and interests
- Provision of quality control and assurance in surveying and mapping services
- Provision of title maps
- Capacity building to counties on physical planning matters
- Regulate on land use planning in the country

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

(b) Key Management

During the period under review, the Ministry's day-to-day management was under the following key organs:

- Directorate of Administration
- Directorate of Land Administration
- Directorate of Land Valuation
- Directorate of Land Adjudication and settlement
- Directorate of Physical planning

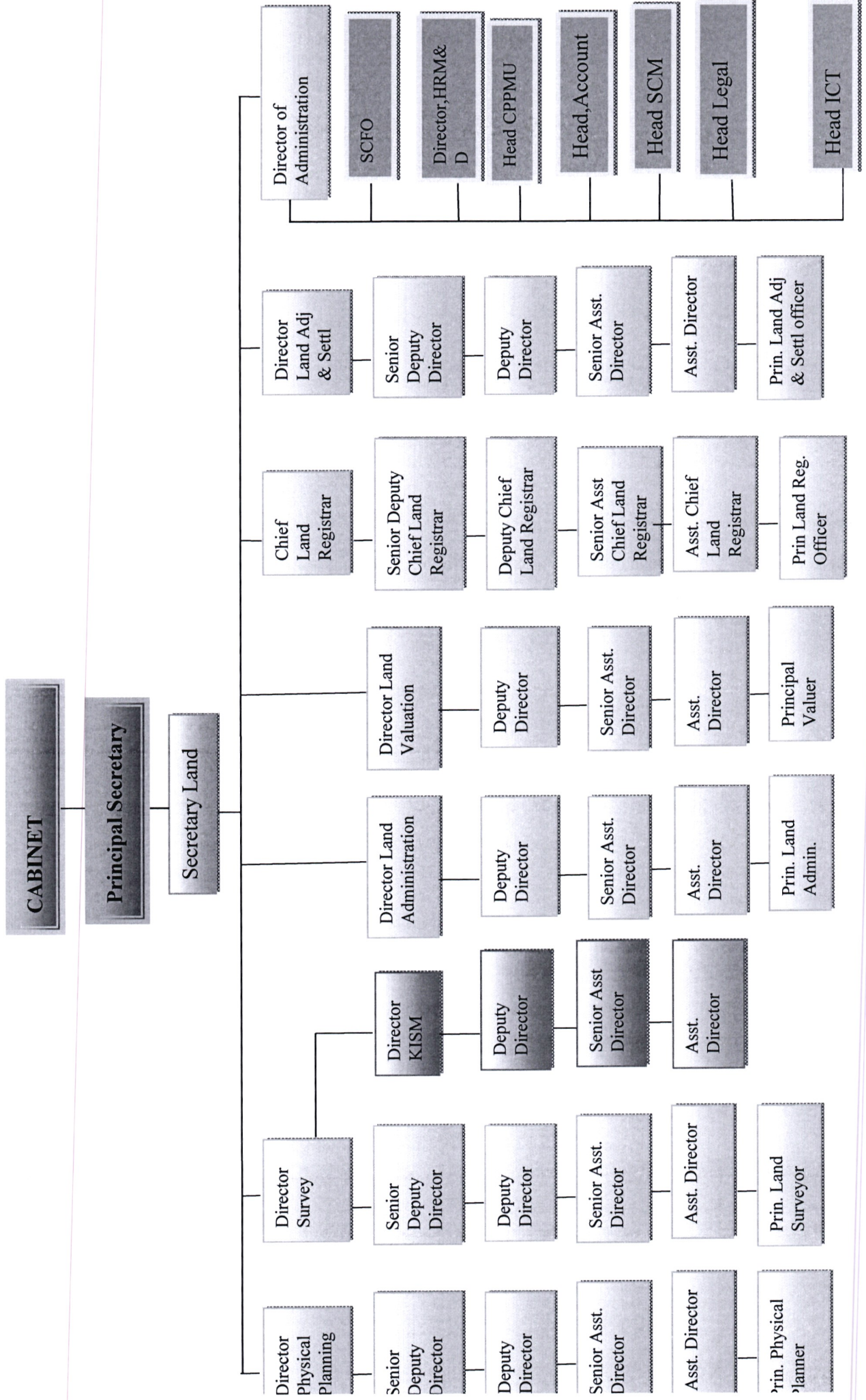
(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2017 and who had direct fiduciary responsibility were:





- | | |
|--|-------------------------|
| - Cabinet Secretary | Prof. Jacob T. Kaimenyi |
| - Principal Secretary | Dr. Nicholas Muraguri |
| - Director of Administration | Amb. Julius Kandie |
| - Director of Land Adjudication & Settlement | Esther N. Ogega |
| - Director of Physical Planning | Augustine K. Masinde |
| - Director of Survey | Cesare N.Mbaria |
| - Head of Accounting Unit | Johnson W. Njuguna |
| - Ag. Chief Finance Officer | Ezekiel M. Omari |

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**



ORGANIZATION STRUCTURE



Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

 <p><u>Prof. Jacob T. Kaimenyi, Cabinet Secretary Ministry of Lands and Physical Planning</u></p>	<p>Professor Kaimenyi was officially appointed in May 2013 as Cabinet Secretary. On this position, he has executive powers on policy formulation and management of all matters regarding the entire Ministry in Kenya.</p> <p>He holds a Bachelors of Dental Surgery and a Master of Dental Surgery in Periodontology from the University of Nairobi, Kenya and Mangalore University, India respectively. In 1998, he obtained a PhD in Periodontology from the University of Nairobi.</p>
 <p><u>Dr. Nicholas Muraguri, Principal Secretary, Ministry of Lands and Physical Planning</u></p>	<p>Dr. Nicholas Muraguri is the Principal Secretary Ministry of Lands and Physical Planning.</p> <p>He holds a Bachelor's Degree in surgery and medicine from Moi University.</p> <p>He holds a Master's Degree in Public Health and Business Administration from Moi University.</p> <p>Dr. Muraguri also holds post graduate certificates in Health Communication from John Hopkins Bloomberg School of Public Health and applied epidemiology from the University of Nairobi.</p>
 <p><u>Director of Physical Planning Mr Augustine K. Masinde</u></p>	<p>Mr. Augustine K. Masinde is the Director of Physical Planning and Chairman of Physical Planners Registration Board.</p> <p>Qualifications and Professional Affiliations</p> <p>Holds M.A (Planning) in Urban and Regional Planning from University of Nairobi.</p> <p>Corporate Member of both the Kenya Institute of Planners (KIP) and the Architectural Association of Kenya (Town Planning Chapter).</p> <p>Registered Physical Planner by the Physical Planners Registration Board (PPRB).</p> <p>Member of the International Society for Town and Regional Planners (ISOCARP)</p>
 <p><u>Director of Adjudication and Settlement Mrs Esther Ogega</u></p>	<p>Mrs. Esther Nadupoi Ogega is the Director of Land Adjudication and Settlement</p> <p>Qualifications and Professional Affiliations</p> <p>Master of Arts(M.A) in Environmental Planning and Management, University of Nairobi.</p> <p>Bachelor of Arts (B.A ,Hons), University of Nairobi.</p> <p>Lead Expert in Environmental Impact Assessment/Audit.</p> <p>Member of the Institution of Surveyors of Kenya(ISK), Land Administration Managers Chapter.</p>

**Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017**

	<p>Cesare Mbaria is the Director of Survey</p> <p>Qualifications and Professional Affiliations:</p> <p>Master of Science Degree in Computer Based Information Systems (M.Sc. CBIS)</p> <p>Post Graduate Diploma in Integrated Map and Geo-Information Production (IMGP)</p> <p>Post Graduate Diploma in Photogrammetry (PGD-Photog.)</p> <p>Bachelor of Science Degree in Surveying & Photogrammetry (BSc S&P)</p> <p>Diploma Certificate, Full Member of the Institution of Surveyors of Kenya (M.I.S.K)</p>
<p><u>Director of Surveys Mr Cesare Mbaria</u></p>	<p>Mr. Johnson Njuguna assumed position of the Ministry's Head of accounting unit in July 2016.</p> <p>He is in charge of the ministry's Accounts department. His responsibilities include preparation of quartely financial reports and annual financial statements.</p> <p>He is a holder of Masters of Business Administration and is a Certified Public Accountant of Kenya.</p>
	<p><u>Principal Accounts Controller Mr Johnson Njuguna</u></p>

(d) Fiduciary Oversight Arrangements

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

Audit and Finance Committee Activities

- i. Evaluating adequacy of management procedures with regard to risk management, control and governance.
- ii. Reviewing and approving the audit charter and the internal audit annual work plans.
- iii. Reviewing the internal and external audit findings/recommendations and proposing necessary action.
- iv. Reviewing the systems established to ensure sound public financial management and internal controls, compliance with policies, laws, regulations, procedures, plans and ethics.
- v. Initiating special audit/investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Accounting Officer.
- vi. Any other tasks which are within the mandate of the committee.

Budget Implementation committee activities

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

Parliamentary committee activities

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

Human resources Management Advisory committee

- i. Review of promotions of officers in job group A-P
- ii. Review of Confirmations of appointments
- iii. Review of disciplinary matters
- iv. Review of re-designation of officers from one cadre to another
- v. Confirmation of surcharge of officers found to have misused Government resources.

(e) Entity Headquarters

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

Entity Contacts

Telephone: (254)(0) 202718050
email:hacculands@ardhihouse.go.ke
Website: www.go.ke

(f) Entity Bankers

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

(g) Independent Auditors

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

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

(h) Principal Legal Adviser

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

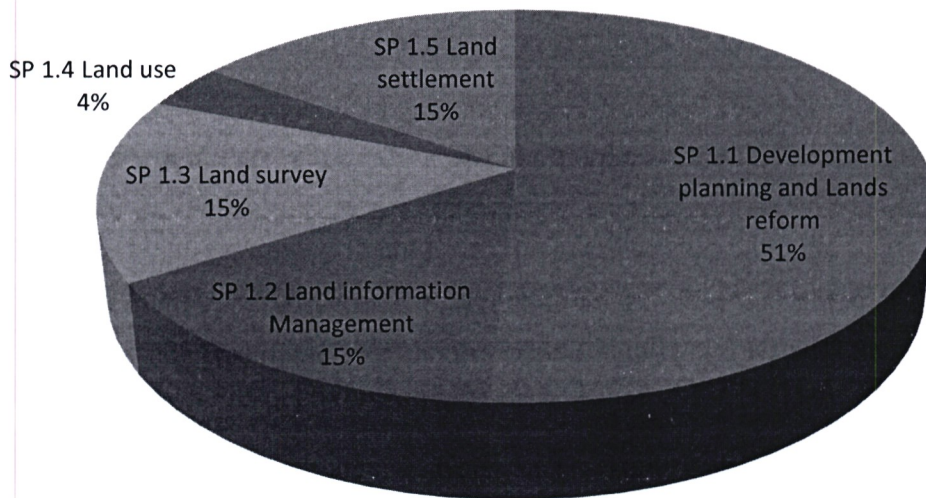
II. COMMENTARY BY THE CABINET SECRETARY

BUDGET ALLOCATION

In the financial year 2016/2017 the Ministry of Lands and Physical planning had a gross budget of **Kshs 5,627,216,094** which was made up of **Kshs. 2,259,636,094** and **Kshs. 3,367,580,000** for recurrent and development vote respectively.

The Ministry was to expend the gross budget of **Kshs.5,627,216,094** under the programme of Land policy and planning which has the following five sub-programmes.

BUDGET ALLOCATION BY SUB-PROGRAMMES



Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

Sub-programme 1.1: Development planning and Lands reform

The objective of this sub-programme is to enhance security of land tenure through ascertainment of rights and interests on land.

This sub-programme was allocated Kshs. 2,860,522,935.00 representing 51% of the budget. A total of Kshs. 2,247,227,323.80 was spent.

Sub-programme 1.2: Land information Management

The objective of this sub-programme is to enhance security of land records and transactions through reduced timelines in retrieval of records.

This sub-programme was allocated Kshs. 854,287,024.00 representing 15% of the budget. A total of Kshs. 814,070,927.05 was spent.

Sub-programme 1.3: Land Survey

The objective of this sub-programme is to ensure peaceful coexistence between the communities on the basis of existing administration boundaries and with our neighbouring countries and also create a national infrastructure of access and use of geospatial information in decision making.

This sub-programme was allocated Kshs.852,728,489.00 representing 15% of the budget. A total of Kshs.769,726,123.25 was spent.

Sub-programme 1.4: Land Use

The objective of this sub-programme is to develop a framework to guide physical development in the country.

This sub-programme was allocated Kshs.207,648,648.00 representing 15% of the budget. A total of Kshs. 187,212,998.25 was spent.

Sub-programme 1.5: Land Settlement

The objective of this sub-programme is to secure land tenure through ascertainment of rights and interests on land through regularization of settlement schemes, declaration of new adjudication sections and settlement of forest evictees.

This sub-programme was allocated Kshs. 852,028,998.00 representing 15% of the budget. A total of Kshs. 829,532,607.95 was spent.

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

Key performance Highlights

Below is an overview of the financial performance for the year ended 30th June 2017 as reported in the detailed financial statements together with the commentary and comparative analysis against budget and prior year for the key items in the financial statements.

Financial Performance summary

Actual performance against budget for Year to 30th June 2017

Financial Performance	Printed Estimates	Actual	Variance	%
	KShs	KShs	KShs	Utilisation variance
Total Receipts	5,627,216,094.00	4,879,838,624.00	747,377,470.00	15%
Total Payments	5,627,216,094.00	4,847,769,980.30	779,446,113.70	16%
Surplus/Deficit for the Year	-	32,068,643.70	-32,068,643.70	-100%

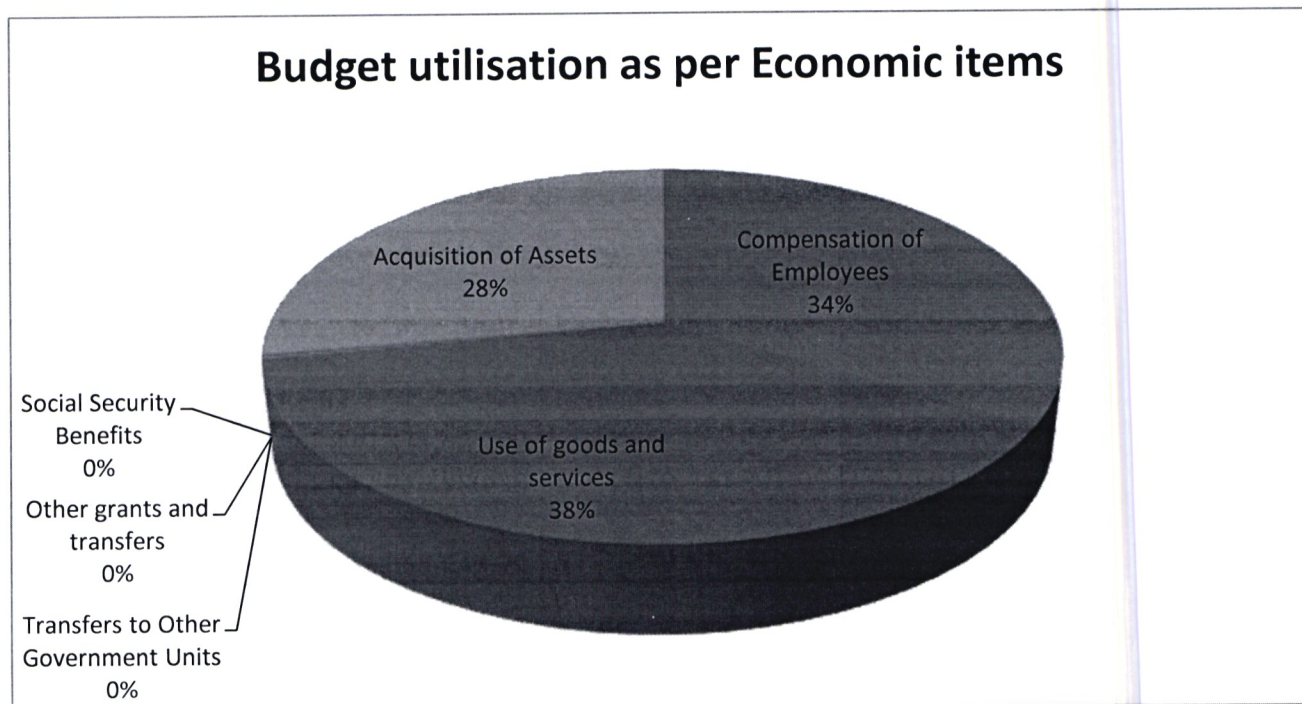
Actual receipts by the Ministry stood at 15% below budget while the actual payments were 16% below budget. This is attributable to Lack of Exchequer from the national treasury.

Budget utilisation

The Ministry spent Kshs. 4,847,769,980.30 against an approved budget of Kshs. 5,627,216,094.00 representing absorption of 86%. Utilisation of the budget was carried out through various activities as shown in the chart below:

Payments	Approved Budget Allocation	Actual payment	Variance
	KShs	KShs	KShs
Compensation of Employees	1,901,822,872.00	1,908,315,506.90	(6,492,634.90)
Use of goods and services	2,159,338,494.00	1,503,868,174.30	655,470,319.70
Transfers to Other Government Units	6,000,000.00	3,400,000.00	2,600,000.00
Other grants and transfers	10,000,000.00	5,087,130.00	4,912,870.00
Social Security Benefits	9,400,000.00	6,811,488.50	2,588,511.50
Acquisition of Assets	1,540,654,728.00	1,420,287,680.60	120,367,047.40
Total Payments	5,627,216,094.00	4,847,769,980.30	779,446,113.70

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**



It is noted that 34% of the Ministry budget was used for compensation of employees, 38% on the use of goods and services, 0% on Transfer to other government units, 0% on other Grants and transfers, 0% on Social security benefits and 28% on the acquisition of assets.

Current Year Performance against Prior Year

Financial Performance	Year to 30th June 2017	Year to 30th June 2016	CHANGE	%
	KShs	KShs	KShs	Change
Total Receipts	4,879,838,624.00	24,869,623,402.20	-19,989,784,778.20	-80%
Total Payments	4,847,769,980.30	24,859,744,891.95	-20,011,974,911.65	-80%
Surplus/Deficit for the Year	32,068,643.70	9,878,510.25	22,190,133.45	225%

Total receipts decreased by 80% due to the split of the Ministry into the now Ministry of Lands and Physical planning; State Department of Public works and State Department of Housing. Payments also reduced by 80% as a result of the Split.

Receipts

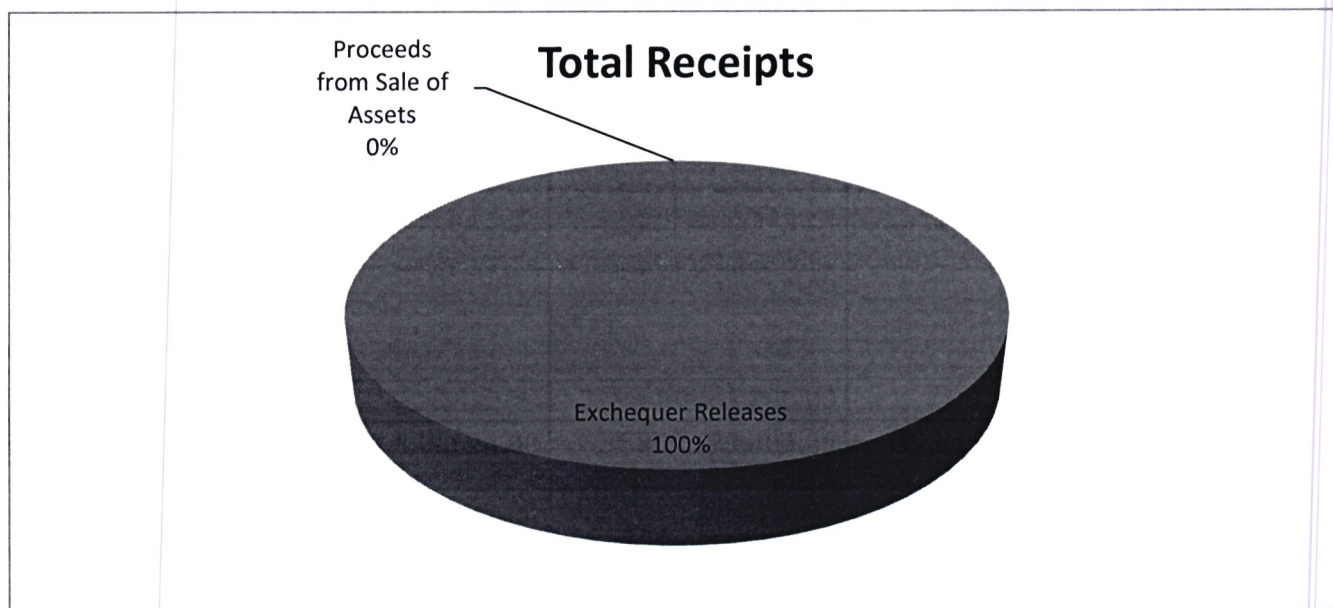
The receipts of the Ministry mainly comprise of exchequer releases from the National Treasury and a small proportion out of proceeds from sale of assets.

Total Receipts Breakdown

Receipts	Year to 30th June 2017	Year to 30th June 2016	CHANGE	%
	KShs	KShs	KShs	Change
Exchequer Releases	4,865,901,000.00	22,711,309,870.00	-17,845,408,870.00	-79%
Proceeds from foreign borrowings	-	2,144,449,732.20		0%
Proceeds from Sale of Assets	13,937,624.00	-	13,937,624.00	0%
Other Receipts	-	13,863,800.00	-13,863,800.00	-100%
Total Payments	4,879,838,624.00	24,869,623,402.20	-17,845,335,046.00	-72%

The diagram below depicts the share of major categories of receipts for the financial year ended 30th June 2016.

The major source of funding is exchequer releases that account nearly 100% of the total receipts.



**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

Payments

The Ministry's payments comprises of compensation of employees, use of goods and services, Transfer to other government units, other Grants and transfers, Social security benefits and acquisition of assets.

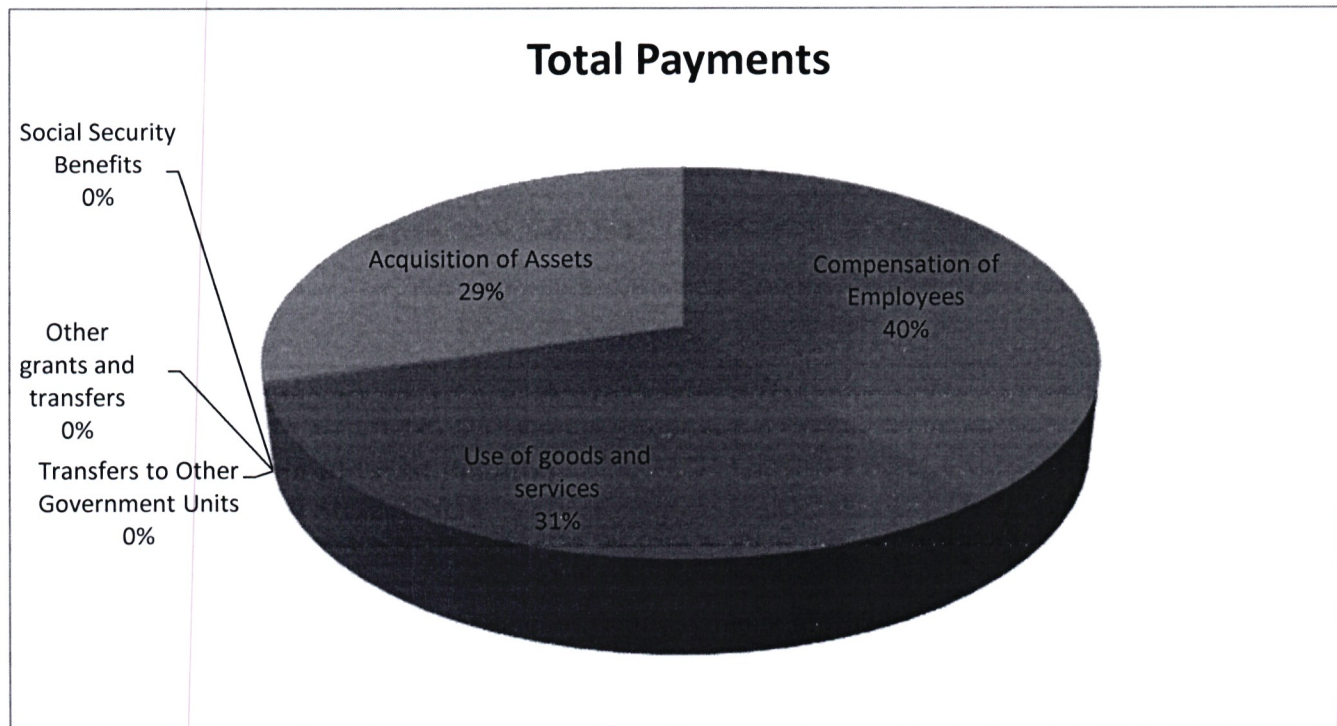
The total payments for FY 2016/2017 stood at Kshs.4,847,769,980.30 Million representing 80% decrease from 24,859,744,891.95 Million for FY 2015/2016

Total payments Breakdown

payments	Year to 30th June 2017	Year to 30th June 2016	CHANGE	%
	KShs	KShs	KShs	Change
Compensation of Employees	1,908,315,506.90	2,788,630,231.35	-880,314,724.45	-32%
Use of goods and services	1,503,868,174.30	4,392,764,189.80	-2,888,896,015.50	-66%
Transfers to Other Government Units	3,400,000.00	-	3,400,000.00	0%
Other grants and transfers	5,087,130.00	1,281,702,385.60	-1,276,615,255.60	-100%
Social Security Benefits	6,811,488.50	-	6,811,488.50	0%
Acquisition of Assets	1,420,287,680.60	16,396,648,085.20	-14,976,360,404.60	-91%
Total Payments	4,847,769,980.30	24,859,744,891.95	-20,011,974,911.65	-80%

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

The diagram below depicts the major categories of payments for the fiscal year ended 30th June 2017



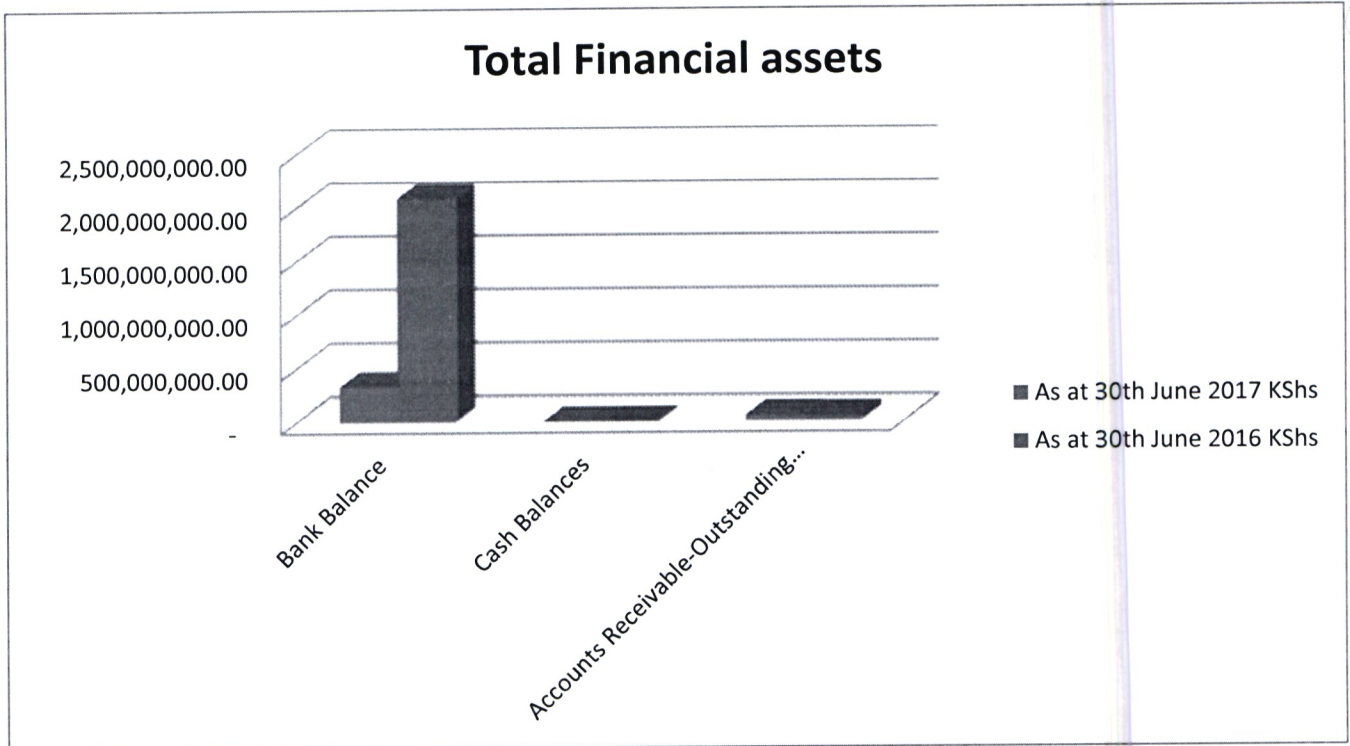
Financial assets Summary

Financial Assets	As at 30th June 2017	As at 30th June 2016	CHANGE	%
	KShs	KShs	KShs	Change
Bank Balance	331,466,747.25	2,089,206,836.60	-	-84%
Cash Balances	201,038.00	-	201,038.0	0%
Accounts Receivable- Outstanding Imprest & salary Advances	52,649,071.26	45,527,099.40	7,121,971.8	16%
Total Financial Assets	384,316,856.51	2,134,733,936.00	-	-82%

Bank balance decreased by 84% as a result of Deposit bank balances transferred to State department of Housing and State department of Public works

There is also an increase in accounts receivable by 16% as a result of imprests advanced to imprests holders towards the year end.

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**



CashFlows and Cash Position

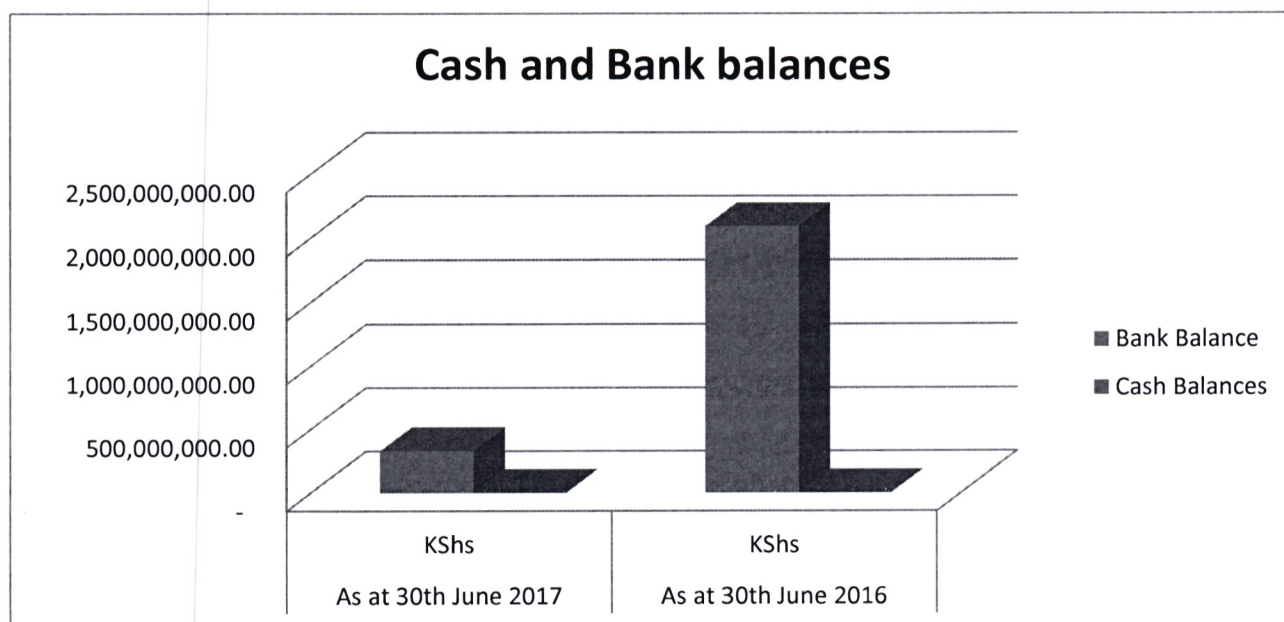
The cash and bank balances held by the ministry as at 30th June 2017 was Kshs. 331,466,747.25 compared to 2,089,206,836.60 held as at 30th June 2016. The breakdown of the cash and bank balances is as summarized below.

Cash and Bank Balance

Cash and Bank Balances	As at 30th June 2017	As at 30th June 2016	Change	%
	KShs	KShs	KShs	Change
Bank Balance	331,466,747.25	2,089,206,836.60	-1,757,740,089.35	-84%
Cash Balances	201,038.00	-	201,038.00	0%
Total Financial Assets	331,667,785.25	2,089,206,836.60	-1,757,539,051.35	-84%

Bank balance decreased by 84% as a result of Deposit bank balances transferred to State department of Housing and State department of Public works

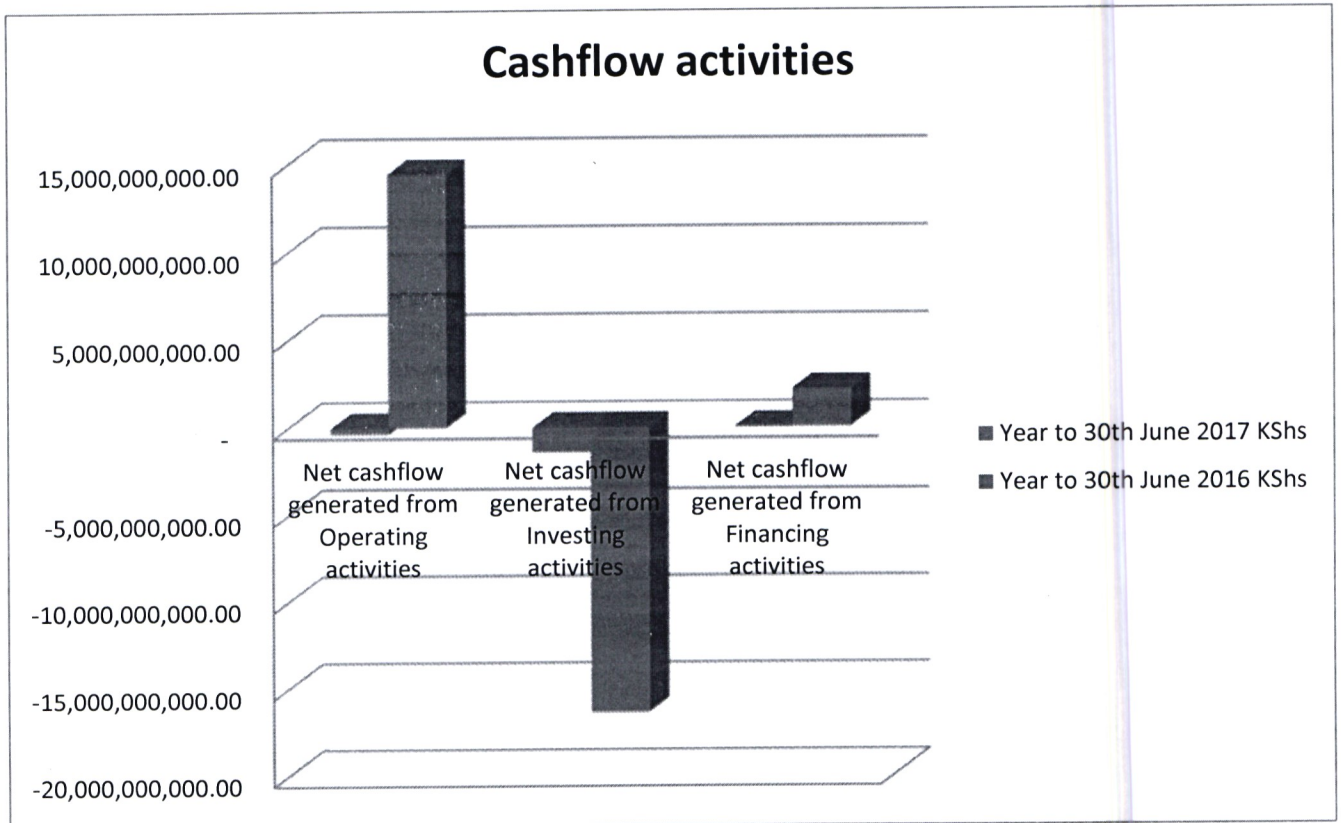
Cash balances increased as a result of cash surrenders on 30th June 2017.



Cash flow Activities

The table below summarizes cash flows generated and used from various activities

Cashflow Activities	Year to 30th June 2017	Year to 30th June 2016	CHANGE	%
	KShs	KShs	KShs	Change
Net cashflow generated from Operating activities	-351,188,994.75	14,454,713,940.80	-14,805,902,935.55	-102%
Net cashflow generated from Investing activities	-1,406,350,056.60	-16,396,648,085.20	14,990,298,028.60	-91%
Net cashflow generated from Financing activities	-	2,144,449,732.20	-2,144,449,732.20	-100%
Net increase in cash and cash Equivalents	-1,757,539,051.35	202,515,587.80	-1,960,054,639.15	-968%
Cash and cash equivalent at 1st July 2016	2,089,206,836.60	1,886,691,248.80	202,515,587.80	11%
Cash and cash equivalent at 30th June 2017	331,667,785.25	2,089,206,836.60	-1,757,539,051.35	-84%



Net cash flow from operating activities reduced by 102% as a result of reduced operating activities

Net cash flow utilised in investing activities decreased by 91% due to decline in budget allocation in the acquisition of assts.

Net cash flow from financing activities decreased by 100% in the current year as a result of lack of proceeds from domestic and foreign borrowing.

Key Achievements of the Ministry in the FY 2016/17

- 600,000 title deeds were processed and registered;
- Generated and collected Kshs.11 billion in terms of revenue.
- Reorganized 6 land registries out of which digitization in 5 land registries has been initiated.
- Renovated 12 land registries and equipped them
- Acquired and installed Electronic Document Management System (EDMS);
- Online search for Nairobi registry and payment of land rent across;
- National Spatial Plan (NSP) completed, approved and Launched;
- Draft County Spatial Plans guidelines prepared;
- Under Legal, Policy and Institutional Framework the Ministry achieved the following: National Land Use Policy (NLUP) approved by Cabinet; Draft KNSDI Policy in place; Land Laws (Amendment) Act 2016 enacted; Physical Planning Bill submitted to Parliament; Community Land Act 2016 enacted;

EMERGING ISSUES AND CHALLENGES

The implementation of the second medium term coincided with the first term of the Jubilee government, the first county governments and the five year period given for enactment of the critical statutes under the new constitution. The period was characterized by a lot of uncertainty as institutions struggled to find their place within the provisions of the constitution and the new laws. This was also the period that the National Land Commission was established.

This progress was made notwithstanding various challenges related to inadequate financial resources, weak and outdated legislative framework and poor governance structures. During the period, new laws came into place requiring different approaches to implementation of land administration and management of land resource.

Further, the Land Act, 2012, Community Land Act 2016 and the Land Laws (Amendment) Act 2016 proposed major changes in the administration of Community land and Public land. However, the attendant guidelines, rules and regulations to operationalize the Acts have not been finalized.

During the Second Medium Term Plan the sector faced various issues and challenges. These include the following:-

- (i) Austerity measures resulting to budgetary cuts hence affecting implementation of the envisaged programmes and projects and financing County Land offices.
- (ii) High number of litigation cases and inhibitive cultural practices leading to suspension and delay of the projects.
- (iii) Manual land records leading to delay in service delivery, lack of accountability and transparency.

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

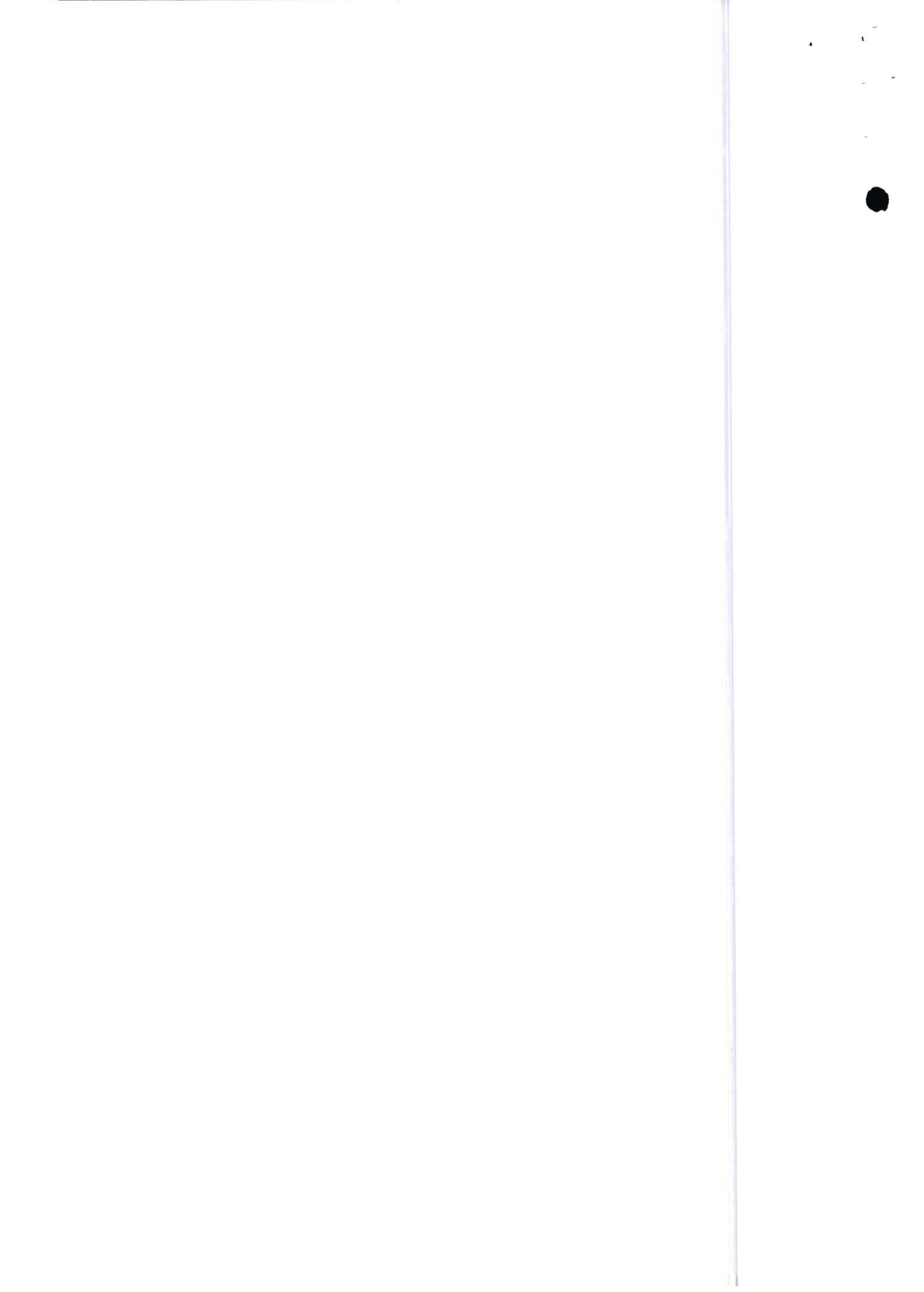
- (iv) Lack of a land value index leading to unrealistic compensation demands during purchase of private land for projects and settlement.
- (v) The rate of urbanization has been increasing exponentially with more people migrating to the urban centres. It is estimated that this trend will continue with 50% of the population expected to be living in urban areas by the year 2030. This has put pressure in urban areas in terms of demand for services leading to proliferation of informal settlements.
- (vi) Uncontrolled subdivision and urban sprawl into prime agricultural areas due to lack national land use policy and legislation to guide the minimum and maximum land sizes. This has led to haphazard developments and decline in agricultural production.
- (vii) Inadequate capacity in land administration and management due to embargo on employment in civil service.
- (viii) Apathy to embrace new and emerging technologies by officers and general public in land transactions.
- (ix) Failure to comply with the agreed treaties with neighbouring countries leading to delay in inspection, maintenance and affirmation of international boundaries. In addition, insecurity along the international boundaries affects the pace of implementation of the programme.
- (x) The population is steadily growing and land as resource is inelastic, further research and discoveries in the blue economy need to be tapped to meet the increasing demand for food and sustainable development.

Sign

Cabinet Secretary

Name: Prof. Jacob T. Kaimenyi, PhD, FICD, EGH.

28/9/17



III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

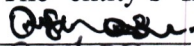
Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form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

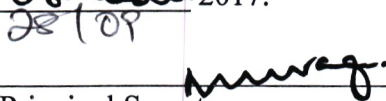
The Accounting Officer in charge of the Ministry of lands and physical planning is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2017. 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 entity; (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 lands and physical planning accepts responsibility for the entity'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 entity's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2017, and of the entity's financial position as at that date. The Accounting Officer charge of the Ministry of lands and physical planning 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 Accounting Officer in charge of the Ministry of lands and physical planning confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity'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 entity's financial statements were approved and signed by the Accounting Officer on  2017.


Principal Secretary
Name: Dr. Nicholas Muraguri


Principal Accounts Controller
Name: Johnson W. Njuguna.
ICPAK Member Number: 7626

IV. REPORT OF THE INDEPENDENT AUDITORS ON THE MINISTRY OF LANDS AND PHYSICAL PLANNING

We have audited the accompanying financial statements of Ministry of lands and physical planning for the year ended June 30, 2017, which comprise: (i) a statement of receipts and payments; (ii) a statement of financial assets and liabilities; (iii) a statement of comparative budget and actual amounts; (iv) a statement of pending bills as at June 30, 2017; and (v) a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at June 30, 2017, and its receipts and payments, as well as cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Auditor General

Date

(NB: This report should be removed once a certificate is received from the Auditor General)

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

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON THE MINISTRY OF LANDS AND PHYSICAL PLANNING FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the Ministry of Lands and Physical Planning set out on pages 20 to 65, which comprise the statement of assets and liabilities as at 30 June 2017, 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 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 the Ministry of Lands and Physical Planning as at 30 June, 2017, 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 comply with Public Finance Management Act, 2012.

In addition, as required by Article 229(6) of the Constitution, except for the matters described in the Basis for Qualified Opinion and Other Matter sections of my report, based on the procedures performed, I confirm that, nothing has come to my attention to cause me to believe that Public money has not been applied lawfully and in effective way.

Basis for Qualified Opinion

1.0 Fixed Assets

1.1 Summary of Fixed Assets

As previously reported, the financial statements for the year ended 30 June 2017 does not include a summary of fixed assets statement as an annex contrary to the prescribed reporting template as issued by Public Sector Accounting Standards Board of the National Treasury. In the current year, assets amounting to Kshs.1,420,287,680 were procured by the Ministry but assets register was not maintained as required by section 143 of Public Finance Management (National Government) Regulations 2015.

Report of the Auditor-General on the Financial Statements of the Ministry of Lands and Physical Planning for the year ended 30 June 2017

Consequently, the management failed to comply with Section 143 of Public Finance Management (National Government) Regulation 2015 which requires maintenance of fixed assets register.

1.2 Construction of Buildings

Included in the statement of receipts and payments for the year ended 30 June 2017 is acquisition of assets amounting to Kshs.1,420,287,681. Included in this figure is construction of buildings of Kshs.77,233,293 as per note 10 to the financial statements. This figure could however, not be confirmed since installation of access control and biometric equipment at Ardhi House and Survey of Kenya amounting to Kshs.58,811,632 was irregularly charged to the item/account for construction of buildings and no such authority had been obtained from the National Treasury.

1.3 Purchase of Specialized Plant, Equipment and Machinery

Included in the statement of receipts and payments for the year ended 30 June 2017 is acquisition of assets amounting to Kshs.1,420,287,681 out of which Kshs.152,265,644 was used for purchase of specialized plant, equipment and machinery during the year. However, an amount of Kshs17,865,000 had no supporting documents such as payment vouchers.

Consequently, it has not been possible to confirm the validity and accuracy of fixed assets worth Kshs.76,676,632 included under acquisition of assets in the statement of receipts and payments and the propriety of the same for the year ended 30 June 2017.

2.0 Use of Goods and Services

2.1 Foreign Travel and Subsistence

Included in foreign travel and subsistence amount as disclosed in Note 6 to the financial statements for the year ended 30 June 2017 is local travel and subsistence amount of Kshs.500,632 and standing imprest reimbursement of Kshs.221,484 paid and which had not been accounted for by 30 June 2017 contrary to the requirement of Section 93(5) and (11) of Public Finance Management (National Government) Regulations, 2015.

Consequently, it has not been possible to confirm the accuracy of Kshs.722,116 included in the foreign travel and subsistence item in note 6 to the financial statements.

2.2 Fuel, Oils and Lubricants

Included in fuels, oils and lubricant amount of Kshs.8,530,800 in Note 6 to the financial statements is an amount of Kshs.6,529,120 which was posted to a wrong item/account – other operating expenses and which could therefore not be confirmed.

Consequently, it has not been possible to confirm the accuracy and validity of Kshs.6,529,120 included in the use of goods and services as disclosed in note 6 to the financial statements.

3.0 Cash and Cash Equivalents

3.1 Bank Reconciliations

The statement of assets and liabilities as at 30 June 2017 reflects cash and cash equivalents balance of Kshs.331,667,785 and which varies with the reconciled cash book balances of Kshs.332,202,938. The resultant variance of Kshs.535,153 has not been explained or reconciled.

Consequently, it has not been possible to confirm the accuracy of Kshs.535,153 included in cash and cash equivalents balance in the statement of financial assets and liabilities.

3.2 2015/2016 Deposits Account

As previously reported, the deposit account balance amounted to Kshs.331,416,703 as per note 11 to the financial statements. The deposit account's bank reconciliation statement consisted of the following outstanding effects which have been outstanding since 2013/2014 financial year and for which no explanation was given by the management.

Item	Amount(Kshs.) 2015/2016	Amount (Kshs.) 2016/2017	Movement Kshs.
Receipts in bank statement not in cashbook	1,015,410,406	185,400	1,015,225,006
Payments in bank statement no in cash book	220,854,334	276,000	220,578,334
Receipts in cashbook not in Bank statement	43,232,134	38,310	43,193,824
Total	1,279,496,874	499,710	1,278,997,164

The balances significantly reduced by Kshs.1,278,997,164 in the current financial year without the Ministry explaining how the figures were cleared.

Further, included in the deposit account bank reconciliation statement are receipts in cashbook not yet recorded in bank statement amounting to Kshs.38,310 dated 30 June 2017 and payments in bank statement not recorded in cashbook amounting to Kshs.276,000 dated between 24 April, 2017 and 06 June 2017 respectively. In addition, receipts in bank statement not in cashbook amounted to Kshs.185,400. Further, the bank balance as per bank statement of Kshs.331,416,703 differs from the bank certificate balance of Kshs.338,672,195 by Kshs.7,255,492. The Ministry has not explained nor sought explanation from the bank for the variance between the two balances.

Further, in 2016/2017 financial year, the Ministry opened a new deposit cashbook without indicating opening balances as was carried forward from 2015/2016 financial year.

Further, the deposit cashbook for the year ended 30 June 2016 was not availed for audit review.

3.3 Development Account – Uncleared Effects

Included in the Development account as per note 11 to the financial statements are bank reconciliation statements in which payments in cashbook not recorded in bank statement amounts to Kshs.4,611,523 some of which have been outstanding since 24 November 2016. Further, there were receipts in cashbook not yet recorded in bank statement totalling to Kshs.3,814,980 dated 19 May 2017 to 28 June 2017. Payments in bank statement not recorded in cashbook amounted to Kshs.3,637,149 and were dated between 23 December, 2016 to 06 July 2017 and receipts in bank statement not in cashbook amounting to Kshs.2,240,874 dated between 05 January 2017 to 05 July 2017 which remained uncleared by June 2017. The Ministry has not given reasons as to why the reconciliation items have not been cleared.

3.4 Recurrent Account – Bank Reconciliation

Included in note 11 to the financial statement is central bank recurrent balance of Kshs.40,152 which differs from the bank certificate balance of Kshs.32,375,186 by Kshs.32,335,034. The difference has not been explained.

In the circumstance, it has not been possible to determine the accuracy of cash and cash equivalent balance of Kshs.331,667,785 included in the statement of financial assets and liabilities as at 30 June 2017.

4.0 Accounts Receivables-Outstanding Imprest and Clearance Accounts

Note 13 to the financial statements reflects Accounts Receivables amounting to Kshs.52,649,071 as at 30 June 2017. Included in this amount is outstanding imprest totalling Kshs.50,016,332. Included in the balance of Kshs.50,016,332 are long outstanding imprests totaling Kshs.20,308,890 or (31%) for previous years for which no action has been taken. In addition, the balance of Kshs.50,016,332 for outstanding imprest was understated by Kshs.16,186,642 since the schedules availed for audit review amounted to Kshs.66,202,974. Further, officers were issued with more than one imprest before surrendering the previous ones contrary to section 93(5) of the Public Finance Management (National Government) Regulations 2015.

In the circumstance, the accuracy of the balance for accounts receivable of Kshs.52,649,071 included in the statement of financial assets and liabilities could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ministry of Lands and Physical Planning in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI 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 and Other Matter sections, I have determined that there are no Key Audit Matters to communicate in my report.

Other Matter

1.0 Budget and Budgetary Control

The ministry of land and physical planning had a total budget of Kshs.5,627,216,094 voted for the financial year 2016/2017 as detailed here below:-

Item	Approved Budget Kshs.	Actual Payments Kshs.	Under Expenditure Kshs.	Over Expenditure Kshs.
Compensation of Employees	1,901,822,872	1,908,315,507	-	6,492,635
Use of good & services	2,159,338,494	1,503,868,174	655,470,320	-
Transfer to Other Government Units	6,000,000	3,400,000	2,600,000	-
Other grants & Transfers	10,000,000	5,087,130	4,912,870	-
Social Security Benefits	9,400,000	6,811,488	2,588,512	-
Acquisition of Assets	1,540,654,728	1,420,287,680	120,367,048	-
Total Kshs.	5,627,216,094	4,847,769,979	785,938,750	6,492,635

Overall the Ministry did not utilize a total of Kshs.785,938,750 representing 14% of the approved budget. The Ministry has not explained why more than 14% of the approved budget was not utilized. Consequently, the Ministry may therefore have failed to implement/achieve its planned development/operational targets.

2.0 Pending Bills

As disclosed in Annex 1 to the financial statements, the ministry of land and physical planning had pending bills of Kshs.363,922,056 and which were not settled as at 30 June 2017 but were carried forward to 2017/2018.

Had the bills been paid and the expenditure charged to the account for 2016/2017, the statement of receipts and payments for the year would have reflected a deficit of Kshs.331,853,412 instead of the reflected surplus of Kshs.32,068,644 for the year ended 30 June 2017.

Responsibilities of Management and those Charged with Governance for the Financial Statements

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 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.

In preparing the financial statements, management is responsible for assessing the Ministry's ability to continue as a going concern/ 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 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.

Those charged with governance are responsible for overseeing the Ministry's financial reporting process.

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 auditors 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 of Kenya. 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 when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

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

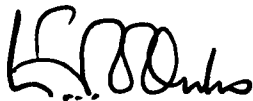
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the

purpose of giving an assurance on the effectiveness of the Ministry's 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 as a going concern. 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 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


19 April 2018


**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

V. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017	2015-2016
		Kshs	Kshs
RECEIPTS			
Transfers from National Treasury	1	4,865,901,000.00	22,711,309,870.00
Proceeds from Foreign Borrowings	2	-	2,144,449,732.20
Proceeds from Sale of Assets	3	13,937,624.00	-
Other Revenues	4	-	13,863,800.00
TOTAL RECEIPTS		4,879,838,624.00	24,869,623,402.20
PAYMENTS			
Compensation of Employees	5	1,908,315,506.90	2,788,630,231.35
Use of goods and services	6	1,503,868,174.30	4,392,764,189.80
Transfer to other Government Units	7	3,400,000.00	-
Other grants and transfers	8	5,087,130.00	1,281,702,385.60
Social Security Benefits	9	6,811,488.50	-
Acquisition of Assets	10	1,420,287,680.60	16,396,648,085.20
TOTAL PAYMENTS		4,847,769,980.30	24,859,744,891.95
SURPLUS/DEFICIT		32,068,643.70	9,878,510.25

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 28/07 2017 and signed by:


Principal Secretary
Name: Dr. Nicholas Muraguri

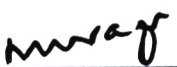

Principal Accounts Controller
Name: Johnson W. Njuguna
ICPAK Member Number: 7626


Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

VI. STATEMENT OF ASSETS AND LIABILITIES

	Note	2016-2017 Kshs	2015-2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	11	331,466,747.25	2,089,206,836.60
Cash Balances	12	201,038.00	-
Total Cash And Cash Equivalents		331,667,785.25	2,089,206,836.60
Accounts Receivables - Outstanding Imprest and Clearence Accounts	13	52,649,071.26	45,527,099.40
TOTAL FINANCIAL ASSETS		384,316,856.51	2,134,733,936.00
LESS: FINANCIAL LIABILITIES			
Accounts Payables - Deposits	14	331,416,702.70	2,089,075,580.00
NET FINANCIAL ASSETS		52,900,153.81	45,658,356.00
REPRESENTED BY			
Fund balance b/fwd	15	45,658,356.00	160,069,015.00
Surplus/Defict for the year		32,068,643.70	9,878,510.25
Prior year adjustments	16	-24,826,845.89	-124,289,169.25
NET FINANCIAL POSSITION		52,900,153.81	45,658,356.00

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 28/09/17 2017 and signed by:


 Principal Secretary
 Name: Dr. Nicholas Muraguri


 Principal Accounts Controller
 Name: Johnson W. Njuguna
 ICPAK Member Number: 7626

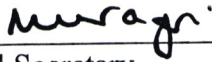
Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

VII. STATEMENT OF CASH FLOWS

	Note	2016-2017	2015-2016
		Kshs	Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Transfers from National Treasury	1	4,865,901,000.00	22,711,309,870.00
Other Revenues	4	-	13,863,800.00
		4,865,901,000.00	22,725,173,670.00
Payments for operating expenses			
Compensation of Employees	5	-1,908,315,506.90	-2,788,630,231.35
Use of goods and services	6	-1,503,868,174.30	-4,392,764,189.80
Transfer to other Government Units	7	-3,400,000.00	-
Other grants and transfers	8	-5,087,130.00	-1,281,702,385.60
Social Security Benefits	9	-6,811,488.50	-
		-3,427,482,299.70	-8,463,096,806.75
Adjusted for:			
Changes in receivables		-7,121,971.86	-16,329,096.00
Changes in payables		-1,757,658,877.30	362,453,346.00
Adjustments during the year		-24,826,845.89	-153,487,172.45
Net cashflow from operating activities		-351,188,994.75	14,454,713,940.80
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	3	13,937,624.00	-
Acquisition of Assets	10	-1,420,287,680.60	-16,396,648,085.20
Net cash flows from Investing Activities		-1,406,350,056.60	-16,396,648,085.20
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Foreign Borrowings	2	-	2,144,449,732.20
Net cash flow from financing activities		-	2,144,449,732.20
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		-1,757,539,051.35	202,515,587.80
Cash and cash equivalent at BEGINNING of the year		2,089,206,836.60	1,886,691,248.80
Cash and cash equivalent at END of the year		331,667,785.25	2,089,206,836.60

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

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 28/09/ 2017 and signed by:



Principal Secretary
Name: Dr. Nicholas Muraguri



Principal Accounts Controller
Name: Johnson W. Njuguna
ICPAK Member Number: 7626

MINISTRY OF LANDS AND PHYSICAL PLANNING
 Reports and Financial Statements
 For the year ended June 30, 2017

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c
RECEIPTS						
Exchequer releases	6,011,266,429.00	-394,965,085.00	5,616,301,344.00	4,865,901,000.00	750,400,344.00	87%
Proceeds from Sale of	9,414,750.00	-	9,414,750.00	13,937,624.00	-4,522,874.00	148%
Proceeds from Domestic and	9,400,000.00	-7,900,000.00	1,500,000.00	-	1,500,000.00	0
TOTALS	6,030,081,179.00	-402,865,085.00	5,627,216,094.00	4,879,838,624.00	747,377,470.00	87%
PAYMENTS						
Compensation of Employees	1,943,822,872.00	-42,000,000.00	1,901,822,872.00	1,908,315,506.90	-6,492,634.90	100%
Use of goods and services	2,223,902,825.00	-64,564,331.00	2,159,338,494.00	1,503,868,174.30	655,470,319.70	70%
Transfers to Other Government Units	12,000,000.00	-6,000,000.00	6,000,000.00	3,400,000.00	2,600,000.00	57%
Other grants and transfers	20,000,000.00	-10,000,000.00	10,000,000.00	5,087,130.00	4,912,870.00	51%
Social Security Benefits	20,324,458.00	-10,924,458.00	9,400,000.00	6,811,488.50	2,588,511.50	72%
Acquisition of Assets	1,810,031,024.00	-269,376,296.00	1,540,654,728.00	1,420,287,680.60	120,367,047.40	92%
TOTALS	6,030,081,179.00	-402,865,085.00	5,627,216,094.00	4,847,769,980.30	779,446,113.70	86%

Notes

- i. Over utilisation of 48% in proceeds from sale of assets was as a result of increase in payment of school fees by students at Kenya Institute of Surveying and mapping.
- ii. The non-collection of proceeds from domestic and foreign grants was as a result on non- receipt of funds from development partners.
- iii. Underutilisation of use of goods of 30% is as a result of un-captured AIE's which we are in the process of capturing.
- iv. Underutilisation of transfer to government units of 43% was as a result of non-release of the remaining amount from the Donor financier.
- v. Underutilisation of other grants and transfers of 49% was as a result of non-release of the remaining amount from the Donor financier.
- vi. Underutilisation of social security benefits of 28% was as a result of decrease in maturity of gratuity payment.
- vii. The exchequer release is at 87% was as a result of lack of exchequer from treasury.
- viii. Underutilisation of Acquisition of assets of 8% was as a result of delay in procurement process.

The entity financial statements were approved on 28/07 2017 and signed by:



Principal Secretary
Name: Dr. Nicholas Muraguri



Principal Accounts Controller
Name: Johnson W. Njuguna
ICPAK Member Number: 7626

IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Utilisation Difference	% of Utilisation
Receipt/Expense Item	a	b	c=a+b	d	e=c-d	f=d/c*100
RECEIPTS						
Exchequer releases	2,179,186,429.00	71,034,915.00	2,250,221,344.00	2,162,501,000.00	87,720,344.00	96%
Proceeds from Sale of Assets	9,414,750.00	-	9,414,750.00	13,937,624.00	-4,522,874.00	148%
Total Receipts	2,188,601,179.00	71,034,915.00	2,259,636,094.00	2,176,438,624.00	83,197,470.00	96%
PAYMENTS						
Compensation of Employees	1,943,822,872.00	-42,000,000.00	1,901,822,872.00	1,908,315,506.90	-6,492,634.90	100%
Use of goods and services	208,502,825.00	124,479,669.00	332,982,494.00	269,791,497.40	63,190,996.60	81%
Other grants and transfers	10,000,000.00	-	10,000,000.00	5,087,130.00	4,912,870.00	51%
Social Security Benefits	20,324,458.00	-10,924,458.00	9,400,000.00	6,811,488.50	2,588,511.50	72%
Acquisition of Assets	5,951,024.00	-520,296.00	5,430,728.00	648,344.00	4,782,384.00	12%
TOTALS	2,188,601,179.00	71,034,915.00	2,259,636,094.00	2,190,653,966.80	68,982,127.20	97%


MINISTRY OF LANDS AND PHYSICAL PLANNING
Reports and Financial Statements
For the year ended June 30, 2017

Notes

- i. Underutilisation of use of goods of 19% is as a result of lack of exchequer from National treasury.
- ii. Underutilisation of other grants and transfers of 49% was as a result of non-release of the remaining amount from the Donor financier.
- iii. Underutilisation of social security benefits of 28% was as a result of decrease in maturity of gratuity payment.
- iv. Underutilisation of Acquisition of assets of 88% was as a result of delay in procurement process.
- v. Over utilisation of 48% in proceeds from sale of assets was as a result of increase in payment of school fees by students at Kenya Institute of Surveying and mapping.

The entity financial statements were approved on 28/07 2017 and signed by:


Principal Secretary
Name: Dr. Nicholas Muraguri


Principal Accounts Controller
Name: Johnson W. Njuguna
ICPAK Member Number: 7626

X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	3,832,080,000.00	-466,000,000.00	3,366,080,000.00	2,703,400,000.00	662,680,000.00	80%
Proceeds from Domestic and Foreign Grants	9,400,000.00	-7,900,000.00	1,500,000.00	-	1,500,000.00	0%
TOTALS	3,841,480,000.00	-473,900,000.00	3,367,580,000.00	2,703,400,000.00	664,180,000.00	80%
PAYMENTS						
Use of goods and services	2,015,400,000.00	-189,044,000.00	1,826,356,000.00	1,234,076,676.90	592,279,323.10	68%
Transfers to Other Government Units	12,000,000.00	-6,000,000.00	6,000,000.00	3,400,000.00	2,600,000.00	57%
Other grants and transfers	10,000,000.00	-10,000,000.00	-	-	-	0%
Acquisition of Assets	1,804,080,000.00	-268,856,000.00	1,535,224,000.00	1,419,639,336.60	115,584,663.40	92%
TOTALS	3,841,480,000.00	-473,900,000.00	3,367,580,000.00	2,657,116,013.50	710,463,986.50	79%

**Reports and Financial Statements
For the year ended June 30, 2017**

Notes

- i. Underutilisation of use of goods of 32% is as a result of lack of exchequer from National treasury.
- ii. The non-collection of proceeds from domestic and foreign grants was as a result on non- receipt of funds from development partners.
- iii. Underutilisation of transfer to government units of 43% was as a result of non-release of the remaining amount from the Donor financier.
- iv. The exchequer release is at 80% was as a result of lack of exchequer from treasury.
- v. Underutilisation of Acquisition of assets of 8% was as a result of delay in procurement process.

The entity financial statements were approved on 28/07 2017 and signed by:



Principal Secretary
Name: Dr. Nicholas Muraguri



Principal Accounts Controller
Name: Johnson W. Njuguna
ICPAK Member Number: 7626

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/sub-programme	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference
	a	b	c=a+b	d	e=c-d
Land policy and					
S.P 1.1. Development planning and Lands reform	2,855,727,555.00	4,795,380.00	2,860,522,935.00	2,247,227,323.80	613,295,611.20
S.P 1.2. Land information Management	871,011,036.00	-16,724,012.00	854,287,024.00	814,070,927.05	40,216,096.95
S.P. 1.3. Land survey	1,145,614,169.00	-292,885,680.00	852,728,489.00	769,726,123.25	83,002,365.75
S.P 1.4. Land use	277,710,112.00	-70,061,464.00	207,648,648.00	187,212,998.25	20,435,649.75
S.P.1.5 Land settlement	880,018,307.00	-27,989,309.00	852,028,998.00	829,532,607.95	22,496,390.05
TOTAL	6,030,081,179.00	-402,865,085.00	5,627,216,094.00	4,847,769,980.30	779,446,113.70

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based.)

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 Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes 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 receivables and payables are disclosed in the Statement of Assets and Liabilities. The Statement of Assets and Liabilities is not mandatory statement under the IPSAS Cash basis but is encouraged in order to disclose information on assets and liabilities.

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

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

2. Reporting entity

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

I. Coastal Development Project

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

Transfers from the Exchequer

Transfer from Exchequer is 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 entity.

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds; sovereign bonds and external loans acquired by the entity or any other debt the Entity may take on will be treated on cash basis and recognized as receipts during the year of receipt.

Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30th June 2017, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

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 entity recognises all expenses when the event occurs and the related cash has actually been paid out by the entity.

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

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

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

Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

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 entity and a summary provided for purposes of disclosure. This summary is disclosed as an annexure to the entity's financial statements.

4. In-kind contributions

In-kind contributions are donations that are made to the *entity* 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 *entity* includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

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.

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2017, this amounted to Kshs NIL compared to Kshs NIL in prior period.

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.

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

XIII. NOTES TO THE FINANCIAL STATEMENTS

1 EXCHQUER RELEASES

Description and reference of the transfer	2016 - 2017	2015 - 2016
	Kshs	Kshs
1st quarter transfer	548,000,000.00	3,286,000,000.00
2nd quarter transfer	1,140,100,000.00	5,942,916,000.00
3rd quarter transfer	1,276,500,000.00	6,581,793,870.00
4th quarter transfer	1,901,301,000.00	6,900,600,000.00
Total	4,865,901,000.00	22,711,309,870.00

During the year the Ministry was to receive Kshs.5, 616, 301, 344, however it received Kshs. 4,865,901,000 falling short of Kshs. 750,400,344.

2. PROCEEDS FROM FOREIGN BORROWINGS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Foreign Borrowing - Direct Payments	-	2,144,449,732.20
Total	-	2,144,449,732.20

During the year there was no proceeds from foreign borrowing as the related to now State Department of Housing

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. PROCEEDS FROM SALE OF ASSETS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Receipts from the Sale of Inventories, Stocks and Commodities	13,937,624.00	-
Total	13,937,624.00	-

The receipts were from school fees paid by students from KISM

4 OTHER REVENUES

Description	2016 - 2017	2015-2016
	Kshs	Kshs
Receipts from Administrative Fees and Charges - Collected as AIA	-	13,863,800.00
Total	-	13,863,800.00

The receipts were from school fees paid by students from KISM which is similar to the one in the proceeds from sale of assets above. The amounts don't have significant variation.

5 COMPENSATION OF EMPLOYEES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic salaries of permanent employees	1,144,803,399.70	1,799,157,248.25
Basic wages of temporary employees	25,500,500.00	10,494,233.00

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

Personal allowances paid as part of salary	738,011,607.20	978,978,750.1
Total	1,908,315,506.90	2,788,630,231.35

There was a decrease in Compensation of employees as a result of split of the Ministry and now the State Department of Housing and State Department of Public works are on their own.

6 USE OF GOODS AND SERVICES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Utilities, supplies and services	47,744,226.30	53,904,404.40
Communication, supplies and services	12,952,684.10	40,837,003.15
Domestic travel and subsistence	9,708,260.00	125,373,477.60
Foreign travel and subsistence	2,470,635.70	14,913,686.90
Printing, advertising and information supplies & services	1,163,682.00	10,063,651.20
Rentals of produced assets	590,800.00	114,822,295.30
Training expenses	12,805,885.60	87,493,470.50
Hospitality supplies and services	90,672,126.80	35,786,864.40
Specialised materials and services	586,834,031.15	1,035,125,211.75
Office and general supplies and services	9,304,996.55	65,900,898.40
Fuel Oil and Lubricants	8,530,800.40	38,518,932.00
Other Operating Expenses	704,066,120.70	2,426,195,889.40
Routine maintenance – vehicles and other transport equipment	7,321,935.00	26,733,309.75
Routine maintenance – other assets	9,701,990.00	317,095,095.05
Total	1,503,868,174.30	4,392,764,189.80

There was a decrease in use of goods and services as a result of split of the Ministry and now the State Department of Housing and State Department of Public works are on their own.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 GRANTS AND TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Capital grants to Government Agencies and other Levels of Government	3,400,000.00	
Total	3,400,000.00	-

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

Description	Recurrent	Development	Total	2015-2016
	Kshs	Kshs	Kshs	Kshs
Transfers to SAGAs and SCs				
Coastal Development Project	0	3,400,000.00	3,400,000.00	0
TOTAL	0	3,400,000.00	3,400,000.00	0

We have confirmed with the recipient entity that the amount indicated is correct.

8 OTHER GRANTS AND TRANSFERS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Membership Fees and Dues, and Subscriptions to Intl. Orgns	5,087,130.00	231,353,396.30
Other current transfers, grants		160,010,752.00
Other capital grants and transfers		890,338,237.30
Total	5,087,130.00	1,281,702,385.60

Other grants and transfer relates to subscriptions made to international organisations mainly from Survey department and differ from the previous year as a result of Splitting of the Ministry.

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9 SOCIAL SECURITY BENEFITS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Government pension and retirement benefits	6,811,488.50	-
Total	6,811,488.50	-

Social security benefits relate to government gratuity paid to key management staffs on the expiry of their contract. As compare to Last year employee's contracts were ending in this financial year.

10 ACQUISITION OF ASSETS

There was a decrease in acquisition of assets as a result of split of the Ministry and now the State Department of Housing and State Department of Public works are on their own.

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Non Financial Assets		
Construction of Buildings	77,233,293.80	1,864,758,823.85
Refurbishment of Buildings	25,609,152.40	37,797,474.65
Construction of Roads	-	591,395,749.80
Construction and Civil Works	1,007,960.00	9,372,593,986.50
Overhaul and Refurbishment of Construction and Civil Works	-	216,423,013.45
Purchase of Vehicles and Other Transport Equipment	-	34,966,600.00
Overhaul of Vehicles and Other Transport Equipment	-	30,000.00

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

Purchase of Household Furniture and Institutional Equipment	-	241,040.00
Purchase of Office Furniture and General	303,364.00	184,481,745.55
Purchase of Specialised Plant, Equipment and Machinery	152,265,643.90	1,320,849,764.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	26,980.00	166,500.00
Research, Studies, Project Preparation, Design & Supervision	796,579,541.50	1,378,912,061.25
Rehabilitation of Civil Works	-	144,031,326.15
Acquisition of Land	367,261,745.00	1,250,000,000.00
Total	1,420,287,680.60	16,396,648,085.20

11 BANK ACCOUNTS

Name of Bank, Account No. & currency	2016 - 2017	2015 - 2016
	Kshs	Kshs
Central Bank Development A/C 1000181753	9,892.40	8,071.10
Central Bank Recurrent A/C	40,152.15	123,185.50
Central Bank Deposits 1000182245	331,416,702.70	2,089,075,580.00
Total	331,466,747.25	2,089,206,836.60

12 CASH IN HAND

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Cash in Hand – Held in domestic currency	201,038.00	-
Cash in Hand – Held in foreign currency		
Total	201,038.00	-

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Cash in hand should also be analysed as follows:

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Headquarters Development	-	-
Headquarters Recurrent	201,038.00	-
Deposits	-	-
Total	201,038.00	-

13: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Imprests	50,016,332.06	45,266,994.00
District suspense (Annex 5)	2,554,751.00	239,679.40
Salary Advances(Annex 2)	77,988.20	20,426.00
TOTAL	52,649,071.26	45,527,099.40

14. ACCOUNTS PAYABLE

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Deposits	331,416,702.70	2,089,075,580.00
TOTAL	331,416,702.70	2,089,075,580.00

These are retention money that the Ministry has on behalf of third parties.

15. FUND BALANCE BROUGHT FORWARD

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts	2,089,206,836.60	1,857,485,046.00
Cash in hand	-	8,200.00
Receivables - Outstanding Imprests	45,527,099.40	29,198,003.00
Payables - Deposits	-	-1,726,622,234.00
Total	45,658,356.00	160,069,015.00

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

These are the fund balances that were brought forward from FY 2015/2016. The bank balances has however been taken back by exchequer as shown in note 26.

16. PRIOR YEAR ADJUSTMENTS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Adjustments on bank account balances	131,258.11	-124,289,169.25
Adjustments on cash in hand		-
Adjustments on payables		-
Adjustments on receivables	-24,958,104.00	-
Total	-24,826,845.89	-124,289,169.25

The prior year adjustment relates to bank balances that were swept back to exchequer at the beginning of the year of Kshs. 123,185.50 and Kshs. 8,073.10 from recurrent and development respectively.

Adjustments on receivables of Kshs 24,958,104.00 relate to imprests amount surrendered as expenses in the current year but relate to the prior year.

These adjustments affect the statement of assets as they result into the reduction of the fund balance brought forward.

17. RELATED PARTY DISCLOSURES

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the Ministry of lands and Physical planning.

- Key management personnel that include the Cabinet Secretaries and Accounting Officers
- Other Ministries Departments and Agencies and Development Projects;
- County Governments; and
- State Corporations and Semi-Autonomous Government Agencies.

Related party transactions:

Description	2016/2017	2015/2016
	Kshs	Kshs
Key Management compensation	69,363,840.00	66,516,984.00
Transfers to the Other Ministries Departments and Agencies	0	0
Transfers to other State Corporations and Semi-Autonomous Government Agencies	367,261,745.00	1,250,000,000.00

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

Transfers to Government Development Projects	3,400,000.00	3,400,000.00
Transfer to Counties		
Transfers from other Ministries Departments and Agencies	0	0
Transfer from Counties	0	0

The transfer relates to Funds disbursed to Settlement Fund Trustee which is under the Ministry of Lands and Physical planning.

18. OTHER IMPORTANT DISCLOSURES

18.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

Description	2016 – 2017	2015 – 2016
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	269,900,631.00	391,234,017.48
Supply of services	94,021,424.51	35,709,873.92
	363,922,055.51	426,943,891.30

19. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.1	Financial Statements prepared outside IFMIS resulting to a variance of Ksh. 1,838,465 and Kshs.201,000.	<p>1. Tax receipt of Ksh. 1,954,622. The Ministry does not collect any tax receipt and hence these are erroneous postings and should be reversed in the IFMIS system. However the IFMIS system was unable to reverse.</p> <p>2. Proceeds From sale of Assets of Kshs.4,449,050. The Ministry did not capture receipts amounting to Kshs. 4,269,050 in the IFMIS system and hence causing the difference. The Accounts receivable module was inactive for A-I-A.</p>	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

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>3. Other Receipts of KSH.655,963.</p> <p>These were caused by erroneous postings and should be reversed in the IFMIS system. However the IFMIS system was unable to reverse.</p> <p>4. Total Payment difference of KSh. 201,000.</p> <p>The difference of Kshs 201,000 in the total payments is attributed to discrepancies in the various IFMIS reports on Acquisition of assets.</p> <p>The Ministry is liaising with the National Treasury to ensure the adjustments are made in the IFMIS system.</p>			
1.2	Summary of Fixed Assets inclusion.	<p>It is true that the Financial Statements did not include summary of fixed assets as an annex contrary to the prescribed reporting template as issued by the Public Sector Accounting Standards Board.</p> <p>The ministry had just initiated the process of developing a Fixed Asset Register to prescribe to the reporting template issued by the Public Sector Accounting Standard Board</p>	Fredrick Ndonge-DSCM	Not resolved	31 st Dec. 2017.

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

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)
2.1	Construction of Civil works Wrong charge.	<p>(PSASB)</p> <p>However due to a number of challenges experienced in developing the asset register, the exercise has not been finalised</p> <p>We wish to state the following:- 1.kshs.534,083,192.80 for stationery has now been adjusted. 2.kshs.13,606,988.15 for fuel and automobile repairs has now been adjusted. 3.kshs.13,701,999.00 for security services and kshs.5,939,991.00 has now been adjusted. 4.kshs.23,349,000.00 for operating systems, licenses, computer servers and computer desktops has now been adjusted.</p>	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.
2.2	Research,	It is true that payment vouchers amounting to 44,245,151	Johnson	Not	31 st

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

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)
	Studies, Project Preparation, Design and Supervision	relating Research, Studies, Project Preparation, Design and Supervision were not availed for audit I would like to state that this was due to misfiling and vouchers amounting to Kshs 44,245,151 have now been availed for audit.	Njuguna-HAU	resolved	Dec. 2017.
2.3	Construction of Roads	It is true that included in the figure for Roads construction is an amount of kshs.123,534,600.00 that is wrongly charged. The adjustment has now been made.	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.
2.4	Refurbishment of Building	It is true that included in the figure for refurbishment of buildings is kshs.11,113,869.00 that is wrongly charged. The adjustment has now been made.	Fredrick Ndonge-DSCM	Not resolved	31 st Dec. 2017.
2.5	Construction of Buildings	It is true that included in the figure for refurbishment of buildings is kshs.11,113,869.00 that is wrongly charged. The adjustment has now been made.	Fredrick Ndonge-DSCM	Not resolved	31 st Dec. 2017.
3.1	Other Operating Expenses	It is true that payment vouchers kshs.27,027,411 were not availed for audit. I would like to state that vouchers have now been availed for audit .	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

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)
3.2	Fuel, Oil and Lubricants	<p>It is true that various payment vouchers worth Kshs2,666,973.20 were not availed for audit as they had been misfiled. I wish to state that vouchers have now been availed for audit.</p> <p>It is also true that payment vouchers for kshs.10,728,900.00 were wrongly charged and adjustments have been made to correct the error.</p>	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.
4.0	Cash and cash Equivalents	<p>It is true that the deposit accounts bank reconciliation has an amount of kshs.1,015,410,405.75 as receipts in cashbook not in the bank account. It is also true that some receipts have been outstanding since 30th June 2014. It is also true that the reconciliation also has payments in bank not in cashbook of kshs. 220,854,333.80 and receipts in cashbook not in bank of kshs. 43,232,134.25 that has been outstanding since the year 2013/2014.</p> <p>I would like to state that the reconciliation is being done and necessary adjustments will be made.</p>	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

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)
5.0	Imprest and Clearance Accounts	It is true that the figure of 45,527,000.00 appearing in the Financial statement differs with the figure of 68,108,849.30 appearing in the IFMIS imprest register. This difference of 22,581,849.30 was occasioned by Deposit imprests which do not appear in the Financial statement.	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.
6.0	Accounts Payable – Deposit	It is true that kshs. 8,817,156.90 was paid to Bashash Construction Company Ltd as retention in respect of the Eldama Ravine Bus Park and no receipt was attached. This is an error and measures have been put in place to ensure that such omissions do not arise. It is also true that kshs.2,089,075,579.00 reported in the financial statements differ with the cashbook balance of kshs.1,480,819,876.00 as at 30 th June 2016. this was occasioned by some deposit receipts and payments not entered in the cashbook. I would like to state that the anomaly has since been rectified in the cashbook.	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
7.1	Construction of Olenguruone Stadium	Further the receipts in the bank reconciliation includes 230,617,942.85 being withholding tax. I wish to state that the analysis is ongoing and adjustments will be made	Irene Mbogo-HAU	Not resolved	31 st Dec. 2017.
7.2	Construction of Narok Stadium		Irene Mbogo-HAU	Not resolved	31 st Dec. 2017.
8.0	Construction of Kenya Industrial Training Institute (KITI), Nakuru Phase iv for The Ministry Of Industrialization & Enterprise Development		Irene Mbogo-HAU	Not resolved	31 st Dec. 2017.

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

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)
1	Budgetary Controls and Performance	It is true that the Ministry had a total budget of of khs 31,445,183,832.00 for the financial year 2015/16 comprising of kshs. 27,664,337,690.00 for development and kshs. 3,780,846,142.00 for recurrent expenditure. It is also true that the ministry spent 24,859,744,891.95 during the year under review and failed to utilize funds totaling to 6,585,438,940.05 out of which kshs. 6,507,087,787.35 related to development projects. This was as a result of lack of exchequer from National treasury.	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.
2	Pending Bills	It is true that the ministry had a total of khs. 1,693,351,703.19 as pending bills which were not settled as at 30-jun-2016. I would like to state that this was due to lack of funding from the National Treasury.	Johnson Njuguna-HAU	Not resolved	31 st Dec. 2017.

**MINISTRY OF LANDS AND PHYSICAL PLANNING
Reports and Financial Statements
For the year ended June 30, 2017**

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>Further, I would like to state that after the reorganization of the former Ministry of Lands, Housing and Urban Development, pending bills payable by the ministry of lands and physical planning is kshs.426,943,891.40.</p> <p>I would like to state that the bills have since been paid</p>			

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**



Principal Secretary
Name: Dr. Nicholas Muraguri



Principal Accounts Controller
Name: Johnson W. Njuguna
ICPAK Member Number: 7626

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

1	SUPPLIES OF GOODS	OUTSTANDING BALANCE	COMMENTS
NO.	PAYEE		
1	RAVINE AGENCIES	12,500.00	Lack of exchequer
2	DAHHEM GENERAL MERCHANTS	126,500.00	Lack of exchequer
3	KIWAKA GENERAL MERCHANTS LTD	143,100.00	Lack of exchequer
4	SILVER CLOUD LAB SUPPLIES LTD	166,250.00	Lack of exchequer
5	CABIAN LIMITED	250,000.00	Late invoice delivery
6	CABIAN LIMITED	295,840.00	Lack of exchequer
7	STANEM HOLDINGS	312,950.00	Lack of exchequer
8	PRENA INVESTMENTS	314,372.00	Lack of exchequer
9	JAWAGES GENERAL ENTERPRISES	325,000.00	Late invoice delivery
10	LEVLEX INVEST LINK	337,700.00	Lack of exchequer
11	CEDACREST LIMITED	382,000.00	Lack of exchequer
12	ERIKIA GENERAL SUPPLIES	441,000.00	Lack of exchequer
13	BERGH INTERNATIONAL	470,000.00	Late invoice delivery
14	FABRIANA COMPANY	555,000.00	Lack of exchequer
15	KONJULI ENTERPRISES	577,000.00	Lack of exchequer
16	KIPKABUS GENERAL MERCHANTS	595,000.00	Lack of exchequer
17	BRAKSEN TRADERS	607,500.00	Lack of exchequer
18	HERIMAX VENTURES	671,520.00	Late invoice delivery
19	SHIFRAH INTERNATIONAL	690,000.00	Lack of exchequer
20	MIDWEEK GENERAL SUPPLIERS	750,000.00	Lack of exchequer

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

21	TAMALINK COMMUNICATION	848,200.00	Lack of exchequer
22	BICON ICT SOLUTIONS	894,000.00	Late invoice delivery
23	PATREDA GLOBAL ENTERPRISES	902,000.00	Lack of exchequer
24	JOSVA DEALERS	909,000.00	Lack of exchequer
25	CAPITAL FOUR AFTRICA	924,000.00	Lack of exchequer
26	KEDIMA GENERAL MERCHANDISE	975,000.00	Lack of exchequer
27	MOKIJOY ENTERPRISES	975,000.00	Lack of exchequer
28	ALPHATIDE ENTERPRISES	994,000.00	Lack of exchequer
29	SHARPHINE AGENCIES	1,000,000.00	Lack of exchequer
30	CARLIM TEE UNIFORM DISTRIBUTORS	1,025,000.00	Late invoice delivery
31	BLAM ENTERPRISES	1,075,000.00	Late invoice delivery
32	DENKIM ENTERPRISES	1,109,000.00	Lack of exchequer
33	SAKAWA TRADING COMPANY	1,150,000.00	Lack of exchequer
34	BERNAGY CONSULTING LTD	1,165,000.00	Lack of exchequer
35	BERCENG SUPPLIES NAIROBI LTD	1,166,400.00	Lack of exchequer
36	SEROMA AGENCIES	1,200,000.00	Lack of exchequer
37	BRIDGET ENTERPRISES	1,247,000.00	Late invoice delivery
38	GEKAM ENTERPRISES	1,290,000.00	Lack of exchequer
39	PROXY GEN. SUPPLIERS	1,300,000.00	Lack of exchequer
40	JEFFWEBA ENTERPRISES	1,367,000.00	Lack of exchequer
41	DECINVESTMENTS	1,375,000.00	Lack of exchequer
42	LIVERSOURCE SYSTEMS	1,380,000.00	Lack of exchequer
43	MUSDEN ENTERPRISES	1,413,720.00	Lack of exchequer
44	FIRST OPTION VENTURES	1,415,000.00	Lack of exchequer
45	VINEYARD HYPERSOLUTIONS	1,420,000.00	Late invoice delivery
46	JOYMIC TECHNOLOGIES	1,430,000.00	Lack of exchequer
47	ROBTEK ENTERPRISES	1,450,000.00	Lack of exchequer

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

48	LINKE LIMITED	1,500,000.00	Lack of exchequer
49	ACIE TECHNOLOGIES	1,520,000.00	Lack of exchequer
50	SECUPLUS TRADERS	1,670,000.00	Lack of exchequer
51	GLOBAL REACH TECHNOLOGIES	1,770,000.00	Late invoice delivery
52	OFFICE ONE EAST AFRICA	1,775,000.00	Lack of exchequer
53	DAMASCUS ENTERPRISES	1,776,000.00	Lack of exchequer
54	SERAM SUPPLIERS	1,885,000.00	Lack of exchequer
55	DOTCOM ENTERPRISES	1,887,000.00	Lack of exchequer
56	DWERO VENTURES	1,900,000.00	Lack of exchequer
57	OPROXY GENERAL SUPPLIERS	1,925,000.00	Lack of exchequer
58	RIMESHTech ENTERPRISES	1,925,000.00	Lack of exchequer
59	MAXINE INVESTMENTS & COMPONENTS	1,935,000.00	Lack of exchequer
60	GLADIMIU LOGISTICS	1,947,000.00	Lack of exchequer
61	CLEMPET ENTERPRISES	1,950,000.00	Lack of exchequer
62	GILOSON INVESTMENTS	1,950,000.00	Lack of exchequer
63	AEON BEYOND INNOVATIONS	1,980,000.00	Lack of exchequer
64	LINKMAT INVESTMENTS	1,980,000.00	Lack of exchequer
65	LIVERDIEW INVESTMENTS	1,980,000.00	Lack of exchequer
66	GLOBAL INTERNATIONAL (K) LTD	1,986,600.00	Lack of exchequer
67	CONGROMELATE TRADING	1,988,000.00	Late invoice delivery
68	DORDAN SUPPLIERS	1,990,000.00	Lack of exchequer
69	WINSAR GENERAL ENTERPRISES	1,995,000.00	Lack of exchequer
70	ESRINNET VENTURES	1,995,500.00	Late invoice delivery
71	JOPAC GLOBAL ENTERPRISES	1,996,000.00	Lack of exchequer
72	DUBFREE TECHNOLOGIES	1,997,000.00	Lack of exchequer
73	TYBELL GENERAL ENTERPRISES	1,997,800.00	Lack of exchequer
74	MAXINE INVESTMENTS & COMPONENTS	1,998,000.00	Lack of exchequer

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

75	STARHOTECH SUPPLIERS	1,999,000.00	Lack of exchequer
76	DAHREM GENERAL MERCHANTS	2,000,000.00	Lack of exchequer
77	PRINCESS RAMI ENTERPRISES	2,000,000.00	Late invoice delivery
78	SHARPHINE AGENCIES	2,000,000.00	Lack of exchequer
79	ONIVAL AGENCY NAIROBI	2,055,000.00	Lack of exchequer
80	ESTELLE DISTRIBUTORS	2,092,000.00	Lack of exchequer
81	KIMGEN SUPPLIERS	2,129,224.00	Lack of exchequer
82	BLUELITE ENTERPRISES	2,239,920.00	Late invoice delivery
83	TRIZA INVESTMENTS	2,286,500.00	Lack of exchequer
84	NDALO ENTERPRISES	2,340,000.00	Lack of exchequer
85	JW SQUARED AGENCIES	2,400,000.00	Lack of exchequer
86	CLOUDPRO SOLUTIONS LTD	2,820,000.00	Lack of exchequer
87	JAMATI AGENCIES LIMITED	3,111,600.00	Late invoice delivery
88	SMARTINNOVATIONS	3,920,000.00	Lack of exchequer
89	STATE LAW OFFICE	4,800,000.00	Lack of exchequer
90	CHARSHOP ENTERPRISES	4,835,000.00	Lack of exchequer
91	IDEAL STOCK INVESTMENT	8,950,000.00	Lack of exchequer
92	GLOBAL REACH TECHNOLOGIES	9,250,672.00	Lack of exchequer
93	CREDIBLE PRINTERS & STATIONERS	9,400,263.00	Lack of exchequer
94	CHARSHOP ENTERPRISES	11,200,000.00	Lack of exchequer
95	CHARSHOP ENTERPRISES	39,450,000.00	Late invoice delivery
96	MODERN HYPERMART SOLUTIONS	58,000,000.00	Lack of exchequer
	TOTAL	269,900,631.00	
	SUPPLY OF SERVICES		
97	RENTOKIL INITIAL LTD	36,443.00	Lack of exchequer
98	KENYA POWER	52,840.19	Late invoice delivery

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

99	ROYAL COURT HOTEL	65,615.00	Lack of exchequer
100	GRAZA WEDDINGS & EVENTS	70,000.00	Lack of exchequer
101	MERU SLOPESHOTEL	71,100.00	Lack of exchequer
102	ALANDO TRAVEL AND TOURS AGENCY	116,925.00	Lack of exchequer
103	POSTAL CORPORATION OF KENYA	132,880.00	Lack of exchequer
104	MINISTRY OF WORKS SPORTS CLUB	140,073.60	Late invoice delivery
105	TEALAND AUTOPARTS GARAGE	152,040.00	Lack of exchequer
106	PRIMAX SERVICES	160,000.00	Lack of exchequer
107	PAPER LIME LIMITED	174,000.00	Lack of exchequer
108	SAROVA PANAFRIC HOTEL	175,000.00	Lack of exchequer
109	SOUTHERN STAR SACCO	185,700.00	Lack of exchequer
110	DECORA ENTERPRISES LTD	197,200.00	Lack of exchequer
111	MARA WAYS & TOURS TRAVEL LTD	214,170.00	Late invoice delivery
112	AIMAT COMPANY LIMITED	214,600.00	Lack of exchequer
113	AIMAT COMPANY LIMITED	214,600.00	Lack of exchequer
114	JKUAT PROJECTS	230,000.00	Lack of exchequer
115	KENYA FOREST RES. INSTITUTE	240,500.00	Lack of exchequer
116	ABOGETA UPPER CLUIRE	336,520.00	Late invoice delivery
117	ELICOM ENTERPRISES	350,000.00	Lack of exchequer
118	DOLYTECH TRADERS	360,000.00	Lack of exchequer
119	NATION MEDIUM GROUP LIMITED	433,608.00	Lack of exchequer
120	STARVICOM TECHNOLOGIES	450,000.00	Lack of exchequer
121	TOYOTA KENYA LIMITED	479,227.00	Late invoice delivery
122	MOMBASA BEACH HOTEL	487,500.00	Lack of exchequer
123	GOOD EFFECT ENTERPRISES	498,378.00	Lack of exchequer
124	GREEN HILLS HOTEL	560,000.00	Lack of exchequer
125	DAVIS AND SHIRTY	574,626.00	Lack of exchequer

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

126	FLEX CONNECTION	587,600.00	Lack of exchequer
127	STANDARD GROUP LTD	591,656.00	Late invoice delivery
128	IMAGE TRACK TECHNOLOGIES LTD	596,000.00	Lack of exchequer
129	MINISTRY OF WORKS SPORTS CLUB	633,063.60	Lack of exchequer
130	KENGOLD LOGISTICS	690,500.00	Lack of exchequer
131	SPEAR SOFT LTD	800,000.00	Lack of exchequer
132	ELEVATOR GENERAL SERVICES LTD	811,731.00	Late invoice delivery
133	COPYCAT LTD	928,000.00	Lack of exchequer
134	REGIONAL DEV CENTRE	944,239.00	Lack of exchequer
135	LEKHA TRADING CO. LTD	1,156,000.00	Lack of exchequer
136	TOYOTA KENYA LIMITED	1,199,368.00	Lack of exchequer
137	NGATIA & ASSOCIATES	1,364,180.85	Lack of exchequer
138	SUNSET HOTEL LTD	1,422,000.00	Lack of exchequer
139	KENYA POWER	1,677,854.67	Lack of exchequer
140	KILUKUMI & COMPANY	1,740,000.00	Lack of exchequer
141	KENYA POWER	1,794,601.20	Late invoice delivery
142	PAUL KIBUGI MUIITE	1,837,500.00	Lack of exchequer
143	THE BEST EXTERMINATOR	1,980,000.00	Lack of exchequer
144	ELICOM ENTERPRISES	2,000,000.00	Lack of exchequer
145	DASH GROWTH CLEARING SERVICES LTD	2,311,891.20	Lack of exchequer
146	SUN AFRICA HOTEL	2,359,000.00	Late invoice delivery
147	OCTAGON OCI ENTERPRISES	3,724,000.00	Lack of exchequer
148	NEEMA COASTAL LTD	3,840,000.00	Lack of exchequer
149	JAYMAK ENTERPRISES	3,855,500.00	Lack of exchequer
150	PUSH AGENCIES	6,261,552.40	Late invoice delivery
151	REGIONAL DEV CENTRE	6,285,341.00	Lack of exchequer
152	OPEN CENTURY TECHNOLOGIES	8,000,000.00	Late invoice delivery

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

153	JAMOSONS TECHNOLOGIES	8,931,193.80	Lack of exchequer
154	MUGAMBI & CO-ADVOCATES	18,325,106.00	Lack of exchequer
	TOTAL	94,021,424.51	
	GRAND TOTAL	363,922,055.51	

Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017

ANNEX 2 – SALARY ADVANCE

S/NO	NAME	AMOUNT
1	SARAH AUMA OKUDHO	19,112.00
2	RICHARD ONYONGE NDALE	7,640.00
3	MILDRED AWOUR SIKUKU	19,942.00
4	LUCY WANJA JULIUS	31,294.20
	TOTAL	77,988.20

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

ANNEX 3 – LIST OF PROJECTS IMPLEMENTED BY MINISTRY OF LANDS AND PHYSICAL PLANNING

Ref	Project Name	Principal activity of project	Accounting Officer	Project consolidation in these financial statements(yes/no)
1	Coastal Development Project.		Dr. Nicholas Muraguri.	YES

Ministry of Lands and Physical Planning
 Reports and Financial Statements
 For the year ended June 30, 2017

ANNEX 4 – LIST OF SCs, SAGAs AND PUBLIC FUNDS UNDER MINISTRY OF LANDS AND PHYSICAL PLANNING

Ref	SC, SAGA or Public Fund's name	Principal activity of entity	Accounting Officer	Amount transferred during the year	Inter- entity reconciliations done?(yes/no)
1	SETTLEMENT FUND TRUSTEE	Settlement of the landless people	Dr. Nicholas Muraguri.	367,261,745.00	YES

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

ANNEX 5- DISTRICT SUSPENSE

NO.	LAND REGISTRY	TOTAL AIEs	Cash Received	Posted Payments	Unspent Cash
1	BARINGO	1,868,250.00	1,868,250.00	1,868,250.00	0.00
2	BOMET	1,726,250.00	1,726,250.00	1,726,250.00	0.00
3	BONDO	1,306,250.00	1,306,250.00	1,306,200.00	50.00
4	BUNGOMA SOUTH	8,435,540.00	8,435,540.00	8,435,149.05	390.95
5	BUSIA	2,346,750.00	2,346,750.00	2,345,760.00	990.00
6	ELDORET WEST	2,375,250.00	2,375,250.00	2,366,365.00	8,885.00
7	ELGEYO MARAKWET (KEIYO)	1,433,250.00	1,433,250.00	1,433,250.00	0.00
8	EMBU	1,207,850.00	1,207,850.00	1,207,817.00	33.00
9	GARISSA	838,250.00	838,250.00	837,239.50	1,010.50
10	HOMA BAY	1,473,250.00	1,473,250.00	1,472,804.85	445.15
11	ISIOLO	924,250.00	924,250.00	924,250.00	0.00
12	KAJIADO CENTRAL	2,355,850.00	2,355,850.00	2,322,719.00	33,131.00
13	KAKAMEGA SOUTH	2,759,350.00	2,759,350.00	2,598,491.80	160,858.20
14	KERICHO	1,860,750.00	1,860,750.00	1,860,571.40	178.60
15	KIAMBU	5,426,050.00	5,426,050.00	5,421,384.00	4,666.00
16	KILIFI CENTRAL	2,392,750.00	2,392,750.00	2,390,610.00	2,140.00
17	KIRINYAGA CENTRAL	1,612,250.00	1,612,250.00	1,612,060.00	190.00
18	KISII CENTRAL	2,962,250.00	2,124,000.00	2,962,025.00	0.00
19	KISUMU EAST	4,483,250.00	4,483,250.00	4,481,229.40	2,020.60
20	KITUI CENTRAL	1,666,150.00	1,666,150.00	1,664,164.00	1,986.00
21	KOIBATEK	1,622,250.00	1,622,250.00	1,622,250.00	0.00
22	KURIA WEST	2,475,050.00	2,475,050.00	2,474,323.00	727.00
23	KWALE (MATUGA)	2,228,750.00	2,228,750.00	2,225,111.00	3,639.00
24	LAIKIPIA EAST (NANYUKI)	2,275,850.00	2,275,850.00	2,275,850.00	0.00
25	LAMU WEST	1,166,250.00	1,166,250.00	1,166,250.00	0.00
26	MACHAKOS	4,498,250.00	4,498,250.00	4,457,396.30	40,853.70

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

27	MAKUJENI	1,976,450.00	1,976,450.00	1,976,450.00	1,976,420.00	30.00
28	MBEERE NORTH	768,290.00	768,290.00	768,290.00	768,270.00	20.00
29	MERU CENTRAL	2,904,750.00	2,904,750.00	1,904,750.00	1,904,750.00	0.00
30	MERU NORTH	2,222,890.00	2,222,890.00	3,222,890.00	2,222,750.00	1,000,140.00
31	MERU SOUTH	3,359,415.00	3,359,415.00	3,359,415.00	3,352,818.00	6,597.00
32	MIGORI	2,415,050.00	2,415,050.00	2,415,050.00	2,398,733.90	16,316.10
33	MOMBASA	1,903,050.00	1,903,050.00	1,903,050.00	1,903,020.00	30.00
34	MURANG'A EAST	3,751,850.00	3,751,850.00	3,751,850.00	3,750,252.15	1,597.85
35	MWINGI CENTRAL	1,405,850.00	1,405,850.00	1,405,850.00	1,405,850.00	0.00
36	NAIVASHA	1,786,250.00	1,786,250.00	1,786,250.00	1,785,995.00	255.00
37	NAKURU	3,953,600.00	3,953,600.00	3,953,600.00	3,950,060.00	3,540.00
38	NANDI NORTH (KAPSABET)	3,022,250.00	3,022,250.00	3,022,250.00	3,021,870.00	380.00
39	NAROK NORTH	2,192,340.00	2,192,340.00	2,192,340.00	2,165,400.00	26,940.00
40	NGONG (KAJIADO NORTH)	2,610,250.00	2,610,250.00	2,610,250.00	2,610,250.00	0.00
41	NYAMIRA	3,084,250.00	3,084,250.00	3,084,250.00	3,083,450.00	800.00
42	NYANDARUA	1,776,650.00	1,776,650.00	1,776,650.00	1,776,480.00	170.00
43	NYANDO	1,913,850.00	1,913,850.00	1,913,850.00	1,913,850.00	0.00
44	NYERI CENTRAL	3,440,323.00	3,440,323.00	3,440,323.00	3,436,285.00	4,038.00
45	RACHUONYO	1,878,250.00	1,878,250.00	1,878,250.00	1,878,250.00	0.00
46	SIAYA	1,126,250.00	1,126,250.00	1,126,250.00	1,120,350.00	5,900.00
47	TAITA TAVETA (WUNDANYI)	2,041,250.00	2,041,250.00	2,041,250.00	2,041,190.00	60.00
48	THIKA EAST	6,748,555.00	6,748,555.00	6,748,555.00	5,576,550.00	1,172,005.00
49	TRANS NZOIA	1,682,750.00	1,682,750.00	1,682,750.00	1,682,750.00	0.00
50	TRANSMARA WEST	2,229,250.00	2,229,250.00	2,229,250.00	2,229,250.00	0.00
51	UGENYA	1,283,850.00	1,283,850.00	1,283,850.00	1,283,850.00	0.00
52	VIHIGA	2,065,050.00	2,065,050.00	2,065,050.00	2,011,312.65	53,737.35
53	WEST POKOT (KAPENGURIA)	1,548,250.00	1,548,250.00	1,548,250.00	1,548,250.00	0.00
	TOTAL	128,811,003.00	127,972,753.00	126,256,027.00	126,256,027.00	2,554,751.00

**Ministry of Lands and Physical Planning
Reports and Financial Statements
For the year ended June 30, 2017**

ANNEX 6- REPORTS GENERATED FROM IFMIS

The following financial Reports Generated from IFMIS should be generated and attached as 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

