

REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE

REPORT

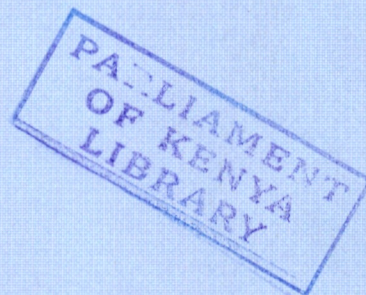
OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS
OF KENYA MARITIME AUTHORITY**

**FOR THE YEAR ENDED
30 JUNE 2013**

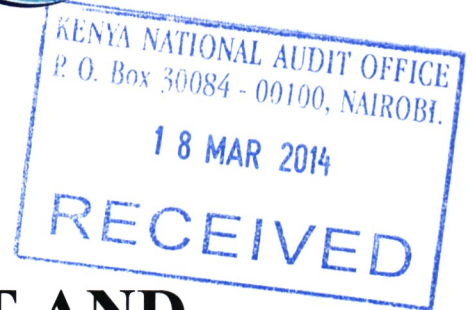


KENYA MARITIME AUTHORITY

Phones : +254 (0) 41 2318398/9; +254 (0) 20 2381203/4
Mobile: +254 (0) 724 313 944; +254 (0) 733 221 322
Fax: +254 (0) 41 231 8397; +254 (0)20 238 1202
E-mail: info@kma.go.ke
Website: w.w.w.kma.go.ke



Moi Avenue
P.O. Box 95076 – 80104
MOMBASA - KENYA



ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE, 2013



KENYA MARITIME AUTHORITY

TABLE OF CONTENTS

DESCRIPTION	PAGE
CORPORATE INFORMATION.....	2
MANDATE OF THE AUTHORITY	4
CHAIRMAN'S STATEMENT	5
DIRECTORS' RESPONSIBILITY	6
STATEMENT OF FINANCIAL POSITION	7
STATEMENT OF COMPREHENSIVE INCOME	8
STATEMENT OF CASHFLOWS	10
NOTES TO THE FINANCIAL STATEMENTS.....	11-19



KENYA MARITIME AUTHORITY

CORPORATE INFORMATION

S/NO.	DIRECTORS		DATE OF APPOINTMENT/ RE-APPOINTMENT
1	Col (Rtd) Joseph Nguru, CBS	Chairman	Re-appointed 20.12.2010
2	Mrs. Nancy Karigithu, MBS	Director	Re-appointed 23.05.2012
3	Dr. Cyrus Njiru, PhD, CBS	Director PS (M.O.T)	08.09.2009
4	Mr. Joseph Kinyua, CBS	Director PS (M.O.F)	27.05.2005
5	Prof. Githu Muigai	Attorney General	29.08.2011
6	Mr. Silvester Kututa	Director	Re-appointed 21.08.11
7	Eng. Justus Gitobu Wambutura	Director	Re-appointed 01.01.11 Resigned 29.08.12
8	Mr. Seif Bendera, HSC	Director	Re-appointed 01.01.11
9	Ms. Bertha Joseph Dena	Director	Re-appointed 01.01.11
10	Mr. Joseph Kariuki Kamiri	Director	Appointed 12.05.11
11	Ms. Beatrice Akinyi Oyomo	Director	Appointed 12.05.11 Resigned 27.08.12
12	Mr. Said Gulleid	Director	Appointed 11.10.2012
13	Ms. Agnes Wanjuki	Director	Appointed 11.10.2012

ALTERNATE DIRECTORS AND ADVISORS

S/NO.	DIRECTORS		DATE OF APPOINTMENT/ RE-APPOINTMENT
1	Ms. Geraldine Maingi	Alternate, PS Ministry of Transport	10.02.2009
2	Ms. Roselyn Amadi	Alternate, Attorney General	11.01.2007
3	Mr. John Njera	Alternate, PS Ministry of Finance	07.03.2011

CORPORATION SECRETARY

Mrs. Margaret N. Mwangi, HSC
P O Box 95076-80104
MOMBASA

REGISTERED OFFICE

White House, Moi Avenue
P O Box 95076-80104
MOMBASA



KENYA MARITIME AUTHORITY

BANKERS

- i.** Kenya Commercial Bank
Kilindini Branch, P O Box 90300-
MOMBASA

- ii.** Kenya Commercial Bank
Kisumu Branch, P O Box 4117-40100
KISUMU

- iii.** National Bank of Kenya
Portway Branch, P O Box 87770-80100
MOMBASA

- iv.** Equity Bank
Moi Avenue Branch, P O Box 84618-80100
MOMBASA

AUDITOR

Auditor-General
Kenya National Audit Office, Anniversary Towers
P O Box 30084-00100
NAIROBI



KENYA MARITIME AUTHORITY

MANDATE OF THE AUTHORITY

Kenya Maritime Authority (KMA) was established on 21 June, 2004 vide Legal Notice Number 79 of 2004.

The mandate of KMA is to regulate, co-ordinate and oversee maritime affairs. Its Vision is to be a world class maritime administration and its Mission is to regulate, coordinate and oversee maritime affairs through ensuring of safety of life at sea, security of ships and port facilities and the protection of marine environment for the socio-economic benefit of stakeholders.

Key objectives

The following are the key objectives of KMA:-

1. To develop appropriate legal and regulatory framework;
2. To develop institutional capacity;
3. To enhance maritime safety and security;
4. To protect the marine environment;
5. To provide maritime education and training;
6. To promote maritime research and development;
7. To support maritime commercial activities;
8. To enhance search and rescue operations;
9. To develop local, regional and international partnerships;



KENYA MARITIME AUTHORITY

CHAIRMAN'S STATEMENT

KMA came into being through Legal Notice Number 79 of 2004 dated 21 June 2004. The first Board of Directors was appointed in January 2005 and inaugurated by the Minister on 24 March 2005.

Activities of the Board and the Authority are funded by grants from the Exchequer, proceeds from Merchant Shipping (MS) Levy and other miscellaneous incomes.

The accounts for 2012/2013 show a surplus of Kshs 297,826,815/= after considering revenue expenditure. Development expenditure was in excess of Kshs 60 million. The Authority is in the process of identifying land for the construction of KMA HQs. The option of acquiring the current premises (Whitehouse) is being pursued.

The Authority developed Land Based Maritime Service Curriculum in 2012/13. It conducted Baseline Survey on Watercraft census. It financed the writing of Instructors' Guide and Student Manual. It successfully initiated and funded mechanical removal of water hyacinth from Kisumu Jetty in Lake Victoria.

I wish to take this opportunity to extend my gratitude and that of the Board of Directors to the Government, the Ministry of Transport & Infrastructure, Staff of Kenya Maritime Authority and all our customers/stakeholders for the great support extended to us over the current period under review. We wish to assure all of you that together we shall make KMA a truly great public organization.

Mr. Mwalimu Digore Kitambi
CHAIRMAN



DIRECTORS' RESPONSIBILITY

It is the responsibility of the Directors to prepare financial statements that give a true and fair view of the state of affairs of the Authority at the end of the financial year and of the Income and Expenditure and cash flow for the year. In preparing those financial statements, the Directors are required to:


- select suitable accounting policies and apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed


- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Authority will continue in business

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Authority. They are also responsible for safeguarding the assets of the Authority and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors do hereby accept responsibility for the annual financial statements, which have been prepared in conformity with International Financial Reporting Standards. Nothing has come to the attention of the Directors to indicate that the Authority will not remain a going concern in the foreseeable future.

The Directors present their report together with the financial statements for the year ended 30 June, 2013.


Mr. Mwalimu Digore Kitambi
CHAIRMAN
 DATE 17/3/2014


Nancy W. Karigithu (Mrs.)
DIRECTOR GENERAL
 DATE 17/3/2014

REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON KENYA MARITIME AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2013

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Kenya Maritime Authority for the year ended 30 June 2013, set out on pages 7 to 20, which comprise the statements of Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of the Cash flows and Note to the financial statements 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 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 13 of the Public Audit Act, 2003.

Auditor General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

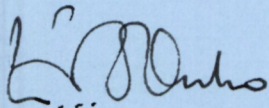
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk

assessments, the auditor considers internal controls 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 Authority's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements present, in all material respect, the financial position of the Authority as at 30 June, 2013 and of its financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards and comply with the Kenya Maritime Authority Legal Notice No. 79 of 2004.




EDWARD R. O. OUKO, CBS
AUDITOR-GENERAL

Nairobi


30 April 2014

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

ASSETS	Notes	2012/2013 Kshs.	2011/2012 Kshs.
Non Current Assets			
Property, Plant & Equipment	2	49,678,632	39,424,082
Intangible Assets	3	18,480,900	21,314,312
Sub-Total		68,159,532	60,738,394
Current Assets			
Inventories	4	2,590,686	2,510,712
Trade Receivables	5(i)	69,605,725	31,663,133
Other Receivables	5(ii)	3,119,727	1,941,852
Pre-payments	5(iii)	10,785,029	5,337,085
Utilities deposits	7	187,116	187,116
Short Term Investments	8	200,000,000	320,000,000
Cash and Bank	6	375,864,598	8,954,449
Sub-Total		662,152,880	370,594,347
Total Assets		730,312,411	431,332,741
EQUITY AND LIABILITIES			
Capital		76,771,434	66,493,319
Revenue Reserve		535,008,658	267,181,843
Revaluation Reserve		7,623,571	5,743,470
Oil Spill Response Mobilization Fund		60,000,000	30,000,000
Sub-Total		679,403,663	369,418,632
CURRENT LIABILITIES			
Trade and other Payables	9(i)	42,734,742	29,902,391
Accruals	9(ii)	8,174,006	32,011,718
Sub-Total		50,908,748	61,914,109
TOTAL EQUITY AND LIABILITIES		730,312,411	431,332,741



MR. MWALIMU DIGORE KITAMBI
CHAIRMAN



MRS. NANCY W. KARIGITHU
DIRECTOR GENERAL



KENYA MARITIME AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED

30 JUNE 2013

Income	Notes	2012/2013 Kshs.	2011/2012 Kshs.
M.S. Levy & Other Income	10	616,984,015	167,178,411
Government Grants	11	116,640,000	135,000,000
Total Income		733,624,015	302,178,411
Recurrent Expenditure			
Staff Expenditure	12	151,935,119	122,181,923
Board of Directors Expenditure	13	18,080,772	25,072,015
Establishment Expenditure	14	59,941,766	31,547,802
General Office Expenditure	15	20,687,660	21,633,426
Administration Expenditure	16	153,282,195	135,398,034
Depreciation & Amortization	2&3	31,869,688	20,786,261
Total Expenditure		435,797,200	356,619,461
Surplus/(Deficit)		297,826,815	(54,441,050)



KENYA MARITIME AUTHORITY

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2012

	CAPITAL FUND	RE-STATED REVENUE RESERVES	REVALUATION RESERVE	SPECIFIC RESERVES (O.S.R.M.F)	TOTAL
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Balance as at 01 July, 2011	65,938,462	351,622,893			417,561,355
Surplus for the Year		(54,441,050)			(54,441,050)
Revaluation Reserve			5,743,470		5,743,470
Transfer to Oil Spill Response Mobilization Fund		(30,000,000)		30,000,000	0
Donated assets	554,857				554,857
Balance as at 30 June, 2012	66,493,319	267,181,843	5,743,470	30,000,000	369,418,632

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2013

	CAPITAL FUND	REVENUE RESERVES	REVALUATION RESERVE	SPECIFIC RESERVES (O.S.R.M.F)	TOTAL
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Balance as at 01 July, 2012	66,493,319	267,181,843	5,743,470	30,000,000	369,418,632
Surplus for the Year		297,826,815			297,826,815
Revaluation Reserve			1,880,101		1,880,101
Transfer to Oil Spill Response Mobilization Fund		(30,000,000)		30,000,000	0
Donated assets	10,278,115				10,278,115
Balance as at 30 June, 2013	76,771,434	535,008,658	7,623,571	60,000,000	679,403,663

Specific Reserve-Oil Spill Response Mobilization Fund (O.S.R.M.F)

Specific reserves relates to money set aside to finance any oil spill that may occur within our coastal and inland waters. As at 30 June, 2013, the fund had Kshs. 60 Million and is expected to grow gradually to over Kshs 100 million.



KENYA MARITIME AUTHORITY

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2013

FINANCIAL YEAR	2012/2013	2011/2012
DETAILS	Kshs.	Kshs.
Cash flow from Operating Activities		
Operating Surplus	297,826,815	(54,441,050)
Add back: Depreciation & Amortization	31,869,688	20,786,261
Loss/(Gain) on Disposal of Non- current Asset	40,527	(32,466)
Less: Interest Income	(32,401,691)	(39,180,543)
Foreign Exchange (Gain)/Loss	(88,413)	114,330
Net cash generated from Operating Activities	297,246,925	(72,753,469)
Working Capital changes		
(Increase) in Trade Receivables	(44,568,408)	(7,636,432)
(Decrease)/Increase in Trade Payables	(11,005,358)	30,382,774
(Increase)/Decrease in Inventories	(79,977)	150,979
Net Cash from Operating Activities	(55,653,743)	22,897,321
Investing Activities		
Acquisition of Fixed Assets	(27,185,138)	(34,424,190)
Library books reallocated from Store	0	(2,093,455)
Donated Assets	0	554,857
Disposal of Fixed Asset	12,000	43,245
Investment in Treasury Bills/FDR	(200,000,000)	(320,000,000)
Treasury Bill/FDR received on Maturity	320,000,000	321,000,000
Interest Income	32,401,691	39,180,543
Foreign Exchange Gain/(Loss)	88,413	(114,330)
Net cash generated from (used) in Investing Activities	125,316,966	4,146,670
Net Increase / (Decrease) in cash and cash equivalents	366,910,149	(45,709,478)
Cash and Cash Equivalent at the Beginning of Year	8,954,449	54,663,927
Cash and Cash Equivalent at the End of Year	375,864,598	8,954,449



KENYA MARITIME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2013.

1. Accounting Policies

Principal Accounting policies adopted in the preparation of financial statements are set out below.

i. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The Authority adopts the historical cost basis of accounting.

ii. Debtors Policy

The Authority's Debtors Policy is to provide 5% as bad debts on debtors falling due for a period of five years or more.

iii. Capitalization Policy

The Authority's capitalization policy is to capitalize any improvement in existing asset and any donations of a capital nature such as computers and IT equipment, furniture and fittings in value of Kshs 10,000/= and above.

iv. Income recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding discounts, rebates and any taxes.

(a) MS Levy

Is recognized when the actual revenue has been collected by our agent (KRA) from our clients.

(b) Boat Survey Fees

Is recognized when the survey exercise is over and boat is compliant as per the laid down standards in the safety regulations.



(c) Shipping Agents Fees

Recognized when the client has submitted their application for registration and are approved as per the laid down regulations.

(d) Government grants have been recognized as income as per the requirements of IAS 20 sub-section 15 (Income approach).

(e) Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

v. Expenditure

Expenditure is on accrual basis. It's recognized when incurred and not when actual payments are made.

vi. Depreciation & Amortization Policy

Fixed Assets are stated at cost or valuation less accumulated depreciation/amortization. Depreciation and amortization is calculated on a straight line method.

The Annual Depreciation/Amortization rates as stated below:-

i. Motor Vehicles	20%
ii. Computers and IT Equipment	33.3%
iii. Furniture & Equipment	12.5%
iv. Software	33.3%

vii. Stock Valuation

Stock is valued at lower of historical cost and net realizable value.



NOTES TO THE FINANCIAL STATEMENTS (Cont...)

viii. Pension Scheme

The Authority operates a Contributory pension scheme for her employees. The employee contributes 7.5% of their basic pay while the Authority contributes 15% of basic pay. The fund managed by Alexander Forbes. The Authority also contribute to the National Pension Fund (NSSF) where the employer and employee contribute Ksh. 200 each per month

ix. Staff Complement

The Authority had a workforce of 80 employees as at 30 June, 2013.

x. Related Party Disclosure

Kenya Maritime Authority and Kenya Ports Authority are Semi-Autonomous Government Agencies (SAGAs) under Ministry of Transport & Infrastructure. KMA is tenant of KPA's premises at Whitehouse building and at the KPA's Headquarters. Annual rent is in excess of Kshs 4,029,720 per annum.

NOTES TO THE FINANCIAL STATEMENTS (Cont...)

FIXED ASSET MOVEMENT SCHEDULE AS AT 30 JUNE 2013

2. Property , Plant and Equipment

Kshs. 49,678,632

Assets	Motor Vehicles	Computers & IT Equipment	Furniture & Equipment	Total
Cost or Valuation	Kshs.	Kshs.	Kshs.	Kshs.
Balance as at 01.07.2012	10,984,860	18,958,646	55,625,806	85,569,312
Revaluation Adjustment/Disposal	(2,998,560)	0	(84,043)	(3,082,603)
Additions	9,021,018	9,827,424	2,078,351	20,926,793
Donation	0	5,994,858	154,796	6,149,654
Valuation	1,880,000	0	0	1,880,000
Balance as at 30.06.2013	18,887,318	34,780,928	57,774,910	111,443,156
DEPRECIATION				
Balance as at 01.07.2012	7,242,340	15,499,812	23,403,078	46,145,230
Disposal	0	0	(31,516)	(31,516)
Revaluation adjustment	(2,998,560)	0	0	(2,998,560)
Charge for the year	3,777,464	7,571,117	7,300,790	18,649,371
Balance as at 30.06.2013	8,021,244	23,070,929	30,672,352	61,764,525
NETT BOOK VALUE				
As at 01.07.2012	3,742,520	3,458,834	32,222,728	39,424,082
As at 30.06.2013	10,866,074	11,709,999	27,102,558	49,678,632

FIXED ASSET MOVEMENT SCHEDULE AS AT 30 JUNE 2012

2. Property , Plant and Equipment

Kshs. 39,424,082

Assets	Motor Vehicles	Computers & IT Equipment	Furniture & Equipment	Total
Cost or Valuation	KSHS	KSHS	KSHS	KSHS
Balance as at 01.07.2011	12,664,860	15,541,244	47,732,990	75,939,094
Disposal	0	(43,249)	0	(43,249)
Additions	0	3,002,597	1,883,945	4,886,542
Re allocation	(3,050,000)	0	2,093,455	(956,545)
Valuation	1,370,000	458,054	3,915,416	5,743,470
Balance as at 30.06.2012	10,984,860	18,958,646	55,625,806	85,569,312
DEPRECIATION				
Balance as at 01.07.2011	8,095,368	12,449,828	16,367,576	36,912,772
Disposal	0	(32,467)	0	(32,467)
Adjustment	(3,050,000)	0	0	(3,050,000)
Charge for the year	2,196,972	3,082,451	7,035,502	12,314,925
Balance as at 30.06.2012	7,242,340	15,499,812	23,403,078	46,145,230
NETT BOOK VALUE				
As at 01.07.2011	4,569,492	3,091,416	31,365,414	39,026,322
As at 30.06.2012	3,742,520	3,458,834	32,222,728	39,424,082

NOTES TO THE FINANCIAL STATEMENTS (Cont...)
3. Intangible Assets
Ammortization Schedule

	2012/2013	2011/2012
Cost	Kshs	Kshs
Balance as at 01 July	30,011,380	473,732
Additions	10,386,905	29,537,648
Balance as at 30 June	40,398,285	30,011,380
Amortization		
Balance as at 01 July	8,697,068	225,732
Charge for the Year	13,220,317	8,471,336
Balance as at 30 June	21,917,385	8,697,068
Net Book Value		
Balance as at 01 July	21,314,312	248,000
Balance as at 30 June	18,480,900	21,314,312

4. Inventories **Kshs. 2,590,686**

	2012/2013	2011/2012
Account	Kshs	Kshs
General Stock	2,590,686	2,510,712
Total	2,590,686	2,510,712

5. (i) Trade Receivables **Kshs. 69,605,725**

	2012/2013	2011/2012
Account	Kshs	Kshs
MS Levy Fees	55,574,010	9,171,384
Boat Survey Fees	5,499,165	4,099,414
Interest Receivable	326,067	14,302,419
Shipping Agent's Fees	8,206,483	4,089,917
Total	69,605,725	31,663,133



KENYA MARITIME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS (Cont...)

5. (ii) Other Receivables **Kshs. 3,119,727**

	2012/2013	2011/2012
Account	Kshs	Kshs
Outstanding Imprest	2,674,496	1,811,852
Directors	109,000	0
Others	336,231	130,000
Total	3,119,727	1,941,852

5. (iii) Pre-payments **Kshs. 10,785,029**

	2012/2013	2011/2012
Account	Kshs	Kshs
Legal Service	400,600	0
Rent-Lamu	400,000	0
ASK Show Nakuru	1,222,986	0
Training	784,440	0
Removal of water Hyacinth	3,987,870	0
Medical Cover	3,989,134	5,337,085
Total	10,785,029	5,337,085

6. Cash and Bank Balances **Kshs. 375,864,598**

			2012/2013	2011/2012
Account			Kshs	Kshs
Bank & Branch	Account Type	Account No.		
Cash in hand	Mombasa & Kisumu	Petty Cash	0	0
N.B.K Portways House	Current	0200357729100	7,228,868	3,737,431
KCB Kilindini	Savings Account	1107477549	60,012,901	14,402
KCB Kilindini	Current Account	1101575093	308,540,280	5,150,515
KCB Kilindini	Special Current Account	1126076171	47,600	49,600
KCB Kisumu	Imprest Account	1111688923	34,949	2,500
Total			375,864,598	8,954,449



KENYA MARITIME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS (Cont...)

7. Utilities Deposit Kshs 187,116

Account	2012/2013 Kshs	2011/2012 Kshs
Electricity	97,266	97,266
Telephone	86,300	86,300
Water	3,550	3,550
Total	187,116	187,116

8. Short Term Investments Kshs 200,000,000

Details	2012/2013 Kshs	2011/2012 Kshs
Special Current Account	200,000,000	45,000,000
Fixed Deposit Reserve	0	150,000,000
Fixed Deposit Reserve	0	125,000,000
Total	200,000,000	320,000,000

9. (i) Trade and Other Payables Kshs 42,734,742

Details	2012/2013 Kshs	2011/2012 Kshs
Trade Payables	27,580,007	27,695,125
Other Liabilities	14,059,709	1,787,727
Audit Fees Payable	878,000	400,000
Paymaster General	109,470	19,540
Net pay	107,556	0
Total	42,734,742	29,902,392

9. (ii) Accruals Kshs. 8,174,006

Account	2012/2013 Kshs.	2011/2012 Kshs.
Salary Payable	31,413	24,647,609
Accrued Leave Allowance	0	109,136
Accrued Gratuity	8,142,594	5,389,896
Statutory Contributions Payable	0	1,595,077
Other Allowances Payable	0	270,000
Total	8,174,006	32,011,718



KENYA MARITIME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS (Cont...)

10. Merchant Shipping (MS) Levy and Other Income Kshs. 616,984,015

Account	2012/2013 Kshs.	2011/2012 Kshs.
MS Levy Income	564,543,138	115,847,737
Boat survey fees	5,625,769	5,247,466
Shipping agents fees	4,733,941	2,262,078
Miscellaneous income	9,679,476	4,608,121
Interest Income	32,401,691	39,180,543
Gain on Disposal of Fixed Asset	0	32,466
Total	616,984,015	167,178,411

11. Government Grants Kshs. 116,640,000

Account	2012/2013 Kshs.	2011/2012 Kshs.
Revenue Grants	116,640,000	135,000,000
Total	116,640,000	135,000,000

12. Staff Expenditure Kshs. 151,935,119

Account	2012/2013 Kshs.	2011/2012 Kshs.
Basic Salaries	104,466,759	74,487,079
House Allowances	22,851,216	23,190,716
Other Allowances	3,486,634	3,515,128
Leave Allowances	1,719,399	1,017,201
Commuter Allowances	13,943,325	14,481,042
Staff Wages	4,987,787	5,010,758
Entertainment	480,000	480,000
Total	151,935,119	122,181,923



KENYA MARITIME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS (Cont...)

13. Board of Directors Expenditure Kshs. 18,080,772

Account	2012/2013 Kshs.	2011/2012 Kshs.
Board of Directors Allowances	17,120,772	24,112,015
Chairman's Honoraria	960,000	960,000
Total	18,080,772	25,072,015

14. Establishment Expenditure Kshs. 59,941,766

Account	2012/2013 Kshs.	2011/2012 Kshs.
Staff Training	44,127,229	20,183,494
Induction and Orientation	81,150	186,448
Pension Expenditure	15,230,629	10,970,404
Recruitment	502,757	207,456
Total	59,941,766	31,547,802

15. General Office Expenditure Kshs. 20,728,187

Account	2012/2013 Kshs.	2011/2012 Kshs.
Office Incidentals	2,822,628	3,086,514
Uniform and Clothing	623,438	234,600
Office Carpet and Curtain Cleaning	2,281,723	2,172,171
Water	551,572	590,155
Entertainment	770,371	1,164,835
Printing and Stationery	3,687,453	6,262,649
Communication Costs	6,982,231	5,216,189
Electricity	2,968,243	2,906,316
Total	20,687,660	21,633,428



KENYA MARITIME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS (Cont...)

16. Administration Expenditure Kshs. 153,241,668

Account	2012/2013 Kshs.	2011/2012 Kshs.
Domestic and Overseas Air Travel	14,412,085	16,227,691
Duty Travel Allowances - Domestic and Foreign	28,671,469	31,624,874
Motor Vehicle Insurance & Maintenance	1,259,803	1,615,676
Conference and Seminars	9,583,096	10,786,743
Advertising	3,319,734	2,762,444
Publicity & Awareness	20,109,662	16,806,986
Medical and Group Accident Cover	16,198,928	12,787,444
Office Rent	5,716,384	5,077,675
Computer Maintenance	1,062,988	556,998
Audit Fees	1,000,000	400,000
Professional & Consultancy Fees	6,760,168	4,010,968
Legal Fees	660,080	2,281,750
HIV and AIDs related Awareness	533,951	1,126,814
Transport Hire	5,159,363	7,628,896
Fuel Costs	1,044,634	941,354
Library Expenses	509,097	415,603
Club Fees	77,500	55,000
Research and Development	26,247,845	1,857,345
Community Support	2,794,296	3,814,402
General Maintenance	797,160	8,870,400
Bank Charges	269,659	296,143
Exchange (Gain)/Loss	(88,413)	114,330
Security Services	2,662,420	2,247,139
Marine Safety & Env. Protection	4,479,760	3,091,360
Loss on Disposal of Fixed Asset	40,527	0
Total	153,282,195	135,398,033

