

REPUBLIC OF KENYA



*Enhancing Accountability*

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**REPORT**

**OF**

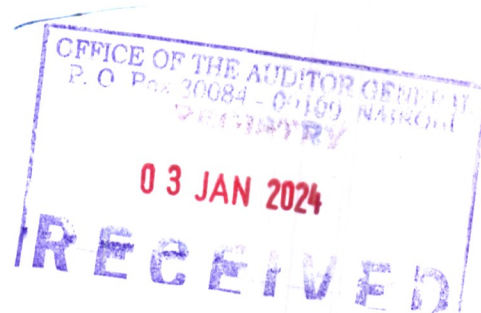
**THE AUDITOR-GENERAL**

**ON**

**STATE DEPARTMENT FOR MINING**

**FOR THE YEAR ENDED  
30 JUNE, 2023**





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**STATE DEPARTMENT FOR MINING**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2023**

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

*STATE DEPARTMENT FOR MINING*  
*Annual Report and Financial Statements for the year ended 30th June 2023*

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*STATE DEPARTMENT FOR MINING*  
*Annual Report and Financial Statements for the year ended 30th June 2023*

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## **1. Acronyms and Glossary of Terms**

AIE	Authority to Incur Expenditure
CFO	Chief Finance Officer
HAU	Head of Accounting Unit
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PFM	Public Finance Management
DRSRS	Directorate of Resource Surveys and Remote Sensing
NMC	National Mining Corporation
MRB	Minerals Rights Board
ICT	Information and Communications Technology
NSN	National Seismological Network
GRB	Geologist Registration Board
MDA	Ministries Department and Agencies
MHRMAC	Ministerial Human Resource Management Advisory Committee
MPMC	Ministerial Performance Management Committee
NACADA	National Authority for the Campaign Against Alcohol and Drug Abuse
AIA	Appropriation in Aid
ADA	Alcohol and Drug Abuse
PWDs	People Living With Disabilities
IPPD	Integrated Personnel and Payroll Database
KNSB	Kenya National Bureau of Statistics
BETA	Bottom-up Economic Transformation Agenda
ASM	Artisanal and Small-scale Mining
CAJ	Commission on Administrative justice
NCDS	Non-Communicable Diseases
HIV	Human Immunodeficiency Virus
UHC	Universal Health Coverage

## 2. Key Entity Information and Management for State Department for Mining

### a) Background information

The Ministry of Mining was first established by the Executive Order No.2 of 2013 with four departments, namely; Resource Surveys and Remote Sensing (DRSRS), Mines, Geological Surveys and Shared Services. During re-organization of the government through Executive Order No.1 of 2016, the Ministry's mandate was expanded to include Mining Capacity Development.

In the Executive Order No. 1 of 2018, The Ministry of Mining was merged with State Department for Petroleum to form the then Ministry of Mining and Petroleum. The Ministry comprised of two State Departments; the State Department for Petroleum and the State Department for Mining.

Following further re-organization of Government vide Executive Order No.1 of February 2021 the two State Departments were merged to constitute the Ministry of Petroleum and Mining under one Cabinet Secretary and Principal Secretary.

The Executive Order No. 1 of January 2023 re-organized the Ministry of Mining and Petroleum and created the State Department for Mining in the Ministry of Mining, Blue Economy and Maritime Affairs whereas the State Department for Petroleum domiciled in the Ministry of Energy and Petroleum.

### Vision and Mission

#### Vision

"To be a vibrant mining sector contributing to broad-based growth for Socio-Economic transformation."

#### Mission

"To maximize benefits accruing from mineral resources value chains for Socio-economic development in a sustainable environment."

#### Mandate

The mandate of the State Department for Mining as derived from the Executive Order No.1 of January, 2023 on the Organization of Government of the Republic of Kenya are:

- (i) Development of policies on the extractive industry;
- (ii) Undertaking mineral exploration and mining policy management;
- (iii) Maintaining an inventory and mapping of mineral resources;
- (iv) Development of mining and minerals development policies and standards;
- (v) Maintenance of Geological Data (Research, Collection, Collation, Analysis);
- (vi) Policies on the Management of Quarrying of Rocks and Industrial Minerals;

- (vii) Mining Capacity Development and Value Addition; and
- (viii) Management of Health Conditions and Health and Safety in Mines.

The State Department has oversight responsibilities over the National Mining Corporation (NMC), the Mineral Rights Board (MRB), Kenya National Mining Institute and the Geologist Registration Board (GRB).

### **Core Values**

The State Department is guided by and strive to uphold the following core values which are expressed in the catch phrase PETITE. The core values are: -

- 1) Professionalism;
- 2) Efficiency;
- 3) Teamwork;
- 4) Innovation and creativity;
- 5) Transparency, Integrity and Accountability; and
- 6) Effective governance.

### **Core Functions**

The State Department has interpreted its mandate to include performance of the following functions:

- (i) Develop and manage geological survey, geo-information management, mineral promotion and marketing policies;
- (ii) Undertake geological, geochemical, geophysical, seismological and structural mapping to define the character and distribution of the rocks and superficial deposits;
- (iii) Undertake mineral exploration and deposit valuation;
- (iv) Conduct Geo-hazards mapping, geotechnical investigations and geo-environmental studies;
- (v) Establish, operate and maintain a National Seismological Network (NSN) for monitoring seismic activity in Kenya and the region in liaison with other related agencies;
- (vi) Develop a national geosciences repository and database;
- (vii) Ensure maintenance of laboratories, drill core library, rock museum, library and records facilities;
- (viii) Promote and market Kenya as a mineral and mining investment destination;
- (ix) Coordinate international and regional laws, agreements and memoranda of understanding in the extractives sector;
- (x) Generate mineral resource data to spur investment in the mining sector in line with African Vision 2063, African Mining Vision and Kenya Vision 2030;
- (xi) Superintend over the National Mining Corporation;

- (xii) Superintend over the Geologists Registration Board;
- (xiii) Facilitate relationships and links with other ministries, state departments and governmental agencies with roles in mining and minerals development;
- (xiv) Facilitate relationships and links with civil society organizations, community-based organizations and other stakeholders with roles in mining and minerals development;
- (xv) Facilitate relationships between mineral right holders, County Governments and mining communities;
- (xvi) Educate the communities on the mining operations taking place at their locality and interpreting for the community the various aspects of the project;
- (xvii) Assist communities while negotiating for compensation and resettlements;
- (xviii) Monitor Corporate Social Responsibility and social economic impacts by Mineral Right holders;
- (xix) Assist communities during formation of Community Development Agreements Committee; and
- (xx) Arbitration of disputes arising from mining operations.

### **Key management**

The entity's day to day management is under the following key organs

- a. Mineral Rights Board
- b. National Mining Corporation
- c. Geologist Registration Board and
- d. Kenya National Mining Institute

**(b) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1	Cabinet Secretary	Hon. Salim Mvurya, E.G.H
2	Accounting Officer	Elijah Mwangi, C.B.S
3	Director Administration	David Onyancha
4	Ag. Director of Mines	Gregory Kituku
5	Ag. Director Geological Survey	Enoch Kipseba
6	Senior Deputy Director- Supply Chain Management System	Stephen Wamae
7	Director-Human Resource Management and Development	Francis Mutisya
8	Director Central Planning and Project Monitoring Department	Paul Mirie
9	Chief Finance Officer	Samuel Waithaka
10	Deputy Accountant General	Kipyegon Siele
11	Director Public Communications	Robert Chepkwony
12	Senior state counsel	Lynette Bunei
13	Head of ICT	James Njiru

**b) Fiduciary Oversight Arrangements**

Key fiduciary oversight arrangements in the financial year:

- a) Budget Implementation Committee
- b) Senior Management Committees
- c) Internal audit unit

**(c) Entity Headquarters**

P.O BOX 30009-00100  
Works Building  
Ngong Road  
**NAIROBI, KENYA**

**f) Entity Contacts**

Telephone: 02-2721074  
E-mail: ps@Mining.go.ke  
Website: Website:mibema.go.ke

**g) Entity Banker**

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

**h) Independent Auditors**

Auditor - General  
Office of The Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
**NAIROBI, KENYA**

**i) Principal Legal Adviser**

The Attorney-General  
Office of the Attorney-General & Department for Justice  
State Law Office  
Harambee Avenue  
P.O. Box 40112 City Square 00200

### 3. Statement of Governance

The state department for mining is domiciled in the ministry of mining, blue economy and maritime affairs, with Hon. Salim Mvurya, E.G.H as Cabinet Secretary and Mr. Elijah Mwangi as the Principal Secretary



**Hon. Salim Mvurya, E.G.H**

**Cabinet Secretary**

**Ministry of Mining, Blue Economy and  
Maritime Affairs**

H.E Salim Mvurya E.G.H is the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in the Government of Kenya.

He holds a degree in Agri-Business Management from Egerton University. He has a Masters Degree in Participation, Power and Social Change from the Institute of Development Studies, University of Sussex in England, UK.

Mvurya has vast experiences both in Government, National and International NGOs. Previously he was Governor of Kwale County for 10 years (two terms), from 2013 to 2022. He also served as the vice chairman of the Council of Governors for two terms. Mvurya is endowed with leadership, development and management experience spanning over a period of 27 years.

Mining, Blue Economy and Maritime sectors form an integral part in the economic take off of the country. As Cabinet Secretary, Mvurya has instituted favorable policies and applied strategic management mechanisms that stimulate community involvement, which has triggered National economic resurgence attracting international partnerships in these sectors.

Mvurya has inculcated a transformative model of management that has revamped the blue space economic activities, it has led to the gradual transition into green shipping through partnerships in the Maritime sector as well as global collaboration and cooperation. To draw more interest in mining investment and processing, the Cabinet Secretary has ensured favorable laws and regulations are in place as well as empowerment of artisanal miners.



**Elijah Mwangi, C.B.S**

**Principal Secretary State Department for Mining**

Elijah Mwangi C.B.S is the Principal Secretary, State Department for Mining in the Ministry of Mining, Blue Economy and Maritime Affairs. He was appointed by H.E President Dr. William Samoei Ruto C.G.H, President of the Republic of Kenya and Commander - In - Chief of the Defence Forces, on 2<sup>nd</sup> December, 2023 after successful vetting and approval by the National Assembly of Kenya.

Prior to the appointment, Mr. Elijah served as a managing director at Strategic Synergy Consultants, an international finance, research and strategy firm. He was responsible for business development spanning financial and strategic management, risk and leadership effectiveness. He has also worked at different capacities in local and international engagements as, Managing partner of an Auditing firm, principal consultant and change management head.

Mr Elijah is an effective business leader, with heightened management experience spanning over 19 years in finance, strategy and research.

Elijah holds a Masters of Business Administration degree in Strategic Management and a Bachelor of Commerce degree in Accounts, both from The University of Nairobi. He is also a Certified Public Accountant and a member of the Institute of Certified Public Accountants of Kenya in good standing.

Since his appointment as a Principal Secretary, Mr Elijah has developed a strong passion in the mining sector. He's keen to leverage on technology, processes, collaborations and partnerships to provide solutions that will provide immense benefits to the stakeholders in the extractive value chain.

Currently the State Department is organized into the following functional areas listed below:

- (i) Directorate of Geological Surveys

- (ii) Directorate of Mines
- (iii) Administration
- (iv) Human Resource Management
- (v) Finance
- (vi) Accounts
- (vii) Legal
- (viii) Supply Chain Management
- (ix) Public Communication
- (x) Central Planning and Project Monitoring
- (xi) Information and Communication Technology.

### **Management Committees Established and their Roles**

#### **Project Committee**

functions of the Committee is to:

- i. Review project concept notes and make recommendations to the accounting officer for decision making within thirty days;
- ii. Review project pre-feasibility and feasibility studies and make recommendations to the accounting officer for decision making;
- iii. Identify the potential project risks and mitigating measures not covered in the project concept note, pre-feasibility or feasibility studies;
- iv. Prioritize projects based on the National Government Ministries, Departments and Agencies Strategic Plan, Medium Term Plan, and National and County Development Plans;
- v. Recommend mode of project financing; and
- vi. Provide guidance on any changes in the project design.

#### **Budget Implementation Committee**

function of the Committee is to:

- i. Review and consider the cash plans. This involves a regular review of the Departmental cash plan and approval of any changes to the initial cash flow plan to be communicated to the national Treasury.
- ii. Review the utilization of cash limits and consider any Changes as may be required.
- iii. Review the utilization of donor funds voted for the MDA

- iv. Advice the accounting officer on any challenges related to the Budget implementation
- v. Review and recommend reallocation of expenditure
- vi. Review and approve the submission of the expenditure returns, non-financial reports, IPPD, pending bills, and A.I.A returns for the MDAs and recommend action to be taken.
- vii. Participate in the Sector Working Groups
- viii. Prepare the budgets for the MDAs in consultation with Heads of Departments

#### **Audit Committee**

The functions of the Committee are to provide oversight role and to advise the Accounting Officer and senior Management on the following areas:

- a) Internal Control Systems
- b) Governance Structure
- c) Risk management Systems
- d) Financial Reporting process
- e) Compliance with the laws and regulations /requirements

#### **Ministerial Human Resource Management Advisory Committee**

The Functions of the committee entail making recommendations to the Authorized Officer regarding;

- i. Recruitment, Selection and Appointment;
- ii. Performance Management;
- iii. Promotions;
- iv. Confirmation in Appointment;
- v. Training and Development;
- vi. Training Impact Assessment;
- vii. Management of Skills Inventory;
- viii. Establishment and Complement Control;
- ix. Payroll Management;
- x. Deployment;

- xi. Promotion of Values and Principles of Public Service;
- xii. Recommendation for Secondments and Unpaid Leave;
- xiii. Recommendation for Retirement Under 50 Years Rule;
- xiv. Recommendation for Retirement on Medical Grounds;
- xv. Recommendation for Re-Designation;
- xvi. Recommendation for Renewal of Contract;
- xvii. Discipline;
- xviii. Pension Administration.

### **Ministerial Performance Management Committee**

#### **The Functions of the committee is to;**

- i. Undertake quarterly review of implementation of strategic plans and performance contracts;
- ii. Ensure linkage between institutional performance contract and performance appraisal system;
- iii. Ensure that the overall assessment of employee performance is within the context of institutional performance as evaluated through staff performance appraisal system;
- iv. Ensure that the performance of all officers is evaluated and feedback on performance is relayed in writing at the end of the year;
- v. Hold quarterly performance review meetings;
- vi. Consider performance reports from various departments within the ministry and make recommendations for improvement;
- vii. Review cases of appeals on appraisal ratings between supervisors and appraisees;
- viii. Make recommendations to the authorized officer on the application of rewards or sanctions;
- ix. Develop and implement the internal monitoring and evaluation and reporting system; and
- x. Ensure that the integrity and credibility of the overall process of rewards and sanction system is safeguarded and maintained at all times.

### **Asset Management Committee**

- i. **Inventory management** – Maintain and update Assets Registers using the prescribed

reporting templates issued by The National Treasury

- ii. **Disposal of idle assets** – ensure disposal of unserviceable, obsolete, and surplus assets by way of sale, transfer to other public institutions, destruction, donation or other authorized methods of disposal and in all cases in full conformity to the existing legal requirements

**Disability Mainstreaming Committee**

- i. Establish and operationalization of Disability Mainstreaming Committee with 30% representation of PWDs.
- ii. Formulation of Disability Mainstreaming Action Plan to ensure that Staff are informed on disability related aspects and to empower persons with disabilities.
- iii. Sensitization and training of staff on service provision to persons with disabilities.
- iv. Establishment of structures and systems that ensure persons with disabilities information and service e.g Training staff on sign language, avail materials in Braille, ramps, signage, guides, accessible toilets, lifts with visual, audio and ductile features, non-slippery floors surface, disability friendly vehicles & walkways, accessible parking.
- v. Ensuring progressive realization of attaining the 5% on appointive, contractual of all recruited personnel in appointments, employment promotion for persons with disabilities.
- vi. Ensuring that there is no discrimination in advertising, interviewing, recruitment, volunteerism, internship, training and promotion of PWDs.

**Prevention of Alcohol and Drug Abuse Committee**

- i. Undertake a Baseline Survey on Alcohol and Drug Abuse
- ii. Develop/review and implement workplace ADA prevention and management policy
- iii. Establish and operationalize support mechanisms for staff with substance use disorder
- iv. Regularly appraise the management of the Ministry on impacts of the Policy, Intervention measures and programmes put in place/motion.

- v. Submit quarterly performance reports and supporting evidence to NACADA within stipulated timelines using the prescribed format and guidelines through the online reporting system accessible via NACADA

#### **Gender Mainstreaming Committee**

- i. Develop/review and implement workplace gender policy
- ii. Develop/review and implement workplace Gender-Based Violence Policy
- iii. Implement relevant laws on prevention and response to Gender Based Violence
- iv. Submit quarterly reports using the prescribed format to the State Department for Gender with a copy to the National Gender and Equality Commission.

#### **Prevention of HIV and Non-Communicable Diseases**

1. Allocate resources for the implementation of HIV, NCDs and mental health interventions
2. Promote attainment of UHC at the workplace through offering services for HIV prevention, wellness promotion for NCDs, and mental health for at least 50% of staff and family members by:
  - i. Facilitating staff to access the prescribed health screening package for HIV, NCDs, and mental health
  - ii. Implementing the prescribed sensitization package for NCDs
  - iii. Implementing the prescribed sensitization package on HIV Prevention
  - iv. Promoting mental wellness and preventing mental health illness

#### **National Values and Principles of Governance**

1. Implement at least five (5) commitments and submit in the prescribed format an Annual Progress Report on the implementation of the commitments and way forward captured in the 2021 Annual President's Report on National Values and Principles of Governance to the Directorate of National Cohesion and Values

The following are the eight (8) commitments and way forward in the 2021 President's Annual Report on measures taken and progress achieved:

- i. Fast track implementation of programmes, projects and activities for the realization of the "Big Four" Agenda;
  - ii. Implement measures for Post-COVID-19 recovery to enhance execution of government programmes, projects, activities and service delivery;
  - iii. Leverage on and enhance use of Information and Communications Technology (ICT) and other innovations in service delivery;
  - iv. Continue to enhance the fight against corruption, dispensation of justice and observance of the rule of law;
  - v. Enhance the capacity of public institutions and the public to adhere to the provisions of Article 10 of the Constitution through civic education, training and sensitization on national values and principles of governance;
  - vi. Continue enhancing the collaboration between the two levels of government to entrench sharing and devolution of power;
  - vii. Continue to implement measures to protect the environment, mitigate climate change, and improve the national forest cover; and
  - viii. Implement measures to promote inclusivity and representation of Kenya's diverse communities in the public service.
2. Submit in the prescribed format the Annual Report on measures taken and progress achieved in the realization of National Values and Principles of Governance

**Road Safety Mainstreaming committee**

- a) Develop a Workplace Road Safety Policy anchored on the NTSA policy guidelines
- b) Develop an Annual Road Safety Implementation Plan based on the approved road safety policy with the following key components included.

- i. Four (4) road safety activities stipulated in the Work Place Road Safety Policy,
  - ii. Undertaking Annual Motor vehicle inspections of all the vehicles,
  - iii. Training of Drivers on defensive driving,
  - iv. Reporting on quarterly basis using the prescribed Reporting Template on the non-compliance on road safety at the workplace.
- c) Implement the Annual Road Safety Implementation Plan and
- d) Submit quarterly reports to NTSA in the prescribed format.

**Corruption Prevention committee**

- i. Setting priorities in the prevention of corruption within the Ministry,
- ii. Planning and coordinating corruption prevention strategies,
- iii. Integrating all corruption prevention initiatives in the Ministry,
- iv. Receiving and reviewing reports on corruption prevention initiatives and recommending appropriate action,
- v. Receiving and taking action on corruption reports made by staff and other stakeholders,
- vi. Spearheading anti-corruption campaigns within the Ministry,
- vii. Monitoring and evaluating the impact of corruption prevention initiatives,
- viii. Preparing and submitting quarterly progress reports to the Ethics and Anti-Corruption Commission.

**Safety and Security committee**

- i. Setting Policies and procedures for systematically managing sensitive data in the Ministry.
- ii. Planning and coordination risk presentation strategies.
- iii. Advise management on controls needed to enhance protection of sensitive data.
- iv. Integrating the ISMS in the Ministry
- v. Spearheading information security sensitization within the Ministry.
- vi. Monitoring and evaluating the impact of risk mitigation strategies.
- vii. Preparing and submitting quarterly progress reports

**Citizen Service Charter committee**

- i. Developing and displaying the Citizen Service Charter as prescribed.
- ii. Monitoring and evaluating the service commitment levels
- iii. Preparing and submitting quarterly progress reports

**Ministerial Business Process Reengineering committee**

- i. Review of service delivery process.
- ii. Selection of priority process that require improvement.
- iii. Mapping of the current (As-IS) identified processes.
- iv. Designing the process to come up with new (to-be) process.
- v. Implementation and monitoring the improved process.

**Gender Mainstreaming committee**

- i. Undertake capacity building on gender for staff
- ii. Submit quarterly reports using the prescribed format to the State Department for Gender with a copy to National Gender and Equality Commission

**Complaints and Access to Information committee**

- i. Receive, process, and oversee the resolution of complaints,
- ii. Receive, process and request access to information,
- iii. Promote the sensitization of staff and other stakeholders on complaints handling and access to information,
- iv. Advise management on complaints handling, proactive and reactive disclosure of information,
- v. Monitor the trends of complaints and recommend remedial action,
- vi. Prepare regular reports to management on complaints handling and requests for access of information,
- vii. Coordinate complaints handling and access to information activities in the Ministry,
- viii. Ensure the integration of complaints handling in the Ministry,

- ix. Ensure compliance with the guidelines of the Commission on resolution of public complaints, and access to information as may be issued from time to time,
- x. Monitor, evaluate and review complaints handling and access to information activities in the Ministry,
- xi. Where appropriate refer complaints and or access to information to the appropriate authorities including the CAJ.

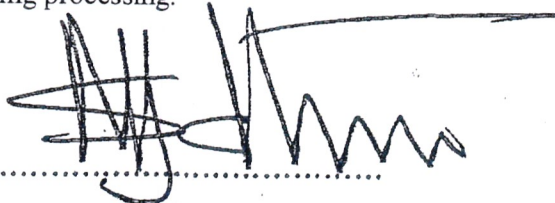
#### **4. Foreword by the Cabinet Secretary**

The Kenyan mining sector is richly endowed with immense mineral potential which constitutes of industrial minerals such as soda ash (Trona), fluorspar, titanium and zirconium; fuel minerals such as coal; and minerals such as Copper, Zinc, Gold, Silver, Manganese, Gypsum, Diatomite and gemstones such as rubies, tourmaline, tsavorite, sapphires.

The country's mining sector remains bright as known mineral resources that include rare earth minerals, ornamental stones, carbon dioxide, fluorspar, limestone, iron ore, gold, gypsum and other minerals remain largely underexplored and under-exploited. However, in the past years, economic policies have favoured other sectors giving little attention to the mining sector leading to low contribution to the gross domestic product (GDP). The sector's contribution to GDP currently stands at less than 1% (KNBS Economic Survey, 2023). The contribution of the sector to GDP is expected to grow exponentially with full implementation of reforms envisaged in this report.

The mining sector is regulated under the Mining Act 2016 and subsequent regulations and other guidelines that have been put in place to facilitate implementation of the Act for sustainable management mining operations. Despite having one of the best and most progressive hitting regulatory frameworks in the continent, Kenya has not actualized leer full mineral potential.

Currently, the Online Mining Cadastre register contains 427 active mineral rights (prospecting and mining), 349 active and new applications o1 mineral dealings and 581 applications for mineral rights awaiting processing.



.....  
**Hon. Salim Mvurya, EGH**

**Cabinet Secretary**

**Ministry of Mining, Blue Economy and Maritime Affairs**

## **5. Statement by the Principal Secretary / Accounting Officer**

The State Department draws its legal mandate from: -

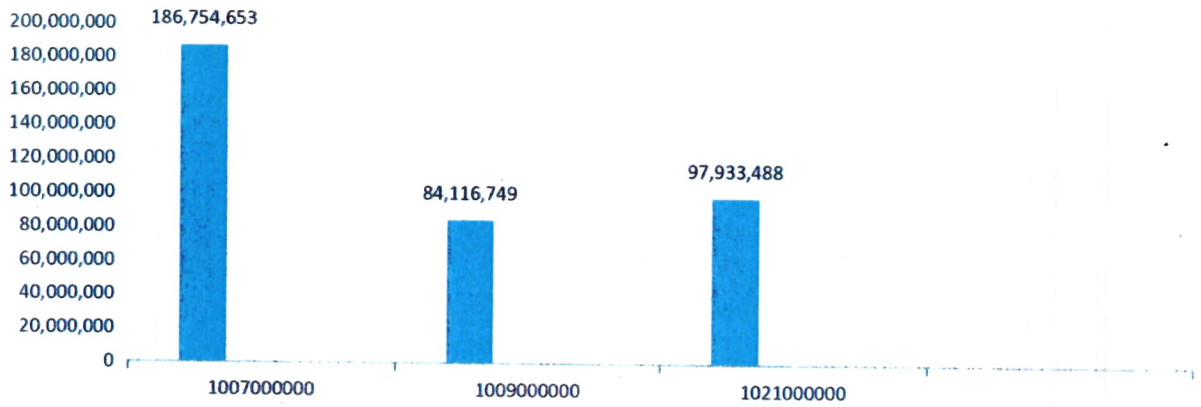
- (i) Constitution of Kenya, 2010;
- (ii) Mining Act 2016;
- (iii) The Energy Act, Cap. 314;
- (iv) Explosives Act No. 10;
- (v) Geologists Registration Act of 1933, Cap 535;
- (vi) Minerals and Mining Policy, 2018;
- (vii) Regional and international treaties, conventions, agreements and memoranda of understanding with other states and international organizations; and
- (viii) Published Regulations.

In cognisance with the Government transformative agenda The State Department intends to deliver the Government's Bottom-Up Economic Transformation Agenda (BETA) where one of its key objectives is enhancing grassroots development by empowering communities and ensuring that resources are sustainably exploited to uplift the lives of ordinary citizens. This will be achieved through formalisation and supporting artisanal mining. This mining operation involves an individual, communities or groups of miners who use simple equipment or rudimentary tools; it is associated with labour intensive, child labour, and adverse environmental impacts. They are the major stakeholders in the sector as most citizens have opted to mining as the main source of income.

Artisanal Mining supports over 800,000 people in Kenya and therefore is a key source of livelihoods in rural mineral rich areas. The sector however, is unable to sustainably grow due to some constraints such as its informal nature, financial illiteracy, limited technical skills of the miners, poor health and safety standards, inaccessibility of geo-data and mismanagement of environment. In this regard, the State Department should focus on regulation of artisanal mining sector to ensure its sustainability.

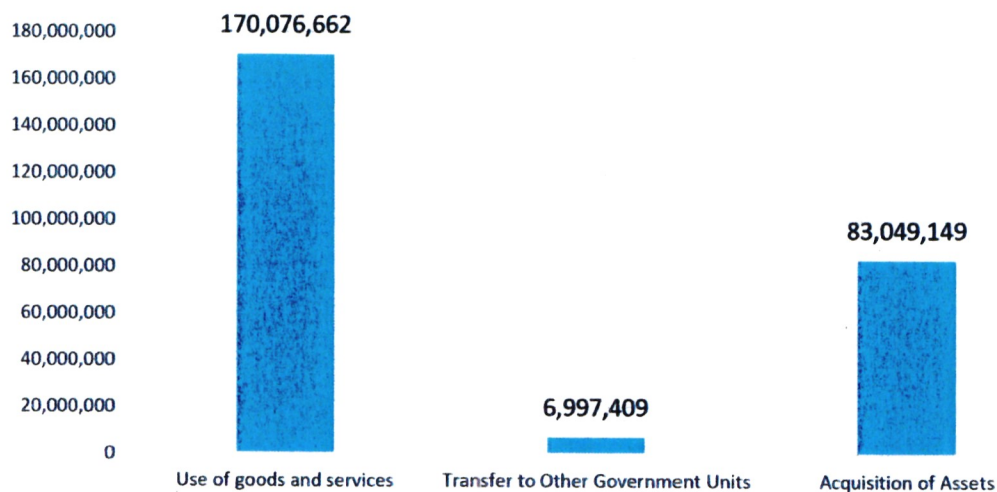
The State Department utilized 93% per cent of the recurrent budget and 30% of development budget funded by the exchequer in the financial year ended 30<sup>th</sup> June 2023 to carry out its mandate. The combined absorption stood at 71%.

**Budget Allocation by Programmes**



<b>Programme Code</b>	<b>Programme Description</b>	<b>Amount</b>
1007000000	General Administration Planning and Support Services	186,754,653
1009000000	Mineral Resources Management	84,116,749
1021000000	Geo Technical Services	97,933,448

### Budget Utilization as Per Economic Items

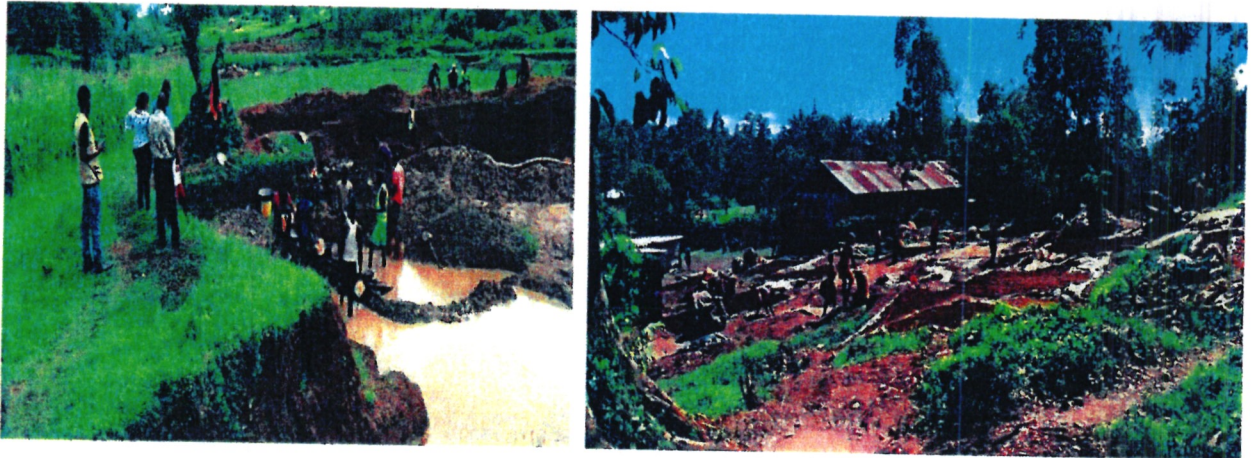


The State Department for Mining utilized **Kshs.170,076,662** on use of goods and services, **Kshs.6,997,409** National Mining Corporation and **Kshs.83,049,149** on acquisition of assets.

Key achievements for the State Department for Mining



*ASM activities going on at Sun - Martin, Siaya County and Wagusu area*



*Mwirembe, Kwisero, Alluvial site and drying of crushed ore within Vihiga County*





*Land reclamation exercise taking place in Kwale County being spearheaded by the CS Salim Mvurya*

**Emerging issues**

- Geopolitics impact on the investment and project implementation
- Overlapping mandates between the State Department and County Governments
- Use of technologies such as robotics, artificial intelligence in the mineral sector where it affects implementation of National policies on employment and local content

## Key risk management strategies

Risk	Category	Mitigation Measure
<b>Strategic Risks</b>		
Low revenue due to sale of unprocessed minerals	High	<ul style="list-style-type: none"> <li>• Complete and operationalized value addition centres</li> <li>• Encourage value addition of minerals</li> </ul>
Low mineral market awareness	Medium	<ul style="list-style-type: none"> <li>• Formation of minerals/ mineral products cooperatives</li> <li>• Sensitization of the ASM on marketing of minerals/ mineral products</li> </ul>
Low staff morale, high staff turnover leading to poor service delivery	High	Staff training and development, improve work environment and rewarding
Misconceptions due to inadequate access of information or ignorance of the State Department mandate	Medium	Timely and effective information-sharing and dissemination
Stakeholder/community resistance to programmes/projects	High	Effective stakeholder/community engagement
<b>Policy/ legal changes</b>		
Slow implementation of the Mining Act 2016	High	Review and development of Mineral Royalty Collection Regulations which have been subjected to public participation.
<b>Environmental Risks</b>		
Use of harmful chemicals in mineral processing	High	<ul style="list-style-type: none"> <li>• Promote use of alternative environmental friendly mining methods and safe technologies since Kenya is a signatory to Minamata Convention.</li> </ul>
Environmental pollution and degradation in project areas	High	<ul style="list-style-type: none"> <li>• Compliance with relevant laws (EMCA, Mine Health and Safety Regulation and other relevant Legislations)</li> <li>• Effective Environmental and Social Impact Assessments (ESIA)</li> <li>• Compliance with the de-commissioning and restoration plans</li> </ul>

Risk	Category	Mitigation Measure
		<ul style="list-style-type: none"> <li>• Effective disaster preparedness and management</li> <li>• Rehabilitation of disused and abandoned mines</li> </ul>
<b>Political</b>		
Lack of political goodwill	Medium	Effective engagement with political leaders
Changes in government organizational structure	Medium	Effective engagement within the Executive
<b>Financial Risks</b>		
Delays in the budget making and approval	High	• Effective engagement with the Legislature
<b>Technological Risks</b>		
Inability to cope with rapid technological advancements in hardware and software infrastructure	High	Investment in technological advancement
Inadequate disaster recovery planning for data	High	• Development and implementation of a disaster recovery plan
Cyber crime	High	<ul style="list-style-type: none"> <li>• Development of user-rights for confidential data</li> <li>• Firewalls to prevent intrusions</li> <li>• Anti-phishing software</li> <li>• Ethical hacking</li> </ul>
<b>Information Management</b>		
Inadequate geological and mineral occurrence data	Medium	Continuous acquisition and updating of geological data

### Implementation challenges and recommended way forward

#### Challenges:

- i. Competing local, national and regional interests
- ii. Low level of funding from the exchequer, leading to projects taking too long to complete and being too thinly spread on the ground.

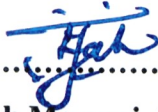
- iii. High community expectations and interruptions slowing project implementation
- iv. Resource mobilization: mining projects are high risk and capital-intensive inhibiting mobilization of funding before their bankability is determined
- v. Existence of conflicts within the two levels of government leading to disharmony in project implementation rather than synergy.
- vi. Inadequate technical skills for local professionals such as drillers, Gem-cutters and mineral economists; Gemmologists, Metallurgists, Laboratory Technologists and equipment operators;
- vii. Rapidly changing technology in the mining sector;
- viii. Inadequate funding for acquisition of geological mineral data, research and development;
- ix. Limited mineral audit capacity and litigations leading to uncollected revenues (royalties and fees).
- x. Inadequate office space

**Recommendations:**

- xi. There is need to adequately fund mining projects
- xii. Creation of an enabling environment to improve competitiveness and attraction of investments;
- xiii. Development and implementation of strategies to mitigate negative impacts on fluctuating global commodity prices and marketing trends that affect returns on investment;
- xiv. Integration of monitoring and evaluation in project implementation;
- xv. Enhancement of knowledge management, data analysis and information sharing for decision-making
- xvi. Need to review and upgrade of ICT infrastructure to keep pace with the technological advancements in the extractives sector;
- xvii. Development and implementation of a revenue sharing framework between the national and county governments to foster community acceptance and cooperation; and
- xviii. Need for modern technology trainings to familiarize with the rapidly changing technology in the mining sector.

**Way Forward:**

- i. There is need to formulate and implement policies and strategies for management of stakeholder expectations;
- ii. Explore alternative funding options through innovative resource mobilization strategies in order to successfully implement the strategic development objectives.
- iii. Fast tracking Miscellaneous amendments of Mining Act, 2016



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**Elijah Mwangi, C.B.S**  
**Principal Secretary / Accounting Officer**  
**State Department for Mining**

## **6. Statement of Performance Against Predetermined Objectives for the FY2022/2023**

### **Introduction**

The key strategic objectives of the State Department for Mining

- i) Develop and manage geological survey, geo-information management, mineral promotion and marketing policies;
- ii) Undertake geological, geochemical, geophysical, seismological and structural mapping to define the character and distribution of the rocks and superficial deposits;
- iii) Undertake mineral exploration and deposit valuation;
- iv) Conduct Geo-hazards mapping, geotechnical investigations and geo-environmental studies;
- v) Establish, operate and maintain a National Seismological Network (NSN) for monitoring seismic activity in Kenya and the region in liaison with other related agencies;
- vi) Develop a national geosciences repository and database;
- vii) Ensure maintenance of laboratories, drill core library, rock museum, library and records facilities;
- viii) Promote and market Kenya as a mineral and mining investment destination;
- ix) Coordinate international and regional laws, agreements and memoranda of understanding in the extractives sector;
- x) Generate mineral resource data to spur investment in the mining sector in line with African Vision 2063, African Mining Vision and Kenya Vision 2030;
- xi) Superintend over the National Mining Corporation;
- xii) Superintend over the Geologists Registration Board;
- xiii) Facilitate relationships and links with other ministries, state departments and governmental agencies with roles in mining and minerals development;
- xiv) Facilitate relationships and links with civil society organizations, community-based organizations and other stakeholders with roles in mining and minerals development;
- xv) Facilitate relationships between mineral right holders, County Governments and mining communities;
- xvi) Educate the communities on the mining operations taking place at their locality and interpreting for the community the various aspects of the project;

- xvii) Assist communities while negotiating for compensation and resettlements;
- xviii) Monitor Corporate Social Responsibility and social economic impacts by Mineral Right holders;
- xix) Assist communities during formation of Community Development Agreements Committee; and
- xx) Arbitration of disputes arising from mining operations.

### Progress on the attainment of Strategic Objectives through Performance Contracting

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Programme	Delivery Unit	Key Output	Key Performance Indicator	Annual Target 2022/23	Cumulative		Remarks
					Actual Achievement	Variance	
Geological Surveys	Directorate of Geological Survey	Minerals Mapping	No. of Counties mapped for industrial Minerals	4	3	-1	Three Counties; Elgeiyo Marakwet, Kitui and Tharaka-Nithi counties were mapped for industrial minerals
			No. of Mineral Mapped for Agro-minerals	2	0	-2	Agro-minerals mapping was re-scheduled for FY 2023/24
		Geological and Geotechnical Mapping	Acreage mapped in acres	200	200	0	Geotechnical mapping was undertaken in Nakuru County
			Kilometres of transport corridors mapped	406	0	-406	Mapping on Transport Corridors to be undertaken in the FY 2023/24



<b>Geo-Information Management</b>	Directorate of Geological Survey	National Geological Data Centre	% Completion of Geological Data Centre	75	0	-75	Mineral occurrence assessment was undertaken in Kwale County on Rare Earth Minerals
			% Completion of a Geological Lexicon	30	0	-30	Target not met due to budget rationalization.
			% National public Geo- Data Portal completion	75	0	-75	Target not met due to budget rationalization.
<b>Mineral Exploration</b>	Directorate of Mines	Minerals occurrence map of Kenya updated	Minerals occurrence map of Kenya updated	1	2	1	Two Mineral Mapps on Gold and Coltan were updated
			No. of Mineral Rights Inspections	16	16	0	The overachievement was as a result of urgent cases/dispute amongst mineral right that need to be resolved
		Mineral Rights and Mineral Dealings	No. of Mineral Dealings Inspections	16	16	0	A committee was formed to audit mineral dealings on applications and renewals of dealers' licenses.
			Mineral Rights Board (MRB) advisories on Mineral Rights Applications	24	16	-4	No Board meeting took place in quarter four due to lack of quorum as some of its members had not been appointed



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<b>Mineral Resource Development</b>	Directorate of Mines	Mineral Value Addition Centres	No. of commercial explosives use inspections	4	72	68	inspections on the commercial explosives use were fully undertaken	
			Mining Regulations	No. of regulations developed	4	4	0	Four Mining Regulations were drafted on Mineral Value Addition Policy, Mineral Royalty Sharing Framework, Mineral Royalty Rates and Mine Health and Safety which were to be subjected to public Participation in the FY 2023/24 within Q1
			No. of County Governments sensitized on regulations	4	4	0	Sensitizations process on Mining Regulations in Kwale, Kakamega, Migori and Baringo Counties	
			% Completion of National Mining Strategy 2022-2042	100	0	-100	There was no budget allocation for the activity	
			% completion of Kakamega Gold Refinery Centre	100	50	-50	The project had no funding.	
			% Completion of Kisii soapstone Value Addition Center	100	0	-100	The project had no funding.	

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				100	30	-70	The project had no funding.
			40	40	40	0	The Gem-centre is fully complete with equipping process planned for quarter one of the FY2023/24 in the procurement plan.
<b>Administration and Support Services</b>	Planning Department	Strategic Planning	100	50	-50		The State department for Mining held Senior Staff Workshop and developed Vision Statement, Mission Statement and the Strategic objectives. The Strategic Plan will be fully developed by a consultant after finalization of MTP IV.
		Project Monitoring and Evaluation	4	1	-3		Monitoring and Evaluation (M&E) exercise was undertaken in quarter four and most of the projects were found to be within the stipulated projects timelines

## **7. Management Discussion and Analysis**

The State Department for Mining is new having been formed through the Executive Order No. 1 of 2023 on organisation of Government in January, 2023

### **Key projects or investments**

The State Department is implementing the following key Projects

**Artisanal Mining Formalization** – The project is in response to the Bottom-Up Economic Transformation Agenda Value on Minerals, Land and Natural resources. It aims at ensuring that Artisanal and Small-Scale miners are mainstreamed through issuance of necessary permits and licenses as envisaged under **Section 94** of the Mining Act, 2016. The project involves formation of marketing Cooperatives, capacity building initiatives on financial literacy, Book keeping and records management. They will further be trained on sustainable mining practices, appropriate mineral processing technologies and marketing techniques.

The project is being funded by the National Government but plans are underway to loop in development partners to ensure continuity and sustained campaign targeting formalization of ASMs.

**Ground Truthing and Mineral Exploration** – Pursuant to the State Department's mandate of conducting mineral exploration and in support and to complement the recently conducted Nationwide Airborne Geophysical Survey, the State Department is undertaking a comprehensive and targeted ground truthing project. This seminal project is aimed at identifying and confirming anomalies identified vide the just concluded Airborne Survey. Further, the project will lead to de-risking of mining investments and ultimately attraction of world class exploration and mining companies. As part of this project, detailed exploratory drilling targeting Embu - Marimanti, Kitui - Ikutha and Turkana – Nadwat areas is also planned for implementation. These campaigns are envisioned to result in setting up of mining operations and contributing significantly to the sectors overall performance.

The project is funded through Exchequer Releases and has been identified as a key response of the mining sector to the BETA plan's aspiration of expanding the tax base, improving forex reserves and generating jobs.

**Mineral Testing and Analysis Laboratory modernization and decentralization** – Mineral Testing and analysis provides a baseline for charging mineral royalties and also reduce the cost of mining business by eliminating the need to export samples for testing.

The State Department is therefore implementing a massive laboratory modernization project aimed at revamping the main laboratory in Nairobi as well as upgrade and install satellite labs in at least eight regional offices.

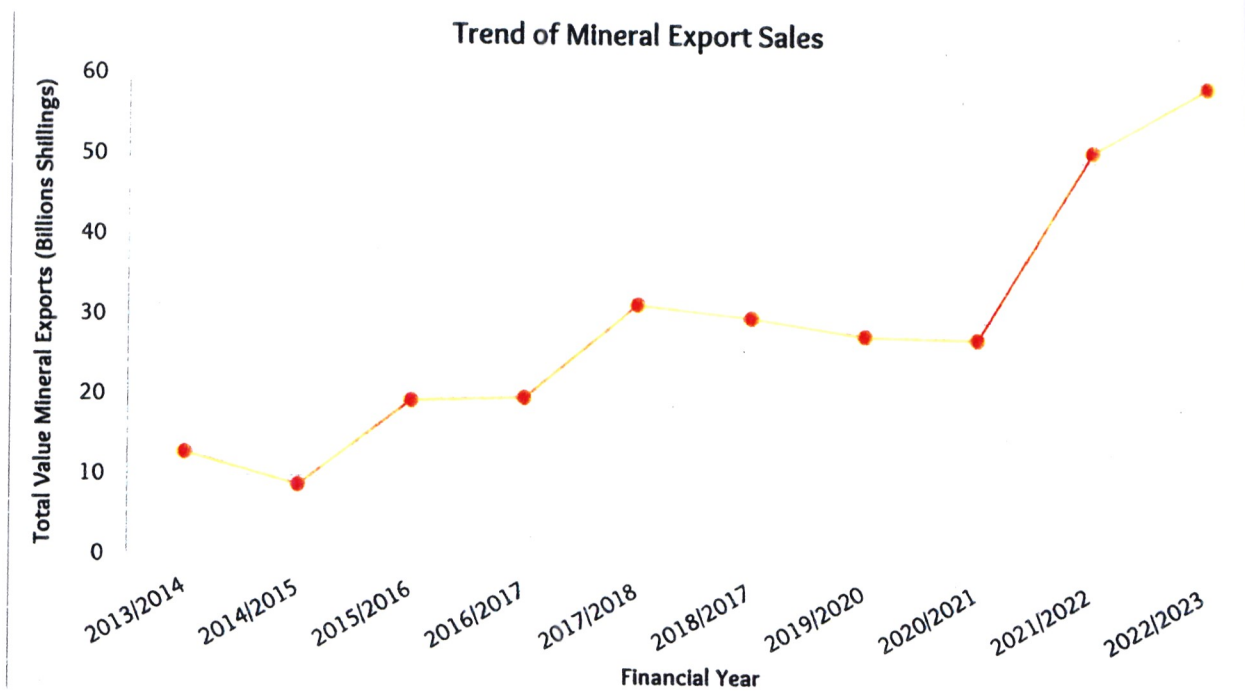
<b>Sector: Environment Protection, Water and Natural Resources</b>						
<b>Vote 1192: State Department for Mining</b>						
<b>Economic Classification</b>	<b>Approved Budget Allocation</b>			<b>Actual Expenditure</b>		
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
<b>Gross</b>	<b>548.0</b>	<b>0.0</b>	<b>237.7</b>	<b>548.0</b>	<b>0.0</b>	<b>227.3</b>
AIA	60.0	0.0	25.0	60.0	0.0	14.6
<b>NET</b>	<b>488.0</b>	<b>0.0</b>	<b>212.7</b>	<b>488.0</b>	<b>0.0</b>	<b>212.7</b>
Compensation to Employees	380.0	0.0	0.0	380.0	0.0	0.0
Transfers	24.0	0.0	7.0	24.0	0.0	7.0
Other Recurrent	144.0	0.0	230.7	144.0	0.0	220.3
<b>Of which</b>						
Utilities	0.0	0.0	4.8	0.0	0.0	4.7
Rent	0.0	0.0	0.0	0.0	0.0	0.0
Insurance	0.0	0.0	0.0	0.0	0.0	0.0
Subsidies	0.0	0.0	0.0	0.0	0.0	0.0
Gratuity	0.0	0.0	0.0	0.0	0.0	0.0
Contracted Guards and Cleaners Services	0.0	0.0	0.0	0.0	0.0	0.0
Others	144.0	0.0	225.9	144.0	0.0	215.6

The State Department for Mining projects are classified under three Sub-programmes namely; Mineral Resources Development, Geological Survey, Mineral Exploration and Geological Survey, and Geo Information Management with their performance outlined as below.

**a) Mineral Resources Development**

During the period under review, the State Department remained dedicated to advancing Mineral Resource Development by establishing Value Addition Centres such as the Voi Gemstone Centre, Vihiga Granite Plant, and Kakamega Gold Refinery Plant. The Voi Value Addition Centre is in line with the Bottom-Up Economic Transformation Agenda, aiming to enhance the value of gemstones primarily produced by artisanal miners, which will ultimately benefit both the miners and the government by boosting foreign exchange earnings. Furthermore, the Department conducted training sessions for 2,225 artisanal miners, emphasizing the significance of forming marketing cooperatives and the advantages linked to formalizing their operations.

The mining sector contribution to the GDP currently stands at less than 1% (KNBS Economic Survey, 2023). Kenya exported minerals worth approximately **Kshs.138** billion during the review period as indicated in the table below.



Trend of Mineral Export Sales

Besides the foreign earnings from the mineral exports, the sector contributes to job creation through provision of industrial and construction raw materials (e.g., sand, ballast, limestone, iron ore, gypsum etc.) for local use.

In particular, the mineral exports in the FY 2022/2023 are as shown in the table below:

#### Kenya's Mineral Export in Year 2022/2023

Mineral	Unit	Quantity	Value (US Dollar)	Value (Kshs)
Rutile	Kgs	66,948,000	99,835,675	14,176,665,901
Soda Ash	Kgs	234,176,000	85,377,022	12,123,537,070
Ilmenite	Kgs	233,000,000	75,092,300	10,663,106,600
Zircon	Kgs	92,436,000	74,858,568	10,629,916,642
Salt	Kgs	411,138,578	44,052,972	6,255,522,057
Gold	Kgs	460	22,027,901	3,127,961,997
Carbon Dioxide	Kgs	15,469,338	4,933,113	700,502,046
Gemstones (Rough)	Kgs	400,751	2,344,695	332,946,752
Limestone	Kgs	30,677,173	2,152,790	305,696,211
Manganese	Kgs	31,704,100	1,475,865	209,572,823
Gemstone (Cut)	Carats	9,439	1,411,081	200,373,525
Copper	Kgs	9,878,002	1,369,280	194,437,822
Calcilime	Kgs	10,462,250	1,218,836	173,074,759

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Sodium Silicate	Kgs	2,051,090	762,303	108,247,091
Gypsum	Kgs	53,430,000	663,633	94,235,937
Lime	Kgs	4,580,000	539,896	76,665,287
Soapstone	Kgs	418,584	433,835	61,604,583
Vermiculite	Kgs	621,600	99,422	14,117,924
Quartz	Kgs	1,112,119	76,173	10,816,518
Diatomite	Kgs	149,872	30,044	4,266,248
Dolomite	Kgs	300,000	27,300	3,876,600
Garnet	Kgs	250	12,500	1,775,000
Lead	Kgs	54,000	10,800	1,533,600
Granite	Kgs	25,000	6,655	945,055
Samples	Kgs	15,704	3,985	565,842
<b>Grand Total</b>			<b>418,816,647</b>	<b>59,471,963,891</b>

**b) Geological Survey and Mineral Exploration**

During the period under review, the State Department for Mining issued a sum of 445 Mineral Dealing Licences, 60 Mining Rights, and 17 Prospecting Rights from a pool of over 1,000 applications that were received during the same timeframe. This lower-than-expected performance can largely be attributed to the moratorium imposed on mineral rights issuance in December 2019. Presently, there are 1,012 pending applications for Mineral Rights in the Online Mining Cadastre (OMC) system, awaiting Cadastre System upgrades and the lifting of the moratorium to facilitate their subsequent processing.

The Department conducted 157 Mining and Prospecting operations inspection to ensure compliance of mineral rights. The effectiveness of this crucial regulatory responsibility was significantly hampered by budget reductions. The budget cuts adversely impacted both pre-licensing inspections, inspections related to explosive usage, and quarterly mineral audit inspections and enforcement efforts. During the same period, a total of **Kshs.10.359** billion in revenue was generated. To enhance revenue collection further, the Department initiated the development of a Royalty Management System, which is set to be integrated with the OMC

**c) Geological Survey**

Implementation of the various planned targets was affected by budget cuts and delay in exchequer release. Nonetheless, geotechnical investigation work was carried out on 200 acres piece of land area to determine suitability of the ground to support construction of Kenanie Industrial Park.

There was a discovery of six industrial minerals in counties, out of the planned target of 15 minerals but no agro-mineral discovery was made. The budget review also highly contributed to the low achievement of the envisaged targets over the period under review.

In the same period under review, a mineral assessment programme carried out by geologists resulted into Coltan discovery, a rare earth mineral occurrence found in Kora-wells within a mineralized zone extending through Garissa, Tana River and Kitui counties.

Following budgetary review only 10% out of the planned 50% for installation of the Laboratory Integrated Management Information System was achieved in the period under review with the project being earmarked for completion in the financial year 2023/2024.

There was no exploratory core drilling or geochemical sampling exploration activity as planned; hence no samples were obtained for lab analysis to determine mineralization within the identified prospects in the period under review. This also resulted from budgetary reviews which affected performance.

Four exploration reports were done for Kwale Polymetallic, Coltan in Kora wells, Ikutha iron-ore and Kenya Fluorspar Situational analysis. The discovered Coltan mineral was also updated on the Mineral occurrence map of Kenya as planned.

Modernization of the mineral certification lab continued during the period under review.

#### **d) Geo Information Management**

During the period under review, the planned work to develop the National Geological Data Centre to completion was accomplished up to 87% completion. During the exercise over 90% of all hard copy geological reports, maps and briefs being vectorized, scanned and digitized. The reports were uploaded on a web-based database within the Geological Data Centre Online Portal.

The National Geo-Data Public Portal is 90% complete; this resulted into The Geo-data Portal being completed and activated online. The Portal is available for public use.

S/No.	Project Name	Source of funds	Project Status	% Completion	Project Costs (Ksh. Millions)	Amount Spent Ksh. Millions)
1	Geological data bank	GoK	Ongoing	49%	400.00	196.50
2	Mining cadastre portal	GoK	Ongoing	33%	380.00	108.90
3	Mineral Audit Support	GoK	Ongoing	59%	365.00	220.40
4	Rehabilitation of Madini Hse	GoK	Ongoing	30%	300.00	101.30
5	Mineral Certification Lab	GoK	Ongoing	21%	1326.00	314.90
6	Geological mapping & mineral mapping	GoK	Ongoing	27%	1861.00	518.00
7	Geo Technical Site Investigations in Support of Big 4 Agenda	GoK	Ongoing	5%	400.00	27.50
8	Granite assesment centre in Vihiga	GoK	Ongoing	85%	300.00	253.50
9	Kakamega Gold Refinery	GoK	Ongoing	13%	300.00	38.00
10	Kisii Soapstone Value Addition Centre	GoK	Ongoing	14%	300.00	40.50
11	Gemstone Centre-Taita Taveta	GoK	Ongoing	88%	120.00	105.00

## 8. Environmental and Sustainability Reporting

The State Department for Mining exists to develop policies on the extractive industry; Undertake mineral exploration and mining policy management; Maint an inventory and mapping of mineral resources; Develop mining and minerals development policies and standards; Maintain Geological Data (Research, collection, collation, analysis); develop policies on the management

of quarrying of rocks and industrial minerals; develop mining capacity development and value addition; and management of health conditions and health and safety in mines.

**a) Sustainability strategy and profile**

The top management has continued to provide the required leadership in designing suitable plans and strategies that will contribute to high and sustainable socio-economic development. The State Department through adherence to the Constitution of Kenya, 2010, existing Laws, Regulations, Policies and the State Department's Draft Strategic Plan 2018/19 – 2022/23 will deliver the desired goals.

While undertaking our responsibilities diligently and to the best of our abilities to support the achievement of the stated strategic development objectives, we have formulated and reviewed regulatory frameworks and undertaken Institutional reforms; Promoted Artisanal and Small-scale Mining (ASM); Build capacity for effectiveness and efficiency; Promoted investments in the Mining sector; Generated, processed and interpreted geo-scientific data; Provided quality and accredited mineral testing services locally and regionally; Enhanced efficiency and transparency in the administration of mineral rights and mineral dealings; Enhanced revenues from the mining sector; Enhanced mineral value and competitiveness; and implemented affirmative action policies and strategies.

**b) Environmental performance /climate change/ mitigation of natural disasters**

The Department's major Environmental responsibility is to promote mine environmental management, health and safety requirements; Mines rehabilitation and tree planting.

The department collaborates closely with the Ministry of Environment and Natural Resources, which is the country's climate change focal point. Our environmental conservation activities are further guided by the National Environment Policy, 2013.

Chapter Four of the National Environment policy identifies Kenya's critical ecosystems and natural resources. It proposes measures to enhance conservation and management of ecosystems and sustainable use of natural resources while Chapter Six addresses a wide range of issues relating to environmental quality and health. The areas covered include air quality, water and

sanitation, waste management, radiation, toxic and hazardous substances, noise and environmental diseases.

**c) Employee welfare**

- (i) Recruitment of personnel is done by the Public Service Commission as per Articles 10 and 232 of the constitution as well as per the provisions of section B of the Human Resource Policies and Procedures Manual (2016).

In cases where the Commission delegates recruitment of lower cadres to the authorised officers, the process is guided as per the existing service regulations. In all instances the ratio of either Gender must not exceed 70%.

Government Policies on recruitment are normally reviewed after every five (5) years. The draft of the same is normally circulated to all stakeholders for their input and validation in accordance with the provision of the Constitution of Kenya.

- (ii) The State Department has taken deliberate efforts to ensure that every member of staff is exposed to at least 5 days training in a year in accordance with existing Government Training Policy.

Each officer falls under a Scheme of Service/ career guidelines which defines his/her career path in the service. They also require to undertake professional as well as mandatory courses that prepare them for Supervisory, Managerial and Leadership positions in future. The officers are also expected to progress to the next grade after every three years so long as they have the requisite qualifications and posts are available and they pass interviews administered by the Commission or the Ministry.

- (iii) The State Department has onboarded all officers on the online Performance Appraisal System (PAS) together with their respective supervisors. Officers are also required to complete quarterly reports indicating their outputs, as well as challenges they face during the same period.

- (iv) In compliance with occupational safety and Health Act of 2007 (OSHA), the management has ensured that there are adequate and clean sanitary facilities for all staff. Management have also ensured that offices are designed in such a manner that there is no overcrowding, that there is good lighting and emergency exits are in place to ensure speedy and safe evacuation of staff in case of emergency. Adequate and safe water for drinking is also available for staff. There is an office accommodation committee in place to deal with emerging office accommodation matters and attendant issues related to the health and safety of staff.

**d) Operational practices/ Marketplace practices**

The State department procures goods and services through competitive tendering and bidding processes where all stakeholders are treated equally. Measures are taken to make sure that all suppliers are paid on time to avoid pending bills.

**e) Community Engagements-**

The State Department has no budget for CSR, However the private mining companies are encouraged to give back to the community in which they mine from, this includes environmental restoration at cessation of mineral production.

## **9. Statement of Management Responsibilities**

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


The Accounting Officer in charge of the State Department for Mining 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, 2023. 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 State Department for Mining 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 State Department for Mining's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer in charge of the State Department for Mining 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 State Department for Mining 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**

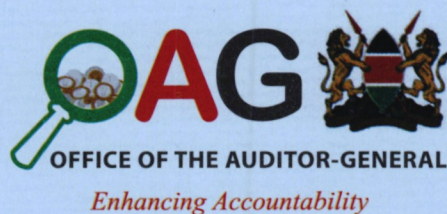
The State Department for Mining financial statements were approved and signed by the Accounting Officer on 27/12/ 2023.

  
.....  
**Elijah Mwangi, C.B.S**  
**Accounting Officer**

  
.....  
**Kipyegon Siele**  
**Head of Accounting Unit**  
**ICPAK M/No. 8879**

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P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR MINING FOR THE YEAR ENDED 30 JUNE, 2023**

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### **PREAMBLE**

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of the State Department for Mining set out on pages 1 to 25, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023, the statement of receipts and payments,

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*Report of the Auditor-General on the State Department for Mining for the year ended 30 June, 2023*

statement of cash flows, summary statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the State Department for Mining as at 30 June, 2023, 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 the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Directly Expensed Imprests**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,191,744 as at 30 June, 2023. Review of the reconciliation statements in respect of the balances revealed reconciling payments totaling Kshs.11,527,734 which were described as daily subsistence allowances, transport and entertainment allowances that were paid on 30 June, 2023. This implied that the allowances were outstanding as at the closure of the financial year. However, the payments were not reflected as outstanding imprest as at 30 June, 2023. In addition, the reconciliation statement for July 2023 indicated that the items had been cleared. However, the imprest register did not reflect the dates the imprests were surrendered, and their supporting documents were not provided for audit verification.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.2,191,744 could not be confirmed.

#### **2. Misclassification of Expenditure**

The statement of receipts and payments reflect Kshs.170,076,662 in respect of use of goods and services. As disclosed in Note 3 to the financial statements, the amount comprises expenditure incurred on utilities supplies and services, communication supplies and services, domestic travel, foreign travel, printing and advertising, training, hospitality, specialized materials and services and other operating expenses. In addition, Note 5 to the financial statements reflects Kshs.83,049,149 relating to the acquisition of assets which includes purchase of office furniture and general equipment and research, studies, project preparation, design & supervision.

Review of expenditure documents provided for audit revealed reallocation of expenditure in several expenditure categories as tabulated below:

No	Category Charged	Note	Amount (Kshs.)	Correct Classification
1.	Hospitality Supplies and Services	3	3,792,866	Domestic Travel and Subsistence
2.	Specialized Materials and Services	3	2,829,600	Domestic Travel and Subsistence
3.	Fuel, Oil and Lubricants	3	2,935,292	Communication, Supplies and services
4.	Other Operating Expenses	3	3,396,102	Domestic Travel and Subsistence
5.	Routine Maintenance – Vehicles and other Transport Equipment	3	4,064,996	Communication, Supplies and services
6.	Routine Maintenance – Other Assets	3	1,941,372	Domestic Travel and Subsistence
7.	Foreign Travel and Subsistence	3	2,734,396	Domestic Travel and Subsistence
8.	Communication, Supplies and services	3	1,667,760	Domestic Travel and Subsistence
9.	Communication, Supplies and services	3	740,000	Utilities Supplies and Services
10.	Printing, Advertising and Information Supplies & Services	3	82,000	Domestic Travel and Subsistence
11.	Purchase of Office Furniture and General Equipment	5	6,296,987	Domestic Travel and Subsistence
12.	Research, Studies, Project Preparation, Design & Supervision	5	2,603,000	Domestic Travel and Subsistence
<b>Total</b>			<b>33,084,371</b>	

However, no documentary evidence was provided to confirm that approval for reallocation was sought from The National Treasury.

In the circumstances, the accuracy, validity and completeness of expenditure on use of goods and services and acquisition of assets could not be confirmed.

### 3. Unsupported Expenditures

The statement of receipts and payments reflects and as disclosed in Notes 3 and 5 to the financial statements, Kshs.170,076,662 and Kshs.83,049,149 in respect of use of goods and services, and acquisition of assets respectively. Review of expenditure revealed payments which lacked support documents or had inconsistencies as detailed below:

- i. Expenditure of Kshs.7,536,576 on foreign travel and subsistence disclosed in Note 3 to the financial statements included payments totalling Kshs.1,141,422 which were not supported with air tickets, boarding passes, passports and after

training or workshops for foreign travel. Additionally, expenditure of Kshs.2,734,396 incurred on local travel but charged to foreign travel was not supported with work tickets and reports for after training, workshops, filed visits to assess mining activities and sensitization.

- ii. Note 3 to the financial statements reflects expenditure on domestic travel and subsistence of Kshs.53,068,012. However, payments totalling Kshs.6,705,636 were not supported with adequate and appropriate documentation such as evidence of travel, back to office reports, expenditure schedules among others. Additionally, an amount of Kshs.3,387,800 paid as imprest claims to several officers was supported by work tickets of vehicles whose capacity did not match the number of officers travelling.
- iii. Training expenses of Kshs.2,476,453 reflected in the Note 3 to the financial statements were not supported by an approved training plan, attendance registers, training timetable and certificates of attendance and need assessment reports which informed the trainings.
- iv. Note 3 to the financial statements reflects expenditure on Hospitality Supplies and Services amounting to Kshs.13,316,655. However, expenditure of Kshs.1,980,061 was not supported with appropriate documentation including payment vouchers and expenditure returns from regional offices.
- v. An amount of Kshs.5,225,644, Kshs.2,202,420 and Kshs.303,252 incurred on fuel, routine maintenance for vehicles and routine maintenance other assets respectively, under acquisition of assets all totalling Kshs.7,731,316, through Authority to Incur Expenditure (AIE) payments, were not supported with expenditure returns, and payment vouchers for audit review. In addition, payments of Kshs.5,410,065 described as district expenditure in the ledger were not supported by returns and expenditure documents, and thus their nature and purpose could not be confirmed.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.170,118,662 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Mining Management in accordance with ISSAI 130 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 audit 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.

## **Emphasis of Matter**

### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects budget receipts and actuals on comparable basis of Kshs.368,804,850 and Kshs.260,811,421 respectively resulting to an underfunding of Kshs.107,992,429 or 29% of the budget.

Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.368,804,850 and Kshs.260,123,220 respectively resulting to an under expenditure of Kshs.108,681,630 or 29% of the budget.

The underfunding and under expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

## **2. Pending Accounts Payable**

Note 12.3 to the financial statements reflects pending accounts payable balance of Kshs.93,883,644 owed to suppliers that had not been paid at the close of the year. Failure to settle bills during the year in which they relate to distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge.

My opinion is not modified in respect of these matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Irregular Expenditure on Travel and Subsistence**

The statement of receipts and payments reflects expenditure on use of goods and services amounting to Kshs.170,076,662. As disclosed in Note 3 to the financial statements, the amount includes Kshs.53,068,012 incurred on domestic travel and subsistence allowances. Review of documents indicate that an expenditure of Kshs.2,883,000 was incurred by 18 officers who were undertaking an 11-day field visit exercise of audit of mineral production and sales by mining companies to assess royalties and cement levy payments on 08 June, 2023 and 18 June, 2023.

The areas visited included Kajjado, Machakos, Taita Taveta, Mombasa, Kisumu, Kisii, Nakuru and Kiambu. However, an amount of Kshs.3,998,950 was also incurred by another team of 36 officers just a day after the completion of previous exercise. The second team took 10 days from 19 June, 2023 and 30 June, 2023 indicating that they were undertaking verification of performance of mineral rights holders in Kajjado,

Taita Taveta, Kisii, Migori, Mombasa, Taita Taveta and Nakuru and other areas. In addition, five 5 officers participated in first and second exercises.

In the circumstances, the validity of the expenditure amounting to Kshs.6,881,950 on domestic travel and subsistence could not be confirmed.

## **2. Failure to Remit Statutory Dues**

Review of the State Department human resource records for the year ended 30 June, 2023, revealed that dues and contributions to National Social Security Fund and National Health Insurance Fund for temporary employees were not deducted and remitted to the Funds contrary to Section 20 of the National Social Security Fund Act, 2013 and Section 16 of the National Hospital Insurance Fund (Amendment) Act, 2021 on standard contributions.

In the circumstances, the State Department was in breach of the law.

## **3. Irregular Procurement of Tree Seedlings**

The financial statements under Note 3 reflects an expenditure of Kshs.53,068,012 on domestic travel and subsistence. The amount includes Kshs.300,000 paid as facilitation allowance incurred on purchase of tree seedlings from Green Investors Limited during a Cabinet Secretary visit to Gulanze Polytechnic in Kinango Sub County, Kwale County on 3 June, 2023. However, the tree seedlings were procured through single sourcing. In addition, no inspection report of the seedlings whether they were delivered and planted was provided for audit confirmation. Further, the procurement did not meet the criteria for single sourcing and was not conducted in accordance with the Public Procurement and Asset Disposal Act, 2015.

In the circumstances, validity of the expenditure totalling Kshs.300,000 could not be confirmed and Management was in breach of the law.

## **4. Incomplete Asset Register**

The statement of receipts and payments reflects acquisition of assets expenditure of Kshs.83,049,149, and as disclosed in Note 5 to the financial statements. However, the State Department did not update its fixed asset register to show all the assets owned by the State Department and their value as at 30 June, 2023.

In the circumstances, the accuracy of the fixed assets of the State Department could not be confirmed.

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

# REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

## Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## Basis for Conclusion

### 1. Weaknesses in Management of Standing Imprest

During the year under review, Management maintained a standing imprest system for purposes of low value procurement of goods and services. Review of standing imprest processes and controls revealed the following anomalies:

- i. Standing imprest of Kshs.20,000 was issued to an officer who was not listed as imprest holders exposing the State Department to the risk of loss of funds where recovery of the same may be difficult.
- ii. Imprest amounting to Kshs.871,500 was used to purchase common use items like tonners, printing papers, computer accessories, notebooks, dust coats among others which should have been procured through the normal procurement process.
- iii. Some officers reimbursed standing imprest more than once in a month contrary to Public Finance (National Government) Regulations, 2015.

In the circumstances, the sufficiency and effectiveness of controls on management and accounting for imprests and advances could not be confirmed.

### 2. Loss of Drilling Equipment

During the year under review, several drilling items belonging to the State Department were reported missing. The missing items consisted of drilling rods, casings and assorted items valued at Kshs.9,570,000 at Madini House. Although the matter was reported to the Police for investigation, no information was provided on the progress of the matter, and measures taken by Management to prevent similar incident in the future.

In the circumstances, the existence and effectiveness of controls on custody management of Government assets at could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit

evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and for assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the State Department's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of an intention to terminate the State Department or to cease operations.

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

In addition to the responsibility for preparing and presenting the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them, and that public resources are applied in an effective way.

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

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement or weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the

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*Report of the Auditor-General on the State Department for Mining for the year ended 30 June, 2023*

activities, financial transactions and information reflected in the financial statements comply with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 applicable 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 State Department's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the State Department to cease to continue to sustain its services.

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

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

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

  
FCPA Nandy Gathungu, CBS  
AUDITOR-GENERAL

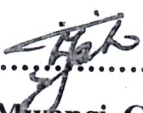
Nairobi


24 January, 2024

**11. Statement of Receipts and Payments for the Year ended 30<sup>th</sup> June 2023**

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Exchequer Releases	1	254,033,692	0
Miscellaneous Receipts	2	6,777,729	0
<b>Total Receipts</b>		<b>260,811,421</b>	<b>0</b>
<b>Payments</b>			
Use of Goods and Services	3	170,076,662	0
Grants and Transfers to Other Government Entities	4	6,997,409	0
Acquisition of Assets	5	83,049,149	0
<b>Total Payments</b>		<b>260,123,220</b>	<b>0</b>
<b>Surplus/(Deficit)</b>		<b>688,201</b>	<b>0</b>

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 27/12/2023 and signed by:

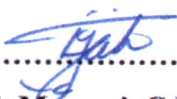
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**Elijah Mwangi, C.B.S**  
**Accounting Officer**

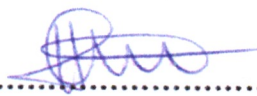
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**Kipyegon Siele**  
**Head of Accounting Unit**  
**ICPAK M/No. 8879**

**12. Statement of Financial Assets and Financial Liabilities as at 30<sup>th</sup> June 2023**

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	6	2,191,744	0
Cash balances		0	0
<b>Total cash and cash equivalents</b>		<b>2,191,744</b>	<b>0</b>
Imprests and advances	10	485,210	0
<b>Total financial assets</b>		<b>2,676,954</b>	<b>0</b>
<b>Financial liabilities</b>			
Third party deposits and retention	11	(1,988,753)	0
<b>Net financial assets</b>		<b>688,201</b>	<b>0</b>
<b>Represented by</b>			
Fund balance b/fwd.		0	0
Prior year adjustment		0	0
Surplus/ (Deficit )for the year		688,201	0
<b>Net financial position</b>		<b>688,201</b>	<b>0</b>

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 27/12/ 2023 and signed by:

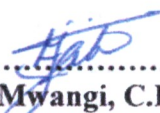
  
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**Elijah Mwangi, C.B.S**  
**Accounting Officer**

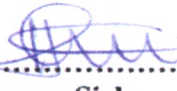
  
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**Kipyegon Siele**  
**Head of Accounting Unit**  
**ICPAK M/No. 8879**

13. Statement of Cash Flows for The Year Ended 30<sup>th</sup> June 2023

Description	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Operating Activities</b>			
<b>Receipts</b>			
Exchequer releases	1	254,033,692	0
Miscellaneous receipts	2	6,777,729	0
<b>Total Receipts</b>		<b>260,811,421</b>	<b>0</b>
<b>Payments</b>			
Use of goods and services	3	170,076,662	0
Transfers to other government units	4	6,997,409	0
<b>Total Payment</b>		<b>177,074,071</b>	<b>0</b>
<b>Net receipts/(payments)</b>		<b>83,737,350</b>	
<b>Adjusted For:</b>			
Adjustments during the year			
Prior year adjustments		0	0
Decrease/(Increase) in accounts receivable	10	(485,210)	0
Increase/(Decrease) in deposits and retention	11	1,988,753	0
<b>Net Cash Flow from Operating Activities</b>		<b>85,240,893</b>	<b>0</b>
<b>Cash flow From Investing Activities</b>			
Acquisition of assets	5	(83,049,149)	0
<b>Net Cash Flows from Investing Activities</b>		<b>(83,049,149)</b>	<b>0</b>
<b>Cash flow From Financing Activities</b>		0	
<b>Net cash flow from financing activities</b>		<b>2,191,744</b>	<b>0</b>
<b>Net increase in cash and cash equivalents</b>		<b>0</b>	<b>0</b>
<b>Cash &amp; Cash Equivalent at Start of The Year</b>		<b>0</b>	<b>0</b>
<b>Cash &amp; Cash Equivalent at End of The Year</b>		<b>2,191,744</b>	<b>0</b>

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 27/12 2023 and signed by:

.....  
  
 Elijah Mwangi, C.B.S  
 Accounting Officer

.....  
  
 Kipyegon Siele  
 Head of Accounting Unit  
 ICPAK M/No. 8879

## 14. Statement of Comparison of Budget and Actual Amounts for FY 2022/2023

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Exchequer releases	0	343,804,850	343,804,850	254,033,692	89,771,158	74%
Miscellaneous receipts 'AIA'	0	25,000,000	25,000,000	6,777,729	18,222,271	27%
<b>Total Receipts</b>	<b>0</b>	<b>368,804,850</b>	<b>368,804,850</b>	<b>260,811,421</b>	<b>107,993,429</b>	<b>71%</b>
<b>Payments</b>						
Use of goods and services	0	233,114,022	233,114,022	170,076,662	63,037,360	73%
Transfers to other government entities	0	6,997,409	6,997,409	6,997,409	0	100%
Acquisition of assets	0	128,693,419	128,693,419	83,049,149	45,644,270	65%
<b>Total Payments</b>	<b>0</b>	<b>368,804,850</b>	<b>368,804,850</b>	<b>260,123,220</b>	<b>108,681,630</b>	<b>71%</b>
<b>Surplus/ Deficit</b>		<b>0</b>	<b>0</b>	<b>(688,201)</b>	<b>688,201</b>	

(a) Absorption for exchequer was not fully funded hence the 26% under absorption

(b) A.I.A was under collected due to existing moratorium by the Government

(c) There was zero budget in the original budget because the initial budget was allocated to the State Department of Petroleum and Mining and adjustments were made to the State Department of Mining in the fourth quarter through supplementary budget allocation

The entity's financial statements were approved on ..... 27<sup>th</sup> Dec. .... 2023 and signed by:

.....

Elijah Mwangi, C.B.S  
Accounting Officer

.....

Kipyegon Siele  
Head of Accounting Unit  
ICPAK M/No. 8879

**STATE DEPARTMENT FOR MINING**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**15 (a) Statement of Comparison of Budget and Actual Amounts: Recurrent for FY2022/23**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Exchequer releases	0	212,720,792	212,720,792	212,720,792	0	100%
Miscellaneous receipts 'AIA'	0	25,000,000	25,000,000	6,777,729	18,222,271	27%
<b>Total Receipts</b>	<b>0</b>	<b>237,720,792</b>	<b>237,720,792</b>	<b>219,498,521</b>	<b>18,222,271</b>	<b>92%</b>
<b>Payments</b>						
Use of goods and services	0	165,604,266	165,604,266	148,482,188	17,122,078	90%
Transfers to other government entities	0	6,997,409	6,997,409	6,997,409	0	100%
Acquisition of assets	0	65,119,117	65,119,117	64,717,844	401,273	99%
<b>Total Payments</b>	<b>0</b>	<b>237,720,792</b>	<b>237,720,792</b>	<b>220,197,441</b>	<b>17,523,351</b>	<b>93%</b>
<b>Surplus/ Deficit</b>			<b>0</b>	<b>(698,920)</b>	<b>698,920</b>	

(a) The State Department's A.I.A collection target could not be achieved. The under collected due to existing moratorium

(b) There was zero budget in the original budget because the initial budget was allocated to the State Department of Petroleum and Mining and adjustments were made to the State Department of Mining in the fourth quarter through supplementary budget allocation

The entity financial statements were approved on ..... 27<sup>th</sup> Dec. 2023 and signed by:

.....

**Elijah Myangi, C.B.S**

**Accounting Officer**

.....

**Kipyegon Siele**

**Head of Accounting Unit**


**ICPAK M/No. 8879**


15 (b) Statement of Comparison of Budget and Actual Amounts: Development for FY2022-23

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Receipts						
Exchequer releases	0	131,084,058	131,084,058	41,312,900	89,771,158	32%
<b>Total Receipts</b>	<b>0</b>	<b>131,084,058</b>	<b>131,084,058</b>	<b>41,312,900</b>	<b>89,771,158</b>	
Payments						
Use of goods and services	0	67,509,756	67,509,756	21,594,474	45,915,282	32%
Acquisition of assets	0	63,574,302	63,574,302	18,331,305	45,242,997	29%
<b>Total Payments</b>	<b>0</b>	<b>131,084,058</b>	<b>131,084,058</b>	<b>39,925,779</b>	<b>91,158,279</b>	<b>30%</b>
<b>Surplus/Deficit</b>		<b>0</b>	<b>0</b>	<b>1,387,121</b>	<b>(1,387,121)</b>	

- (a) Absorption for exchequer was not fully funded hence the 30% absorption
- (b) A.I.A was under collected due to existing moratorium by the Government
- (c) There was zero budget in the original budget because the initial budget was allocated to the State Department of Petroleum and Mining and adjustments were made to the State Department of Mining in the fourth quarter through supplementary budget allocation

The entity financial statements were approved on 27/12/2023 and signed by:

.....  
  
**Elijah Mwangi, C.B.S**  
 Accounting Officer

.....  
  
**Kipyegon Siele**  
 Head of Accounting Unit  
 ICPAK M/No. 8879

STATE DEPARTMENT FOR MINING  
Annual Report and Financial Statements for the year ended 30th June 2023

15. Budget Execution by Programmes and Sub-Programmes for FY2023

Programme/Sub-programme	Original Budget 2022/2023 Kshs	Adjustments	Final Budget	Actual on comparable basis 2023 Kshs	Budget utilization difference Kshs
1007000000 - General Administration Planning and Support Services	186,754,653	0	186,754,653	172,697,822	14,119,831
1009000000 - Mineral Resources Management	84,116,749	0	84,116,749	48,934,507	35,182,242
1021000000 – Geo Technical Services	97,933,448	0	97,933,448	38,490,891	59,337,557
<b>Total</b>	<b>368,804,850</b>		<b>368,804,850</b>	<b>260,123,220</b>	<b>108,681,630</b>

## **16. Notes to the Financial Statements**

### **1. Statement of Compliance and Basis of Preparation**

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

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

### **2. Reporting Entity**

The financial statements for the State Department for Mining. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012.

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

**(e) Transfers from the Exchequer**

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

**(ii) External Assistance**

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

Grants and loans 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 State Department.

In case of grant/loan 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. A similar recognition criterion is applied for loans received in the form of a direct payment.

During the year ended 30<sup>th</sup> June 2023, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**(iii) Miscellaneous receipts**

These include Appropriation-in-Aid and relates to receipts such as laboratory fees, explosives, library fee, mineral dealers licences and any other related charges. These are recognized in the financial statements the time associated cash is received.

**b) Recognition of payments**

The State Department recognises all payments when the event occurs and the related cash has actually been paid out by the State Department for Mining

**(i) Compensation of Employees**

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

**(ii) Use of Goods and Services**

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

**(iii) 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 and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to these financial statements

**(iv) Third Party Payments**

Included in the receipts and payments, are payments made on its behalf to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties in the statement of receipts and payments as proceeds from foreign borrowings.

**c) Cash and Cash Equivalentents**

Cash and cash equivalentents 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 at the end of the financial year.

**Restriction on Cash**

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2023, this amounted to KShs.1,988,753 compared to KShs.0 in prior period as indicated on note 11. There were no other restrictions on cash during the year.

**d) Imprests and advances**

For the purposes of these financial statements, imprests and advances to authorised public officers and 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.

**e) Third party deposits and retention**

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

**f) Pending Bills**

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

**g) Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2022 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 as required by Law and there were two supplementary adjustments to the original budget during the year.

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

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

**h) Comparative Figures**

For this financial reporting period, there were no comparative figures as the State Department is new having been formed under the Executive Order No. 1 of 2023 January.

**i) Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2023.

**j) Prior Period Adjustment**

During the year, there were no errors that were corrected since the Department was new

**k) Related Party Transactions**

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources of obligations between related parties regardless of whether a price is charged.

Notes to the financial statements

1 Exchequer releases

Description	2022/2023	2021-2022
	Kshs	Kshs
Total Exchequer releases for quarter 4	254,033,692	0
<b>Total</b>	<b>254,033,692</b>	<b>0</b>

The budgeted exchequer was Kshs. 343,804,850 (recurrent- Kshs.212,720,792, and development- Kshs.131,084,058) while the received exchequer is Kshs. 254,033,692 thus funded at 74% of budget.

2 Miscellaneous Receipts

Description	2022-2023	2021-2022
	Kshs	Kshs
Receipts from Administrative Fees and Charges - AIA	6,777,729	0
<b>Total</b>	<b>6,777,729</b>	<b>0</b>

AIA target was Kshs 25,000,000.00 but we were not able to achieve the target because of moratorium

3 Use of Goods and Services

Description	2022/2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	4,741,207	0
Communication, supplies and services	8,001,220	0
Domestic travel and subsistence	53,068,012	0
Foreign travel and subsistence	7,536,576	0
Printing, advertising and information supplies & services	440,260	0
Training expenses	2,476,453	0
Hospitality supplies and services	13,316,655	0
Specialized materials and services	4,042,713	0
Office and general supplies and services	12,986,132	0
Fuel Oil and Lubricants	19,533,903	0
Other operating expenses	14,125,040	0
Routine maintenance – vehicles and other transport equipment	10,197,924	0
Routine maintenance – other assets	19,610,568	0
<b>Total</b>	<b>170,076,662</b>	<b>0</b>

## 4 a: Grants and Transfers to other Government Entities

Description	2021-2023	2021-2022
	Kshs	Kshs
<b>Transfers to National Government entities</b>		
Current grants to government agencies and other level of govt	6,997,409	0
<b>Total</b>	<b>6,997,409</b>	<b>0</b>

## 5. Acquisition of Assets

Non -Financial Assets	2022/2023	2021-2022
		Kshs
Purchase of Vehicles and Other Transport Equipment	48,668,900	0
Purchase of Office Furniture and General Equipment	20,388,732	0
Purchase of Specialised Plant, Equipment and Machinery	2,943,700	
Research, Studies, Project Preparation, Design & Supervision	11,047,817	0
<b>Total</b>	<b>83,049,149</b>	<b>0</b>

## Cash and Bank Accounts

## 6: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Recurrent, /Development, Deposit	Exchange rate (if in foreign currency)	2022-2023	2021-2022
				Kshs	Kshs
Central bank of Kenya, Recurrent Account No. 1000695455 Kshs	Kenya Shillings	Recurrent		100,179	0
Central bank of Kenya, Development Account No.1000695498 Kshs	Kenya Shillings	Development		102,812	0
Central bank of Kenya, Deposit Account No.1000695453 Kshs	Kenya Shillings	Deposit		1,988,753	0
Central Bank of Kenya, CBK 165 account No.1000695487	Kenya Shillings			0	0
<b>Total</b>				<b>2,191,744</b>	<b>0</b>

## 7. Third party deposits and retention

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Retention	1,988,753		0	
Deposits	0		0	
<b>Total</b>	<b>1,988,753</b>		<b>0</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Prior FY</b>	<b>% of the Total</b>
Under one year	1,988,753	100%	0	0%
1-2 years	xx	%	0	0%
2-3 years	xx	%	0	0%
Over 3 years	xx	%	0	0%
<b>Total</b>	<b>1,988,753</b>		<b>0</b>	

## 8. Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Accounts	2,191,744	0
Account Payable	(1,988,753)	0
Salary Advance	0	0
<b>Total</b>	<b>202,991</b>	<b>0</b>

## 9. Prior Year Adjustments

Description of the error	Balance b/f FY 2021/2022 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted Balance c/f FY 2022/2023
	Kshs	Kshs	Kshs
Bank Account Balances	0	0	0
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>

**10. (Increase)/ Decrease in Advances**

Description	2022-2023	2021-2022
	Kshs	Kshs
Receivables As At 1 <sup>st</sup> July (A)	0	0
Receivables As At 30 <sup>th</sup> June (B)	485,210	0
<b>(Increase) in Receivables (C=(B-A))</b>	<b>(485,210)</b>	<b>0</b>

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Befry Musimbi Otsieka	4-May-23	9,500	0	9,500
Daniel Kiprotich Korir	9-May-23	69,200	0	69,200
Aflin Anyango Odira	24-May-23	296,510	0	296,510
Linda Kiage Onyancha	19-June-23	110,000	0	110,000
<b>Total</b>		<b>485,210</b>	<b>0</b>	<b>485,210</b>

**11. Increase/ (Decrease) in Retention**

Description	2022-2023	2021-2022
	Kshs	Kshs
Payables As At 1 <sup>st</sup> July	0	0
Payables As At 30 <sup>th</sup> June	1,988,753	0
<b>Increase/ (Decrease) In Payables</b>	<b>1,988,753</b>	<b>0</b>

## 12. Other 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 State Department for Mining

•Key management personnel that include the Cabinet Secretaries and Accounting Officers

1. Cabinet Secretary	Hon. Salim Mvurya, EGH
2. Principal Secretary/Accounting Officer	Elijah Mwangi C.B.S
3. Director Administration	David Onyancha
4. Ag. Director Mines	Gregory Kituku
5. Ag. Director Geological Survey	Enoch Kipseba
6. Director HRM&D	Francis Mutisya
7. Director CPPMD	Paul Mirie
8. Deputy Accountant General	CPA Kipyegon Siele
9. Senior Deputy Director SCMS	Stephen Wamae
10. Chief Finance Officer	Samuel Waithaka
11. Senior State Counsel	Lynette Bunei
12. Head ICT	James Njiru
13. Director Communication	Robert Chepkwony

- State Corporations and Semi-Autonomous Government Agencies.

<b>SAGAs</b>
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National Mining Corporation
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**12.1 Other Important Disclosures**

**12.2 Related party transactions:**

	2022-2023	2021-2022
	Kshs	Kshs
<b>Transfers to related parties</b>		
Transfers to SAGAS		
Transfers to Development Project	6,997,409	0
<b>Total Transfers to related parties</b>	<b>6,997,409</b>	<b>0</b>

**12.3 Pending Accounts Payable (See Annex 1)**

	Balance b/f FY 2021/2022	Additions for the period	Paid during the year	Balance c/f FY2022-2023
Description	Kshs	Kshs	Kshs	Kshs
Construction of civil Works	11,536,458	0	0	11,536,458
Supply of goods	10,543,854	46,810,948	0	57,354,802
Supply of services	18,996,744	5,995,640	0	24,992,384
<b>Total</b>	<b>41,077,056</b>	<b>52,806,588</b>	<b>0</b>	<b>93,883,644</b>

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**12.3 Progress on follow up of Prior Years Auditor-General's recommendations.**

The following is the summary of issues raised by the Auditor-General during the prior year and management comments that were provided.

Ref No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
1525	<p><b>Unsupported Pending Bills</b>                      As disclosed in Note 16.1 to the Financial Statements, the State Department for Mining had pending bills amounting to Kshs. 65,784,775 as at 30 June, 2021. A review of the list of pending bills provided for audit revealed that bills totaling Kshs. 48,404,652 lacked supporting documents while an amount of Kshs. 29,145,888 related to 2019/2020 financial year. Further, a Pending Bills Committee appointed by the Accounting Officer to review all pending bills of the State Department declared bills amounting to Kshs. 2,652,490 as ineligible while bills totaling Kshs. 3,362,896 which were included in the list, were not verified by the Committee and were therefore not valid for inclusion as pending bills. Further, no explanation was provided by the Management for failure to give priority to settlement of prior years' pending bills as a first charge as required under Regulation 42 (a) of</p>	<p>The State Department, in the Financial Statements for the Year ended 30th June, 2021 included a disclosure of pending bills amounting to Ksh 65,784,774.95, of which a review showed Ksh 48,404,568 was not properly supported. It is observed that there was a discrepancy in the figures provided as pending bills. The report categorised Kshs. 2,652,490 as ineligible for payment and 3,362,896 did not qualify as pending bills since they were unverified, and Kshs. 48,404,652 lacked requisite supporting documents. The management wish to state that an amount of Kshs. 16,916,069.00 has since been paid out of the Kshs. 65,784,774.95</p>	Not resolved	On going

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Ref No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	<p>the Public Finance Management (National Government) Regulations, 2015 which requires debt service payments to be a first charge on the Consolidated Fund and the Accounting Officer to ensure this is done to the extent possible that the government does not default on debt obligations and as directed by The National Treasury in circular No.10/2020 issued on 16 June, 2020. Consequently, the authenticity of the pending bills of Kshs. 48,404,652 could not be confirmed and further, failure to settle the bills during the year to which they relate adversely affects the provisions of the subsequent year to which they have to be charged.</p>			
1526	<p><b>Misallocation of Expenditure</b> The Statement of receipts and payments reflects an expenditure of Kshs. 205,619,568 on use of goods and services. However, supporting schedules and analysis of the sub-items under use of goods and services revealed an expenditure amounting to Kshs. 133,821,167 charged to wrong accounts without requisite approvals contrary to Section 43(2)(b) of the Public Finance Management Act, 2012 which provides for reallocation of funds between programs, or sub-votes to be done by the Accounting Officer upon approval of a request made to The National Treasury explaining the reasons for the reallocation.</p>	<p>The State Department had instances where some activities were charged to unrelated budget line items amounting to Ksh 133,821,167 as tabulated by the Auditor. This was occasioned by the reduction of the Budget in line with austerity measures issued by the National Treasury during COVID-19 pandemic. The budget cuts were implemented when payments and commitments to some budget line items especially</p>		

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Ref No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	Consequently, the regularity of the expenditure of Kshs. 133,821,167 in respect of use of goods and services could not be ascertained.	under Development Vote had already taken place in IFMIS, yet they were rationalized. The State Department realized this and made request for consideration of rationalized review of the budget cuts which the National Treasury advised to be considered under supplementary of the Financial Year 2020/2021. A request for reallocations was made during the submission of supplementary II as per submission letter attached (annex 1526) as per Section 43(3) Public Finance Management Act, 2012 and PFM Regulations 48; and has guided by the National Treasury vide Treasury circular 6/2021.		
1527	<b>Unsupported Fixed Assets</b> Annex 3 to the financial statements on summary of fixed asset register for the year ended 30 June, 2021 reflects historical cost of assets amounting to Kshs. 540,270,530. However, the assets were not supported with a detailed fixed asset register. Further, the supporting schedules provided for audit in respect of the additions during the year of Kshs. 25,142,988 indicated an amount of Kshs. 12,025,564 charged to acquisition of assets and which related to subsistence allowances, facilitation allowances and training	Since assuming office, an asset register has been prepared (annex 1527) which will be updated from time to time. The expenditure of Kshs. 12,025,564 on subsistence allowance was processed through the acquisition of assets budget line items due to budget reduction occasioned by supplementary budget 1. Therefore, the figure of additional assets disclosed in		

Ref No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
1528.1	<p>expenses. In the circumstances, the accuracy and existence of additions during the year of Kshs. 12,025,564 as reflected in the financial statements could not be confirmed</p> <p><b>Irregular Payment of Motivation Allowances.</b> The expenditure on compensation of employees includes an amount of Kshs.3,670,000 paid to three hundred and sixty-five (365) officers of the State Department for Mining as motivation allowances in the month of December, 2020 contrary to the Human Resource Policies and Procedures Manual for the Public Service. The staff comprising permanent employees, interns and casuals were all paid a uniform rate of Kshs.10,000 whose basis was not ascertained. Although Management indicated that the Authorized Officer, on the recommendation of the Ministerial Performance Management Committee approved the bonus payment to staff as a reward for exemplary performance over the financial</p>	<p>annex 3 to the financial of Ksh 25,142,988 was overstated by Kshs. 12, 025,564. This overstatement will be corrected by restating the assets figures in the subsequent financial statements. In addition, the management has appointed an asset management committee to assist in streamlining</p> <p>The Principal Secretary through a memo dated 21/12/2020 was requested to consider a bonus payment of appreciation to the staff for their exemplary performance. The request was approved by the Accounting Officer. (Annex 1528-1)</p>	Not resolved	On going

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Ref No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	year, no minutes of the Committee were provided for audit review.			
1528.2	<p><b>Un-Procedural Engagement of Casual Employees</b></p> <p>As disclosed in Note 3 to the financial statements, the statement of receipts and payments reflects an amount of Kshs. 8,616,561 in respect basic wages of temporary employees incurred in payment of casual employees working at the Ministry Headquarters, Madini House, Regional Offices and Fluorspar Region. However, no documentary evidence was provided for audit to indicate how the recruitment was undertaken. In addition, the State Department engaged a total of 75 casual employee's contrary to a Public Service Commission Letter Ref: No PSC/21/2/5 dated 12 August, 2020 which authorized the State Department to engage a maximum of 45 casual employees for financial year under review.</p>	<p>Due to acute shortage of technical and support staff the State Department engaged the National Treasury and the Public Service Commission for approval to recruit and compensate casuals. The approvals were granted by the two entities (Annex 1528.2-1)</p> <p>Upon getting the above requisite approvals, casuals were selected from a pool of applicants maintained at headquarter office. (Annex 1528.2-2), (Annex 1528.2-3)</p> <p>Casuals are engaged on contract basis for a period of three months. The number mentioned in this paragraph is a cumulative figure of the individual casuals engaged over the accounting period and was within the budgetary provision for the Financial Year.</p>	Not resolved	On going
1529	<p><b>Irregular Payment of Allowances</b></p> <p>As disclosed in Note 4 to the financial statements, the statement of receipts and payments reflects an expenditure of</p>	<p>Review of Audit, compilation, consideration and preparation of responses to issues raised required a multi-disciplinary team comprising of officers drawn from the various departments that the audit report touches on. The exercise has strict timelines, within</p>	Not resolved	On going

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Ref No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	<p>Kshs. 205,619,658 in respect of use of goods and services which includes an amount of Kshs.52,245,375 for other operating expenses. The latter includes an amount of Kshs. 13,007,700 paid to various officers for undertaking their normal duties and in respect of undefined facilitators as shown</p>	<p>which to file the responses to Office of the Auditor General. This needed to be fast tracked to meet the set deadline. Because of that, the teams responding to the issues retreated to work outside office premises and worked beyond normal working hours in order to complete and adhere to the timelines provided. Budget preparation is guided by PFM Act, 2012, the National Treasury guidelines and the Parliamentary calendar which are usually on a short notice and strict timelines. The budget report requires requisite information on vote, expenditure, approved staff establishment and data on in posts which may require other reports to be prepared prior to the commencement of process. A comprehensive budget document requires such a team from the Finance and Central Planning units, Administration, SAGAs together with field services officers. The work demands a lot of concentration, close coordination and minimum interruptions which necessitated the officers to work out of office and beyond normal working hours ensuring a continuous flow of the normal office duties.</p>		

**STATE DEPARTMENT FOR MINING**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

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**Elijah Mwangi, C.B.S**  
**Accounting Officer**

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**Kipyegon Siele**  
**Head of Accounting Unit**  
**ICPAK M/No. 8879**

17. Annexes

Annex 1 - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
				A	b	c	d=a+b-c	
<b>Construction of buildings</b>								
1. Aventure Ltd (Pong Agencies, Realteck Plumbers Ltd)	2018/2019	Refurbishment of Madini House	2,098,924	2,098,924	0	0	2,098,924	
2. Aventure Ltd (Pong Agencies, Realteck)	2018/2019	Refurbishment of Madini House	7,477,448	0	0	0	7,477,448	
3. Jemishey construction Company Ltd	2020/2021	Fixing of Gemstone safety booths	1,190,155	0	0	0	1,190,155	
4. Mngiwa general contractors	2014/2015	Proposed construction of Gemstone voi center	769,931	0	0	0	769,931	
<b>Sub-Total</b>							<b>11,536,458</b>	
<b>Supply of goods</b>								
1. Intermass Technologies	2022/2023	Supply of Computers	826,000	0	0	0	826,000	
2. Pentium Systems	2022/2023	Supply of antivirus	286,640	0	0	0	286,640	
3. Afro kent Office Equipment	2022/2023	Supply of photocopiers	2,259,164	0	0	0	2,259,164	
4. Suzanes Enterprises	2022/2023	Supply and fixing	2,952,000	0	0	0	2,952,000	

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Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
		of filling Racks with pigeon holes						
5. Africa Biosystems	2022/2023	Supply of Laboratory Equipments	633,249	0	0	0	633,249	
6. Laverda Company	2022/2023	Supply of Laboratory Equipments	58,740	0	0	0	58,740	
7. Geotham Limited	2022/2023	Supply of Laboratory Equipments	36,000	0	0	0	36,000	
8. Faram E.A. Limited	2022/2023	Supply of Laboratory Equipments	957,000	0	0	0	957,000	
9. ComputerwaysLtd	2022/2023	Supply of ICT Equipments	826,000	0	0	0	826,000	
10. Pentium Sysytems	2022/2023	Supply of ICT Equipments	1,123,600	0	0	0	1,123,600	
11. Educational Scientific & Technical Equipment	2022/2023	Supply of Laboratory Equipments	17,889,520	0	0	0	17,889,520	
12. Geoscintex	2022/2023	Supply of Laboratory Equipments	346,610	0	0	0	346,610	
13. Peregrine East Africa Limited	2022/2023	Supply of Laboratory	2,760,500	0	0	0	2,760,500	

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Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
		Equipments		0	0	0		
14. Danphis Enterprises	2022/2023	Supply of Laboratory Equipment	12,337,210	0	0	0	12,337,210	
15. Intermass Technologies	2022/2023	Supply of Laboratory Equipments	740,821	0	0	0	740,821	
16. Wagtech Africa Limited	2022/2023	Supply of Laboratory Equipments	2,777,894	0	0	0	2,777,894	
17. Internet Traders	2022/2023	Supply of Laboratory Equipments	3,985,200	0	0	0	3,985,200	
18. Vistasu Merchadised Investment	2022/2023	Supply of Stationeries	161,770	0	0	0	161,770	
19. Civiln Tech Holding	2022/2023	Supply of Safety Gears	307,960	0	0	0	307,960	
20. Antela Investment	2022/2023	Supply of tonners	380,250	0	0	0	380,250	
21. Pixel General Merchants	2022/2023	Supply of tonners	59,100	0	0	0	59,100	
22. Chemsil General Merchants	2022/2023	Stationery	590,984	0	0	0	590,984	
23. Jeta General	2022/2023	Stationery	358,800	0	0	0	358,800	
24. Premih General Supplies	2022/2023	Stationery	260,900	0	0	0	260,900	
25. Premih General Supplies	2022/2023	Motor Vehicle Tyres	40,900	0	0	0	40,900	
26. Premih General Supplies	2022/2023	Stationery	857,500	0	0	0	857,500	

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Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
27. Jayfay Enterprises	2022/2023	Supply of toners	708,000	0	0	0	708,000	
28. Fairrate Tyres & Auto Mart	2022/2023	Supply of tyres	997,750	0	0	0	997,750	
29. Hadak Enterprise	2022/2023	Supply of tonners	321,550	0	0	0	321,550	
30. Allusa S. Investment	2019/2020	Supply of TVs	1,513,190	0	0	0	1,513,190	
<b>Sub-Total</b>							<b>57,354,802</b>	
<b>Supply of services</b>								
1. Quebeat Entertainment	2022/2023	Provision of Cleaning Service	2,952,000	0	2,952,000	0	2,952,000	
2 Flight Centre	2022/2023	Airticket	52,360	0	52,360	0	52,360	
3.GreenBay Travel Ltd	2022/2023	Airticket	237,200	0	237,200	0	237,200	
4.National Industrial Training Authority (NITA)	2022/2023	Conference Facility	450,000	0	450,000	0	450,000	
5.Silver Africa Tours and Safaris	2022/2023	Airticket	2,304,080	0	2,304,080	0	2,304,080	
6. Lake Naivasha Resort Centre	2019/2020	Conference Facility	436,000	0	0	0	436,000	
7. Naivasha Rocky Eco Lodge Naivaisha	2019/2020	Conference Facility	472,000	0	0	0	472,000	
8. Chambai Springs Hotel Ltd	2019/2020	Conference Facility	80,000	0	0	0	80,000	
9. Hadassah Hotel	2019/2020	Conference Facility	875,000	0	0	0	875,000	
10. Wildbeest Safaris	2019/2020	Transport Hire	120,000	0	0	0	120,000	
11. Wildbeest Safaris	2019/2020	Transport Hire	125,000	0	0	0	125,000	
12 ACK Diocese of Kericho	2018/2019	Conference Facility	115,000	0	0	0	115,000	
13 The Sechu plaza Hotel	2019/2020	Conference Facility	171,000	0	0	0	171,000	

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Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
14 Masada Hotel	2019/2020	Conference Facility	1,608,000	0	0	0	1,608,000	
15 Government Advertising Agency	2021/2022	Advertisement	292,106	0	0	0	292,106	
16 Office of the AG	6/29/2023	Legal Dues	922,735	0	0	0	922,735	
17 KSG	13/10/2022	Training	1,448,200	0	0	0	1,448,200	
18 Kenya Power	11/1/2023	Utility Service	540,818	0	0	0	540,818	
19 AIC Kapsabet	12/6/2019	Conference Facility	180,000	0	0	0	180,000	
20 The Standard Group	12/2/2021	Advertisement	210,412	0	0	0	210,412	
21 Res Office Staff Welfare	6/29/2019	Conference Facility	78,400	0	0	0	78,400	
22 Ride on Agencies	22/11/2019	Airticket	81,550	0	0	0	81,550	
23. Ride on Agencies	22/11/2020	Airticket	96,345	0	0	0	96,345	
24. Ride on Agencies	11/12/2019	Airticket	116,650	0	0	0	116,650	
25. Ride on Agencies	22/11/2019	Airticket	106,734	0	0	0	106,734	
26. Green Bay Travel Ltd	2020/2021	Airticket	147,110	0	0	0	147,110	
27. Fina Garden Resort	2019/2020	Conference Facility	116,000	0	0	0	116,000	
28. Prideinn Paradise Hotel Msa	2019/2020	Conference Facility	329,000	0	0	0	329,000	
30. Toyota Kenya Ltd	2019/2020	Motor Vehicle Repair	309,722	0	0	0	309,722	
31 Wise Air & Holiday	2019/2020	Airticket	655,000	0	0	0	655,000	
32. Dantech Motors	2019/2020	Motor Vehicle Repair	498,500	0	0	0	498,500	
33. Dantech Motors	2019/2020	Motor Vehicle Repair	56,074	0	0	0	56,074	
34. Dantech Motors	2019/2020	Motor Vehicle Repair	16,644	0	0	0	16,644	

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Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
35. Dantech Motors	2019/2020	Motor Vehicle Repair	28,884	0	0	0	28,884	
36. Dantech Motors	2019/2020	Motor Vehicle Repair	31,111	0	0	0	31,111	
37. Dantech Motors	2019/2020	Motor Vehicle Repair	252,880	0	0	0	252,880	
38. Crown Motors Group Ltd	2020/2021	Motor Vehicle Repair	332,498	0	0	0	332,498	
39. Chamwa Motors Ltd	2020/2021	Motor Vehicle Repair	23,200	0	0	0	23,200	
40. Chamwa Motors Ltd	2020/2021	Motor Vehicle Repair	299,860	0	0	0	299,860	
41. Chamwa Motors Ltd	2019/2020	Motor Vehicle Repair	21,460	0	0	0	21,460	
42. Chamwa Motors Ltd	2019/2020	Motor Vehicle Repair	399,000	0	0	0	399,000	
43. Chamwa Motors Ltd	2019/2020	Motor Vehicle Repair	83,694	0	0	0	83,694	
44. Chamwa Motors Ltd	2019/2020	Motor Vehicle Repair	29,298	0	0	0	29,298	
45. Chamwa Motors Ltd	2019/2020	Motor Vehicle Repair	73,660	0	0	0	73,660	
46. Chamwa Motors Ltd	2019/2020	Motor Vehicle Repair	25,878	0	0	0	25,878	
47. Ovation Travel Ltd	2020/2021	Airticket	599,915	0	0	0	599,915	
48. The Travel Hub	2019/2020	Airticket	1,947,328	0	0	0	1,947,328	

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Supplier of Goods or Services	Date Invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
49 African Touch Safaris Ltd	2019/2020	Airticket	224,540	0	0	0	224,540	
50 LongRock Tours & Travel Ltd	2019/2020	Airticket	341,435	0	0	0	341,435	
51 Silvercare Agencies	2019/2020	Airticket	194,910	0	0	0	194,910	
52 Wamerwa Auto & Mechanical Engineering	2019/2020	Motor Vehicle Repair	29,928	0	0	0	29,928	
53 Wamerwa Auto & Mechanical Engineering	2019/2020	Motor Vehicle Repair	58,786	0	0	0	58,786	
54 LongRock Tours & Travel Ltd	2021/2022	Airticket	22,100	0	0	0	22,100	
55 Flight Centre	2020/2021	Airticket	107,700	0	0	0	107,700	
56 Kenya Institute of Management	2020/2021	Training	87,000	0	0	0	87,000	
57 Naivasha Rocky Eco Lodge Naivaisha	2020/2021	Conference Facility	768,000	0	0	0	768,000	
58 Naivasha Rocky Eco Lodge Naivaisha	2020/2021	Conference Facility	730,000	0	0	0	730,000	
59 KSG- Nairobi	2019/2020	Training	78,880	0	0	0	78,880	
60 State Department for Broadcasting & Telecommunication	2020/2021	Advertisement	98,793	0	0	0	98,793	
61 Ministry of Works and Sports Club	2021/2022	Conference Facility	55,080	0	0	0	55,080	
62 Chrisco Auto Garage	2021/2022	Motor Vehicle Repair	515,000	0	0	0	515,000	

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Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
63 Bewada Enterprises	2021/2022	Motor Vehicle Repair	285,000	0	0	0	285,000	
64 Government Printer	2021/2022	Printing of files	725,000	0	0	0	725,000	
65 Primate Tours Ltd	2021/2022	Airticket	29,820	0	0	0	29,820	
66 State Department for Broadcasting & Telecommunication	2021/2022	Advertisement	292,106	0	0	0	292,106	
<b>Sub-Total</b>							<b>24,992,384</b>	
<b>Grand Total</b>							<b>93,883,644</b>	

## Annex 2 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year
Buildings and structures	143,052,478	0	0	0	143,052,478
Transport equipment	53,082,609	48,668,900	0	0	101,751,509
Office equipment, furniture and fittings	26,553,895	20,388,732	0	0	46,942,627
ICT Equipment	19,773,850	2,943,700	0	0	22,717,550
Machinery and Equipment	352,828,626	0	0	0	352,828,626
Intangible assets	0	11,047,817	0	0	11,047,817
<b>Total</b>	<b>595,291,458</b>	<b>83,049,149</b>	<b>0</b>	<b>0</b>	<b>678,340,607</b>

**Annex 3 – List of SAGAs Under State Department for Mining**

<b>Ref</b>	<b>SC, SAGA or Public Fund's name</b>	<b>Amount transferred during the year</b>	<b>Inter- entity reconciliations done? (yes/no)</b>
1	National Mining Corporation	6,997,409	Yes
	<b>Totals</b>	<b>6,997,409</b>	

**Annex 4- Reports Generated from IFMIS**

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

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### Trial Balance Comparison Report

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

Compare With: JUL-21 To ADJ2-22

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Kshs	Kshs	Kshs	Kshs
1145201 Cement Levy	0.00	0.00	0.00	0.00
1145202 Mineral Export Fee	0.00	0.00	0.00	0.00
1145200	0.00	0.00	0.00	0.00
<b>1140000 Taxes on Goods and Services</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
1415001 Mining Royalties	0.00	0.00	0.00	0.00
1415002 Magadi Soda Royalty	0.00	0.00	0.00	0.00
1415003 Base Titanium Royalty	0.00	0.00	0.00	0.00
1415000	0.00	0.00	0.00	0.00
<b>1410000 Property Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
1420318 Licence Fees	0.00	6,777,728.60	0.00	0.00
1420300 Administrative Fees and Charges collected as AIA	0.00	6,777,728.60	0.00	0.00
<b>1420000 Sales of Goods and Services</b>	<b>0.00</b>	<b>6,777,728.60</b>	<b>0.00</b>	<b>0.00</b>
1450101 Sundry Revenue	0.00	0.00	0.00	0.00
1450100 Paid to Exchequer	0.00	0.00	0.00	0.00
<b>1450000 Other Receipts Not Elsewhere Classified</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
2110101 Basic Salaries - Civil Service	0.00	0.00	0.00	0.00
2110100 Basic Salaries - Permanent Employees	0.00	0.00	0.00	0.00
2110202 Casual Labour - Others	0.00	0.00	0.00	0.00
2110200 Basic Wages - Temporary Employees	0.00	0.00	0.00	0.00
2110301 House Allowance	0.00	0.00	0.00	0.00
2110302 Horaria	0.00	0.00	0.00	0.00
2110307 Hardship Allowance	0.00	0.00	0.00	0.00
2110309 Special Duty Allowance	0.00	0.00	0.00	0.00
2110311 Transfer Allowance	0.00	0.00	0.00	0.00
2110312 Responsibility Allowance	0.00	0.00	0.00	0.00
2110314 Transport Allowance	0.00	0.00	0.00	0.00
2110317 Domestic Servant Allowance	0.00	0.00	0.00	0.00
2110319 Top-up House Allowance	0.00	0.00	0.00	0.00
2110320 Leave Allowance	0.00	0.00	0.00	0.00
2110336 Car Purchase Allowance	0.00	0.00	0.00	0.00
2110300 Personal Allowances paid as part of Salary	0.00	0.00	0.00	0.00
<b>2110000 Wages and Salary Contributions</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
2210101 Electricity	1,488,599.00	0.00	0.00	0.00
2210102 Water and Sewerage Charges	3,252,608.00	0.00	0.00	0.00
2210100 Utilities, Supplies and Services	4,741,207.00	0.00	0.00	0.00
2210201 Telephone, Telex, Facsimile and Mobile Phone Services	5,268,797.80	0.00	0.00	0.00
2210202 Internet Connections	2,722,854.00	0.00	0.00	0.00
2210203 Courier & Postal Services	9,568.00	0.00	0.00	0.00
2210200 Communication, Supplies and Services	8,001,219.80	0.00	0.00	0.00
2210301 Travel Costs (airlines, bus, railway, mileage allowances, etc.)	13,089,612.00	0.00	0.00	0.00
2210302 Accommodation - Domestic Travel	15,947,523.00	0.00	0.00	0.00
2210303 Daily Subsistence Allowance	24,030,877.00	0.00	0.00	0.00
2210304 Sundry Items (e.g. airport tax, taxis, etc?)	0.00	0.00	0.00	0.00
2210307 Passage & Transfer Expenses	0.00	0.00	0.00	0.00
2210300 Domestic Travel and Subsistence, and Other Transportation Costs	53,068,012.00	0.00	0.00	0.00
2210401 Travel Costs (airlines, bus, railway, etc.)	1,421,716.00	0.00	0.00	0.00
2210402 Accommodation	2,053,693.00	0.00	0.00	0.00
2210403 Daily Subsistence Allowance	4,061,166.80	0.00	0.00	0.00
2210404 Sundry Items (e.g. airport tax, taxis, etc?)	0.00	0.00	0.00	0.00
2210400 Foreign Travel and Subsistence, and other transportation costs	7,536,575.80	0.00	0.00	0.00
2210502 Publishing & Printing Services	94,829.00	0.00	0.00	0.00
2210503 Subscriptions to Newspapers, Magazines and Periodicals	70,000.00	0.00	0.00	0.00
2210505 Trade Shows and Exhibitions	275,431.00	0.00	0.00	0.00

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
2210500 Printing , Advertising and Information Supplies and Services	440,260.00	0.00	0.00	0.00
2210603 Rents and Rates - Non-Residential	0.00	0.00	0.00	0.00
2210600 Rentals of Produced Assets	0.00	0.00	0.00	0.00
2210701 Travel Allowance	0.00	0.00	0.00	0.00
2210704 Hire of Training Facilities and Equipment	0.00	0.00	0.00	0.00
2210706 Book Allowance	0.00	0.00	0.00	0.00
2210707 Project Allowance	0.00	0.00	0.00	0.00
2210708 Trainer Allowance	0.00	0.00	0.00	0.00
2210709 Research Allowance	0.00	0.00	0.00	0.00
2210710 Accommodation Allowance	36,193.00	0.00	0.00	0.00
2210711 Tuition Fees Allowance	2,440,260.00	0.00	0.00	0.00
2210712 Trainee Allowance	0.00	0.00	0.00	0.00
2210700 Training Expenses	2,476,453.00	0.00	0.00	0.00
2210801 Catering Services (receptions), Accommodation, Gifts, Food and Drinks	2,010,617.00	0.00	0.00	0.00
2210802 Boards, Committees, Conferences and Seminars	11,269,671.00	0.00	0.00	0.00
2210809 Board Allowance	36,367.00	0.00	0.00	0.00
2210800 Hospitality Supplies and Servi	13,316,655.00	0.00	0.00	0.00
2210906 Insurance for Board Members	0.00	0.00	0.00	0.00
2210900 Insurance Costs	0.00	0.00	0.00	0.00
2211005 Chemicals and Industrial Gases	0.00	0.00	0.00	0.00
2211006 Purchase of Workshop Tools, Spares and Small Equipment	72,200.00	0.00	0.00	0.00
2211008 Laboratory Materials, Supplies and Small Equipment	904,800.00	0.00	0.00	0.00
2211009 Education and Library Supplies	30,000.00	0.00	0.00	0.00
2211016 Purchase of Uniforms and Clothing - Staff	0.00	0.00	0.00	0.00
2211023 Supplies for Production	3,035,713.00	0.00	0.00	0.00
2211000 Specialised Materials and Supp	4,042,713.00	0.00	0.00	0.00
2211101 General Office Supplies (papers, pencils, forms, small office equipment etc)	8,646,912.00	0.00	0.00	0.00
2211102 Supplies and Accessories for Computers and Printers	4,325,000.00	0.00	0.00	0.00
2211103 Sanitary and Cleaning Materials, Supplies and Services	14,220.00	0.00	0.00	0.00
2211100 Office and General Supplies and Services	12,986,132.00	0.00	0.00	0.00
2211201 Refined Fuels and Lubricants for Transport	19,533,903.00	0.00	0.00	0.00
2211200 Fuel Oil and Lubricants	19,533,903.00	0.00	0.00	0.00
2211305 Contracted Guards and Cleaning Services	0.00	0.00	0.00	0.00
2211306 Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	272,386.00	0.00	0.00	0.00
2211308 Legal Dues/fees, Arbitration and Compensation Payments	0.00	0.00	0.00	0.00
2211310 Contracted Professional Services	3,999,999.60	0.00	0.00	0.00
2211311 Contracted Technical Services	1,329,430.35	0.00	0.00	0.00
2211320 Temporary Committee Expenses	8,315,714.40	0.00	0.00	0.00
2211321 Parking charges	0.00	0.00	0.00	0.00
2211329 HIV AIDS Secretariat workplace Policy Development	207,510.00	0.00	0.00	0.00
2211300 Other Operating Expenses	14,125,040.35	0.00	0.00	0.00
2210000 Goods and Services	140,268,170.95	0.00	0.00	0.00
2220101 Maintenance Expenses - Motor Vehicles	5,568,735.00	0.00	0.00	0.00
2220105 Routine Maintenance - Vehicles	4,629,188.55	0.00	0.00	0.00
2220100 Routine Maintenance - Vehicles	10,197,923.55	0.00	0.00	0.00
2220201 Maintenance of Plant, Machinery and Equipment (including lifts)	580,400.00	0.00	0.00	0.00
2220202 Maintenance of Office Furniture and Equipment	172,240.00	0.00	0.00	0.00
2220205 Maintenance of Buildings and Stations -- Non-Residential	18,857,927.50	0.00	0.00	0.00
2220209 Minor Alterations to Buildings and Civil Works	0.00	0.00	0.00	0.00
2220210 Maintenance of Computers, Software, and Networks	0.00	0.00	0.00	0.00
2220200 Routine Maintenance - Other Assets	19,610,567.50	0.00	0.00	0.00
2220000 Routine Maintenance	29,808,491.05	0.00	0.00	0.00
2620206 Geologists Registration Board	0.00	0.00	0.00	0.00
2620200 Membership Fees and Dues and	0.00	0.00	0.00	0.00

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
Subscriptions to International Organizations (Continued)				
2620000 Grants and Other Transfers to International Organizations	0.00	0.00	0.00	0.00
2630101 Current Grants to Semi-Autonomous Government Agencies	6,997,409.00	0.00	0.00	0.00
2630100 Current Grants to Government Agencies and other Levels of Government	6,997,409.00	0.00	0.00	0.00
2630000 Grants & Transfer To Other Govt. Units	6,997,409.00	0.00	0.00	0.00
2710102 Gratuity - Civil Servants	0.00	0.00	0.00	0.00
2710100 Government Pension and Retirement Benefits	0.00	0.00	0.00	0.00
2710000 Social Security Benefits	0.00	0.00	0.00	0.00
3110202 Non-Residential Buildings (offices, schools, hospitals, etc.)	0.00	0.00	0.00	0.00
3110200 Construction of Building	0.00	0.00	0.00	0.00
3110504 Other Infrastructure and Civil Works	0.00	0.00	0.00	0.00
3110599 Other Infrastructure and Civil Works	0.00	0.00	0.00	0.00
3110500 Construction and Civil Works	0.00	0.00	0.00	0.00
3110701 Purchase of Motor Vehicles	48,668,900.00	0.00	0.00	0.00
3110700 Purchase of Vehicles and Other Transport Equipment	48,668,900.00	0.00	0.00	0.00
3111001 Purchase of Office Furniture and Fittings	5,861,759.00	0.00	0.00	0.00
3111002 Purchase of Computers, Printers and other IT Equipment	5,787,505.00	0.00	0.00	0.00
3111009 Purchase of other Office Equipment	8,739,468.00	0.00	0.00	0.00
3111000 Purchase of Office Furniture and General Equipment	20,388,732.00	0.00	0.00	0.00
3111107 Purchase of Laboratory Equipment	2,943,700.10	0.00	0.00	0.00
3111114 Purchase of Survey Equipment	0.00	0.00	0.00	0.00
3111117 Purchase of Earthquake Data Measuring Equipment	0.00	0.00	0.00	0.00
3111100 Purchase of Specialised Plant, Equipment and Machinery	2,943,700.10	0.00	0.00	0.00
3111401 Pre-feasibility, Feasibility and Appraisal Studies	11,047,817.00	0.00	0.00	0.00
3111403 Research	0.00	0.00	0.00	0.00
3111400 Research, Feasibility Studies, Project Preparation and Design, Project Supervision	11,047,817.00	0.00	0.00	0.00
3110000 Acquisition of Fixed Capital Assets	83,049,149.10	0.00	0.00	0.00
6530101 Ministry HQ Recurrent Bank A/C	350,379.00	0.00	0.00	0.00
6530100 Recurrent Bank Accounts	350,379.00	0.00	0.00	0.00
6530000 Recurrent Bank Accounts	350,379.00	0.00	0.00	0.00
6540101 Ministry HQ Development Bank A	102,811.60	0.00	0.00	0.00
6540100 Development Bank Accounts	102,811.60	0.00	0.00	0.00
6540000 Development Bank Accounts	102,811.60	0.00	0.00	0.00
6550101 Ministry HQ Deposit Bank A/C	1,988,753.00	0.00	0.00	0.00
6550100 Deposit Bank Accounts	1,988,753.00	0.00	0.00	0.00
6550000 Deposit Bank Account	1,988,753.00	0.00	0.00	0.00
6580101 Cash	0.00	1,717,224.35	0.00	0.00
6580104 Cash in Transit	1,425,024.35	0.00	0.00	0.00
6580100 Cash in Hand	1,425,024.35	1,717,224.35	0.00	0.00
6580000 Cash in Hand	1,425,024.35	1,717,224.35	0.00	0.00
6740101 Prepayment	0.00	0.00	0.00	0.00
6740102 R/D Cheques	0.00	0.00	0.00	0.00
6740100 Other Debtors & Pre-payments	0.00	0.00	0.00	0.00
6740000 Other Debtors & Pre-payments	0.00	0.00	0.00	0.00
6760103 Temporary Imprests	338,210.00	0.00	0.00	0.00
6760100 Imprests	338,210.00	0.00	0.00	0.00
6760000 Government Imprests	338,210.00	0.00	0.00	0.00
6780101 General Suspense A/C	0.00	0.00	0.00	0.00
6780103 District Suspense A/c	0.00	0.00	0.00	0.00
6780100 Suspense & Clearance Account	0.00	0.00	0.00	0.00
6780000 Suspense & Clearance Account	0.00	0.00	0.00	0.00
7310101 General Deposits	0.00	0.00	0.00	0.00
7310100 General Deposits Items	0.00	0.00	0.00	0.00
7310000 Deposits	0.00	0.00	0.00	0.00
7320101 PAYE	0.00	0.00	0.00	0.00
7320102 NHIF	0.00	0.00	0.00	0.00
7320103 House Rent	0.00	0.00	0.00	0.00
7320106 NSSF	0.00	0.00	0.00	0.00
7320107 Co-operatives	0.00	0.00	0.00	0.00
7320108 Insurances	0.00	0.00	0.00	0.00
7320109 Hire Purchases	0.00	0.00	0.00	0.00
7320111 WCPS	0.00	0.00	0.00	0.00

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
7320112 Staff Welfare Associations	0.00	0.00	0.00	0.00
7320113 HELB Deductions	0.00	0.00	0.00	0.00
7320114 Union Dues	0.00	0.00	0.00	0.00
7320116 Mortgages / Bank Loans	0.00	0.00	0.00	0.00
7320117 Govt. Liability Attachments	0.00	0.00	0.00	0.00
7320126 Employee Contribution to PSSS	0.00	0.00	0.00	0.00
7320199 Salary Control Account	0.00	0.00	0.00	0.00
7320100 Salary Deductions	0.00	0.00	0.00	0.00
7320201 Contractors Retention Money	0.00	1,988,753.10	0.00	0.00
7320200 Other General Liabilities	0.00	1,988,753.10	0.00	0.00
<b>7320000 Other Liabilities</b>	<b>0.00</b>	<b>1,988,753.10</b>	<b>0.00</b>	<b>0.00</b>
7380101 General Withholding Tax	0.00	0.00	0.00	0.00
7380102 VAT Withholding	0.00	0.00	0.00	0.00
7380100	0.00	0.00	0.00	0.00
<b>7380000 Withholding Taxes</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
7390103 AP Liabilities	189,000.00	0.00	0.00	0.00
<b>7390100 System Required Liabilities</b>	<b>189,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
7399999 Cash Clearing A/c	0.00	0.00	0.00	0.00
7399900	0.00	0.00	0.00	0.00
<b>7390000 System Required Liabilities A/cs</b>	<b>189,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
9910101 Provision for Encumbrance	0.00	0.00	0.00	0.00
<b>9910100 General Provisions</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
9910201 Exchequer Releases/ Provisioning Account	0.00	2,915,481,579.55	0.00	2,661,447,887.55
9910209 Remittances to Exchequer Miscellaneous Revenue	3,624,768.35	0.00	3,624,768.35	0.00
9910200 Exchequer Provisions	3,624,768.35	2,915,481,579.55	3,624,768.35	2,661,447,887.55
<b>9910000 Provisions</b>	<b>3,624,768.35</b>	<b>2,915,481,579.55</b>	<b>3,624,768.35</b>	<b>2,661,447,887.55</b>
9999999 Consolidated Fund	2,657,823,119.20	0.00	2,657,823,119.20	0.00
9999900	2,657,823,119.20	0.00	2,657,823,119.20	0.00
<b>9990000 Opening Balance Reserves</b>	<b>2,657,823,119.20</b>	<b>0.00</b>	<b>2,657,823,119.20</b>	<b>0.00</b>
<b>Total</b>	<b>2,925,965,285.60</b>	<b>2,925,965,285.60</b>	<b>2,661,447,887.55</b>	<b>2,661,447,887.55</b>

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_



**STATEMENT OF RECEIPTS AND PAYMENTS**

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

Compare With: JUL-21 To JUN-22

	Note	Current Period	Previous Period
<b>RECEIPTS</b>			
Tax Receipts	1	0.00	0.00
Social Security Contribution	2	0.00	0.00
Proceeds from Domestic and Foreign Grants	3	0.00	0.00
Exchequer releases	4	254,033,692.00	0.00
Transfers from Other Government Entities	5	0.00	0.00
Proceeds from Domestic Borrowings	6	0.00	0.00
Proceeds from Foreign Borrowings	7	0.00	0.00
Proceeds from Sales of Assets	8	0.00	0.00
Reimbursements and Refunds	9	0.00	0.00
Returns of Equity Holdings	10	0.00	0.00
Other Receipts	11	6,777,728.60	0.00
<b>TOTAL RECEIPTS</b>		<b>260,811,420.60</b>	<b>0.00</b>
<b>PAYMENTS</b>			
Compensation of Employees	12	0.00	0.00
Use of goods and Services	13	170,076,662.00	0.00
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	6,997,409.00	0.00
Other Grants and Transfers	16	0.00	0.00
Social Security Benefits	17	0.00	0.00
Acquisition of Assets	18	83,049,149.10	0.00
Finance Costs, including Loan Interest	19	0.00	0.00
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00
Other payments	21	0.00	0.00
<b>TOTAL PAYMENTS</b>		<b>260,123,220.10</b>	<b>0.00</b>
<b>SURPLUS/DEFICIT</b>		688,200.50	0.00

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_



### Statement of Financial Position

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

Compare With: JUL-21 To JUN-22

	Note	Current Period	Previous Period
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	22A	2,441,943.60	0.00
Cash Balances	22B	(292,200.00)	0.00
<b>Total Cash And Cash Equivalents</b>		<b>2,149,743.60</b>	<b>0.00</b>
Accounts Receivables - Outstanding Imprest and Clearance Accounts	23	338,210.00	0.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>2,487,953.60</b>	<b>0.00</b>
<b>Financial Liabilities</b>			
Accounts Payables - Deposits	24	1,799,753.10	0.00
<b>NET FINANCIAL ASSETS</b>		<b>688,200.50</b>	<b>0.00</b>
<b>REPRESENTED BY</b>			
Fund Balance b/fwd	25	0.00	3,475.35
Prior Year Adjustment	26	0.00	(3,475.35)
Surplus/Deficit for the Year		688,200.50	0.00
<b>NET FINANCIAL POSITION</b>		<b>688,200.50</b>	<b>0.00</b>

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_

**STATEMENT OF CASH FLOW**

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

Compare With: JUL-21 To JUN-22

	Note	Current Period Kshs	Previous Period Kshs
<b>Receipts and operating income</b>			
Tax Receipts	1	0.00	0.00
Social Security Contribution	2	0.00	0.00
Proceeds from Domestic and Foreign Grants	3	0.00	0.00
Exchequer releases	4	254,033,692.00	0.00
Transfers from Other Government Entities	5	0.00	0.00
Reimbursements and Refunds	9	0.00	0.00
Returns of Equity Holdings	10	0.00	0.00
Other Receipts	11	6,777,728.60	0.00
<b>Payments for Operating Expenses</b>			
Compensation of Employees	12	0.00	0.00
Use of goods and Services	13	170,076,662.00	0.00
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	6,997,409.00	0.00
Other Grants and Transfers	16	0.00	0.00
Social Security Benefits	17	0.00	0.00
Finance Costs, including Loan Interest	19	0.00	0.00
Other payments	21	0.00	0.00
<b>Adjusted for :</b>			
<b>Adjustments during the year</b>		1,461,543.10	(2,130,482.00)
<b>Prior year adjustments</b>		0.00	(3,475.35)
<b>Net Cash From Operating Activities</b>	A	85,198,892.70	(2,133,957.35)
<b>Cash Flow From Investing Activities</b>			
Proceeds from Sales of Assets	8	0.00	0.00
Acquisition of Assets	18	83,049,149.10	0.00
<b>Net Cash Flow From Investing Activities</b>	B	(83,049,149.10)	0.00
<b>Cash Flow From Borrowing Activities</b>			
Proceeds from Domestic Borrowings	6	0.00	0.00
Proceeds from Foreign Borrowings	7	0.00	0.00
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00
<b>Net Cash Flow From Financing Activities</b>	C	0.00	0.00
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	A+B+C	2,149,743.60	(2,133,957.35)
<b>Cash and Cash Equivalent at BEGINNING of The Year</b>		0.00	2,133,957.35
<b>Cash and Cash Equivalent at END of The Year</b>	22A+22B	2,149,743.60	0.00

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_



## NOTES TO THE FINANCIAL STATEMENTS

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

Compare With: JUL-21 To JUN-22

### 1 Tax Receipts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Taxes on Income, Profits and Capital Gains	1110000	0.00	0.00
Taxes on Payroll and Workforce	1120000	0.00	0.00
Taxes on Property	1130000	0.00	0.00
Taxes on Goods and Services	1140000	0.00	0.00
Taxes on International Trade and Transactions	1150000	0.00	0.00
Other Taxes (not elsewhere classified)	1160000	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

### 2 Social Security Contribution

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Health Insurance Contribution	1210100	0.00	0.00
NHIF Health Insurance Contributions	1210200	0.00	0.00
Contributions from Govt. Employees for Social & Welfare Schemes	1210300	0.00	0.00
	1210400	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

### 3 Proceeds from Domestic and Foreign Grants

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants from Foreign Governments	1310000	0.00	0.00
Grants from International Organisations	1320000	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

### 4 Exchequer releases

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Exchequer Releases/ Provisioning Account for Q1	9910201	0.00	0.00
Exchequer Releases/ Provisioning Account for Q2	9910201	0.00	0.00
Exchequer Releases/ Provisioning Account for Q3	9910201	0.00	0.00
Exchequer Releases/ Provisioning Account for Q4	9910201	254,033,692.00	0.00
<b>TOTAL</b>		<b>254,033,692.00</b>	<b>0.00</b>

### 5 Transfers from Other Government Entities

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants received by Central Govt from General Govt units	1330100	0.00	0.00
Grants Received from General Govt units by Local Authorities	1330200	0.00	0.00
Grants to Fund Accounts from Central Govt Budget	1330300	0.00	0.00
Grants to other General Govt units from General Govt units	1330400	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

### 6 Proceeds from Domestic Borrowings

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Borrowing within General Government	5110100	0.00	0.00
Borrowing from Monetary Authorities (Central Bank)	5110200	0.00	0.00
Other Domestic Depository Corporations (Commercial Banks)	5110300	0.00	0.00
Borrowing from Other Domestic Financial Institutions	5110400	0.00	0.00
Borrowing from Other Domestic Creditors	5110500	0.00	0.00
Domestic Currency and Deposit	5110600	0.00	0.00

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
<b>TOTAL</b>		0.00	0.00

**7 Proceeds from Foreign Borrowings**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Foreign Borrowings - Drawdowns through Exchequer	5120100	0.00	0.00
Foreign Borrowing-Direct Payments	5120200	0.00	0.00
Foreign Currency and Foreign Deposits	5120300	0.00	0.00
Other Foreign Accounts Payable	5120400	0.00	0.00
<b>TOTAL</b>		0.00	0.00

**8 Proceeds from Sales of Assets**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Receipts from the Sale of Buildings - Paid to Exchequer	3510100	0.00	0.00
Receipts from the Sale of Buildings	3510200	0.00	0.00
Receipts from sale of other st	3510300	0.00	0.00
Receipts from sale of other st	3510400	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment - Paid to Exchequer	3510500	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	3510600	0.00	0.00
Receipts from the Sale of Plant Machinery and Equipment - Paid to Exchequer	3510700	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	3510800	0.00	0.00
Receipts from Sale of Certified Seeds and Breeding Stock - Paid to Exchequer	3510900	0.00	0.00
Receipts from Sale of Certified Seeds and Breeding Stock	3511000	0.00	0.00
Receipts from the Sale of Strategic Reserves Stocks	3520100	0.00	0.00
Receipts from the Sale of Other Inventories, Stocks, and Commodities	3520200	0.00	0.00
Receipts from the Sale of Inventories, Stocks and Commodities	3520300	0.00	0.00
Receipts from the Sale of Land	3540100	0.00	0.00
Receipts from the Sale of Other Naturally Occurring Non-Produced Assets	3540200	0.00	0.00
Receipts from the Sale of Intangible Non-Produced Assets	3540300	0.00	0.00
Receipts from the Sale of Non-Produced Assets Collected as AIA	3540400	0.00	0.00
Repayments from Loans to Government Agencies and Other Levels of Government	4510100	0.00	0.00
Loans to Non-Financial Public Enterprises	4510200	0.00	0.00
Loans to Financial Institutions	4510300	0.00	0.00
Repayments from Domestic Loans to Individuals and Households	4510400	0.00	0.00
Repayments from lending to Foreign Govts.	4520100	0.00	0.00
Repayments from lending to International Orgns.	4520200	0.00	0.00
Repayments from lending to Foreign Non - Financial Enterps. & Financial Instns.	4520300	0.00	0.00
Repayments from Other Foreign Lending	4520400	0.00	0.00
Sales and Disposals of Equity Holdings in Domestic Public Non - Financial Enterprises	4530100	0.00	0.00
Sales and Disposals of Equity Holdings in Domestic Public Financial Institutions	4530200	0.00	0.00
Sales and Disposals of Other Equity Holdings	4530300	0.00	0.00
Sales and Disposals of Equity Holdings in Foreign Financial Instns. and Domestic Financial Instns. operating abroad	4530400	0.00	0.00
Sales and Disposals of Equity Holdings in Foreign Enterps. Financial Instns. and Domestic Financial Instns. operating abroad	4530500	0.00	0.00
Redemption/ Disposal of Other Financial Assets	4530600	0.00	0.00
Refund of Bonds paid as Deposits for Guarantees	4530700	0.00	0.00
<b>TOTAL</b>		0.00	0.00

**9 Reimbursements and Refunds**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs

Item Description	Item Code	Current Period	Previous Period
Refund from World Food Programme (WFP)	4540101	0.00	0.00
Reimbursement of Audit Fees	4540102	0.00	0.00
Reimbursement on Messing Charges (UNICEF)	4540103	0.00	0.00
Reimbursement from World Bank - ECD	4540104	0.00	0.00
Reimbursement from Individuals and Private Organizations	4540105	0.00	0.00
Reimbursement from Local Government Authorities	4540106	0.00	0.00
Reimbursement from Statutory Organizations	4540107	0.00	0.00
Reimbursement within Central Government	4540108	0.00	0.00
Reimbursement Using Bonds	4540109	0.00	0.00
Reimbursements and Refunds - Other (Budget)	4540199	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

#### 10 Returns of Equity Holdings

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Returns of Equity Holdings	4550000	0.00	0.00
Returns of Equity Holdings	4610000	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

#### 11 Other Receipts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Interest Received	1410100	0.00	0.00
Profits and Dividends	1410200	0.00	0.00
Withdrawals from Income of Quasi-corporations	1410300	0.00	0.00
Rents on land, houses and buildings	1410400	0.00	0.00
Other Property Income collected as AIA	1410500	0.00	0.00
	1415000	0.00	0.00
Sales of Market Establishment	1420100	0.00	0.00
Administrative Fees and Charges	1420200	0.00	0.00
Administrative Fees and Charges collected as AIA	1420300	6,777,728.60	0.00
Incidental Sales by Non-Market Establishments	1420400	0.00	0.00
Incidental Sales by Non-Market Establishments Collected as AIA	1420500	0.00	0.00
Receipts from Sale of Incidental Goods	1420600	0.00	0.00
Fines, Penalties, Forfeitures and other Charges	1430100	0.00	0.00
Current Grants from International NGOs paid through Exchequer	1440100	0.00	0.00
Capital Grants from International NGOs paid through Exchequer	1440200	0.00	0.00
Current Grants from International NGOs collected as AIA	1440300	0.00	0.00
Capital Grants from International NGOs collected as AIA	1440400	0.00	0.00
Other Voluntary Transfers for Current purposes	1440500	0.00	0.00
Other Voluntary Transfers for Capital purposes	1440600	0.00	0.00
Paid to Exchequer	1450100	0.00	0.00
Receipts Not Classified Elsewhere	1450200	0.00	0.00
	1510200	0.00	0.00
	1510300	0.00	0.00
	1520100	0.00	0.00
Business Permits	1520200	0.00	0.00
Cesses	1520300	0.00	0.00
Poll Rates	1520400	0.00	0.00
Plot Rents	1520500	0.00	0.00
Other Local Levies	1520600	0.00	0.00
Administrative Services Fees	1530100	0.00	0.00
Various Fees	1530200	0.00	0.00
Council'S Natural Resources Exploitation	1530300	0.00	0.00
Sales Of Council Assets	1530400	0.00	0.00
Lease / Rental Of Council'S Infrastructure Assets	1530500	0.00	0.00
Other Miscellaneous Revenues	1530600	0.00	0.00
Other Miscellaneous Revenues	1540100	0.00	0.00
Insurance Claims Recovery	1540200	0.00	0.00
Medium Term Loans (1-3 Yr Repayment)	1540300	0.00	0.00
Long Term Loans (Over 3 Yr Rpayment)	1540400	0.00	0.00
Transfers From Reserve Funds	1540500	0.00	0.00
Donations	1540600	0.00	0.00
Fund Raising Events	1540700	0.00	0.00
Other Revenues From Financial Assets Loan	1540800	0.00	0.00
	1541000	0.00	0.00
Market/Trade Centre Fee	1550100	0.00	0.00
Vehicle Parking Fees	1550200	0.00	0.00

Item Description	Item Code	Current Period	Previous Period
Housing	1560100	0.00	0.00
Social Premises Use Charges	1560200	0.00	0.00
School Fees	1570100	0.00	0.00
Other Education-Related Fees	1570200	0.00	0.00
Other Education Revenues	1570300	0.00	0.00
Public Health Services	1580100	0.00	0.00
Public Health Facilities Operations	1580200	0.00	0.00
Environment & Conservancy Administration	1580300	0.00	0.00
Slaughter Houses Administration	1580400	0.00	0.00
Water Supply Administration	1580500	0.00	0.00
Sewerage Administration	1580600	0.00	0.00
Other Health & Sanitation Revenues	1580700	0.00	0.00
Technical Services Fees	1590100	0.00	0.00
External Services Fees	1590200	0.00	0.00
	1930100	0.00	0.00
System Required Revenue A/cs	1990100	0.00	0.00
<b>TOTAL</b>		<b>6,777,728.60</b>	<b>0.00</b>

#### 12 Compensation of Employees

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Basic Salaries - Permanent Employees	2110100	0.00	0.00
Basic Wages - Temporary Employees	2110200	0.00	0.00
Personal Allowances paid as part of Salary	2110300	0.00	0.00
Personal Allowances paid as Reimbursements	2110400	0.00	0.00
Personal Allowances provided in Kind	2110500	0.00	0.00
Employer Contributions to Compulsory National Social Security Schemes	2120100	0.00	0.00
Employer Contributions to Compulsory Health Insurance Schemes	2120200	0.00	0.00
Social Benefit Schemes Outside Government	2120300	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

#### 13 Use of goods and Services

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Utilities, Supplies and Services	2210100	4,741,207.00	0.00
Communication, Supplies and Services	2210200	8,001,219.80	0.00
Domestic Travel and Subsistence, and Other Transportation Costs	2210300	53,068,012.00	0.00
Foreign Travel and Subsistence, and other transportation costs	2210400	7,536,575.80	0.00
Printing , Advertising and Information Supplies and Services	2210500	440,260.00	0.00
Rentals of Produced Assets	2210600	0.00	0.00
Training Expenses	2210700	2,476,453.00	0.00
Hospitality Supplies and Servi	2210800	13,316,655.00	0.00
Insurance Costs	2210900	0.00	0.00
Specialised Materials and Supp	2211000	4,042,713.00	0.00
Office and General Supplies and Services	2211100	12,986,132.00	0.00
Fuel Oil and Lubricants	2211200	19,533,903.00	0.00
Other Operating Expenses	2211300	14,125,040.35	0.00
Routine Maintenance - Vehicles	2220100	10,197,923.55	0.00
Routine Maintenance - Other Assets	2220200	19,610,567.50	0.00
Exchange Rate Losses	2230100	0.00	0.00
<b>TOTAL</b>		<b>170,076,662.00</b>	<b>0.00</b>

#### 14 Subsidies

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Subsidies to Public Corporations	2510000	0.00	0.00
Subsidies to Private Enterprises	2520000	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

#### 15 Transfers to Other Government Units

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Current Grants to Government Agencies and other Levels of Government	2630100	6,997,409.00	0.00
Capital Grants to Government Agencies and other	2630200	0.00	0.00

Item Description	Item Code	Current Period	Previous Period
Levels of Government			
Other Current Transfers, Grants and Subsidies	2640400	0.00	0.00
Other Capital Grants and Trans	2640500	0.00	0.00
<b>TOTAL</b>		<b>6,997,409.00</b>	<b>0.00</b>

**16 Other Grants and Transfers**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants and Transfers to Foreign Governments	2610100	0.00	0.00
Membership Fees and Dues and Subscriptions to International Organizations	2620100	0.00	0.00
Membership Fees and Dues and Subscriptions to International Organizations (Continued)	2620200	0.00	0.00
Scholarships and other Educational Benefits	2640100	0.00	0.00
Emergency Relief and Refugee Assistance	2640200	0.00	0.00
Grants to Small Businesses, Cooperatives, and Self Employed	2640300	0.00	0.00
	2649900	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

**17 Social Security Benefits**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Government Pension and Retirement Benefits	2710100	0.00	0.00
Social Security Benefits	2710200	0.00	0.00
Employer Social Benefits	2710300	0.00	0.00
Refund of Pension to UK Government	2720100	0.00	0.00
Refund of Contributions to WCPS and other Ex-Gratia	2720200	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

**18 Acquisition of Assets**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Purchase of Buildings	3110100	0.00	0.00
Construction of Building	3110200	0.00	0.00
Refurbishment of Buildings	3110300	0.00	0.00
Construction of Roads	3110400	0.00	0.00
Construction and Civil Works	3110500	0.00	0.00
Overhaul and Refurbishment of Construction and Civil Works	3110600	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	3110700	48,668,900.00	0.00
Overhaul of Vehicles and Other Transport Equipment	3110800	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	3110900	0.00	0.00
Purchase of Office Furniture and General Equipment	3111000	20,388,732.00	0.00
Purchase of Specialised Plant, Equipment and Machinery	3111100	2,943,700.10	0.00
Rehabilitation and Renovation of Plant, Machinery and Equipment	3111200	0.00	0.00
Purchase of Certified Seeds, Breeding Stock and Live Animals	3111300	0.00	0.00
Research, Feasibility Studies, Project Preparation and Design, Project Supervision	3111400	11,047,817.00	0.00
Rehabilitation of Civil Works	3111500	0.00	0.00
Purchase of Specialised Plant	3112200	0.00	0.00
Acquisition of Strategic Stocks	3120100	0.00	0.00
Acquisition of Other Inventori	3120200	0.00	0.00
Acquisition of Land	3130100	0.00	0.00
Acquisition of Other Intangible Assets	3130200	0.00	0.00
Domestic Lending and On-lending	4110000	0.00	0.00
Domestic Equity Participation	4120000	0.00	0.00
Other Domestic Accounts Receivable	4130000	0.00	0.00
Foreign Lending and On- Lending	4140000	0.00	0.00
Foreign Equity Participation	4150000	0.00	0.00
Other Foreign Accounts Receivable	4160000	0.00	0.00
<b>TOTAL</b>		<b>83,049,149.10</b>	<b>0.00</b>

**19 Finance Costs, including Loan Interest**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs

Item Description	Item Code	Current Period	Previous Period
Interest Payments on Foreign Borrowing	2410100	0.00	0.00
Interest Payments on Guaranteed Debt	2410200	0.00	0.00
Interest on Domestic Borrowing	2420000	0.00	0.00
Interest on Borrowing From Other Government Units	2430000	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

**20 Repayment of Principal on Domestic and Foreign Borrowing**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Repayments on Borrowings from General Government	5510100	0.00	0.00
Repayments on Borrowings from Monetary Authorities (Central Bank)	5510200	0.00	0.00
Repayments on Borrowings from Other Domestic Depository Corporations (Commercial Banks)	5510300	0.00	0.00
Repayments on Borrowings from Other Domestic Financial Institutions	5510400	0.00	0.00
Repayments on Borrowings from Other Domestic Creditors	5510500	0.00	0.00
Principal Repayments on Foreign Borrowing	5510600	0.00	0.00
Principal Repayments on Guaranteed Debt Taken over by Government	5520000	0.00	0.00
Principal Repayments on Guaranteed Domestic Debt Taken over by Government	5520100	0.00	0.00
Principal Repayments on Guaranteed Foreign Debt Taken over by Government	5520200	0.00	0.00
Repayments on Borrowings from Other Domestic Creditors	5610000	0.00	0.00
Repayments on Borrowings from Other Domestic Creditors - Private Enterprises	5610500	0.00	0.00
	5620000	0.00	0.00
Repayments on Borrowings from Other Domestic Creditors - Public Enterprises	5620100	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

**21 Other payments**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Budget Reserves	2810100	0.00	0.00
Civil Contingency Reserves	2810200	0.00	0.00
Capital Transfer to Non Financial Public Enterprises	2820100	0.00	0.00
Capital Transfer to Public Financial Institutions and Enterprises	2820200	0.00	0.00
Capital Transfer to Private Non-Financial Enterprises	2820300	0.00	0.00
System Required Expenses	2990100	0.00	0.00
	2999900	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

**22A Bank Balances**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Special Accounts	6510000	0.00	0.00
Treasury Bank Accounts (Exchequer and CRF Accounts)	6520000	0.00	0.00
Recurrent Bank Accounts	6530000	350,379.00	0.00
Development Bank Accounts	6540000	102,811.60	0.00
Deposit Bank Account	6550000	1,988,753.00	0.00
Project Specific Bank Accounts	6570000	0.00	0.00
Foreign Currency and Foreign D	6590101	0.00	0.00
Foreign Currency and Foreign D	6590203	0.00	0.00
<b>TOTAL</b>		<b>2,441,943.60</b>	<b>0.00</b>

**22B Cash Balances**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Cash in Hand	6580000	292,200.00	0.00
Foreign Currency and Foreign D	6590201	0.00	0.00
<b>TOTAL</b>		<b>292,200.00</b>	<b>0.00</b>

**23 Accounts Receivables - Outstanding Imprest and Clearance Accounts**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Domestic Debtors & Advances	6710000	0.00	0.00
Debtors & Advances - Govt Owne	6720000	0.00	0.00
Foreign Debtors & Advances	6730000	0.00	0.00
Other Debtors & Pre-payments	6740000	0.00	0.00
Government Imprests	6760000	338,210.00	0.00
Agency Accounts	6770000	0.00	0.00
Suspense & Clearance Account	6780000	0.00	0.00
Other Current Assets (System r	6790000	0.00	0.00
<b>TOTAL</b>		<b>338,210.00</b>	<b>0.00</b>

#### 24. ACCOUNTS PAYABLE

Item Description	Item code	Current Period	Previous Period
		Kshs	Kshs
Deposits	7310000	0.00	0.00
Withholding Taxes	7380000	0.00	0.00
System Required Liabilities A/cs	7390000	(189,000.00)	0.00
Other Liabilities	7320000	1,988,753.10	0.00
<b>TOTAL</b>		<b>1,799,753.10</b>	<b>0.00</b>

#### 25. FUND BALANCES BROUGHT FORWARD

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Opening Balance Bank	22A	0.00	2,133,957.35
Opening Balance Cash	22B	0.00	0.00
Opening Balance Receivables - Imprest and Clearance Accounts	23	0.00	0.00
Opening Balance - Deposits	24	0.00	(2,130,482.00)
<b>TOTAL</b>		<b>0.00</b>	<b>3,475.35</b>

#### 26. PRIOR YEAR ADJUSTMENTS

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Exchequer Provisions	9910200	0.00	3,475.35
County Transfers	9910300	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>3,475.35</b>



**Statment of Budget Execution**  
 Entity: 1192-State Department for Mining  
 Current Period: JUL-22 To JUN-23

	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
<b>RECEIPTS</b>								
Tax Receipts	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Social Security Contribution	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic and Foreign Grants	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Exchequer releases	4	0.00	0.00	0.00	0.00	254,033,692.00	(254,033,692.00)	0.00%
Transfers from Other Government Entities	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic Borrowings	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Foreign Borrowings	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Sales of Assets	8	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Reimbursements and Refunds	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Returns of Equity Holdings	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other Receipts	11	0.00	0.00	25,000,000.00	25,000,000.00	6,777,728.60	18,222,271.40	27.11%
<b>Total</b>		0.00	0.00	25,000,000.00	25,000,000.00	260,811,420.60	(235,811,420.60)	1043.25%
<b>PAYMENTS</b>								
Compensation of Employees	12	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Use of goods and Services	13	0.00	0.00	233,114,022.00	233,114,022.00	170,076,662.00	63,037,360.00	72.96%
Subsidies	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers to Other Government Units	15	0.00	0.00	6,997,409.00	6,997,409.00	6,997,409.00	0.00	100.00%
Other Grants and Transfers	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Social Security Benefits	17	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Acquisition of Assets	18	0.00	0.00	128,693,419.00	128,693,419.00	83,049,149.10	45,644,269.90	64.53%
Finance Costs, including Loan Interest	19	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other payments	21	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
<b>Total</b>		0.00	0.00	368,804,850.00	368,804,850.00	260,123,220.10	108,681,629.90	70.53%



**Statement of Budget Execution**

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_



**Statement of Budget Execution - Recurrent Expenditure**

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
<b>RECEIPTS</b>								
	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	4	0.00	0.00	0.00	0.00	212,720,791.90	(212,720,791.90)	0.00%
	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	8	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	11	0.00	0.00	25,000,000.00	25,000,000.00	6,777,728.60	18,222,271.40	27.11%
		0.00	0.00	25,000,000.00	25,000,000.00	219,498,520.50	(194,498,520.50)	877.99%
	<b>Total</b>							
<b>PAYMENTS</b>								
	12	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	13	0.00	0.00	165,604,266.00	165,604,266.00	148,482,188.15	17,122,077.85	89.66%
	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	15	0.00	0.00	6,997,409.00	6,997,409.00	6,997,409.00	0.00	100.00%
	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	17	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	18	0.00	0.00	65,119,117.00	65,119,117.00	64,717,844.00	401,273.00	99.38%
	19	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	20	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	21	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
		0.00	0.00	237,720,792.00	237,720,792.00	220,197,441.15	17,523,350.85	92.63%
	<b>Total</b>							



**Statment of Budget Execution - Recurrent Expenditure**

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_



**Statement of Budget Execution - Development Expenditure**

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
<b>RECEIPTS</b>								
Tax Receipts	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Social Security Contribution	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic and Foreign Grants	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Exchequer releases	4	0.00	0.00	0.00	0.00	41,312,900.10	(41,312,900.10)	0.00%
Transfers from Other Government Entities	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic Borrowings	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Foreign Borrowings	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Sales of Assets	8	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Reimbursements and Refunds	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Returns of Equity Holdings	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other Receipts	11	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
<b>Total</b>		0.00	0.00	0.00	0.00	41,312,900.10	(41,312,900.10)	0.00%
<b>PAYMENTS</b>								
Compensation of Employees	12	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Use of goods and Services	13	0.00	0.00	67,509,756.00	67,509,756.00	21,594,473.85	45,915,282.15	31.99%
Subsidies	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers to Other Government Units	15	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other Grants and Transfers	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Social Security Benefits	17	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Acquisition of Assets	18	0.00	0.00	63,574,302.00	63,574,302.00	18,331,305.10	45,242,996.90	28.83%
Finance Costs, including Loan Interest	19	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other payments	21	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
<b>Total</b>		0.00	0.00	131,084,058.00	131,084,058.00	39,925,778.95	91,158,279.05	30.46%



**Statement of Budget Execution - Development Expenditure**

Entity: 1192-State Department for Mining

Current Period: JUL-22 To JUN-23

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_





### Budget Execution by Programme and Economic Classification

Entity: 1192-State Department for Mining

Period: JUL-22 To JUN-23

Program	Item	Description	Approved Budget	Actual Payments	Variance
000000000		<b>Default - Non Programmatic</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	2210000	Goods and Services	0.00	0.00	0.00
	2220000	Routine Maintenance	0.00	0.00	0.00
	2990000	System Required Expense A/cs	0.00	0.00	0.00
100500000		<b>Integrated Regional Development</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	2210000	Goods and Services	0.00	0.00	0.00
100700000		<b>General Administration Planning and Support Services</b>	<b>186,754,653.00</b>	<b>172,697,822.20</b>	<b>14,056,830.80</b>
	2110000	Wages and Salary Contributions	0.00	0.00	0.00
	2210000	Goods and Services	102,085,844.00	94,733,372.80	7,352,471.20
	2220000	Routine Maintenance	14,000,000.00	7,696,913.40	6,303,086.60
	2630000	Grants & Transfer To Other Govt. Units	6,997,409.00	6,997,409.00	0.00
	2710000	Social Security Benefits	0.00	0.00	0.00
	3110000	Acquisition of Fixed Capital Assets	63,671,400.00	63,270,127.00	401,273.00
100900000		<b>Mineral Resources Management</b>	<b>84,116,749.00</b>	<b>48,934,506.80</b>	<b>35,182,242.20</b>
	2110000	Wages and Salary Contributions	0.00	0.00	0.00
	2210000	Goods and Services	36,095,363.00	22,168,979.15	13,926,383.85
	2220000	Routine Maintenance	34,632,151.00	19,530,305.65	15,101,845.35
	2620000	Grants and Other Transfers to International Organizations	0.00	0.00	0.00
	2710000	Social Security Benefits	0.00	0.00	0.00
	3110000	Acquisition of Fixed Capital Assets	13,389,235.00	7,235,222.00	6,154,013.00
102100000			<b>97,933,448.00</b>	<b>38,490,891.10</b>	<b>59,442,556.90</b>
	2110000	Wages and Salary Contributions	0.00	0.00	0.00
	2210000	Goods and Services	43,454,904.00	23,365,819.00	20,089,085.00
	2220000	Routine Maintenance	2,845,760.00	2,581,272.00	264,488.00
	3110000	Acquisition of Fixed Capital Assets	51,632,784.00	12,543,800.10	39,088,983.90
		<b>Grand Total</b>	<b>368,804,850.00</b>	<b>260,123,220.10</b>	<b>108,681,629.90</b>

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_



### Budget Execution by Heads and Programmes

Entity: 1192-State Department for Mining

Period: JUL-22 To JUN-23

Head	Program	Description	Approved Budget	Actual Payments	Variance
0000000000		<b>Default Value ( Non-Departmental)</b>	0.00	0.00	0.00
	0000000000	Default - Non Programmatic	0.00	0.00	0.00
1191000500		<b>General Administration and Planning</b>	0.00	0.00	0.00
	1007000000	General Administration Planning and Support Services	0.00	0.00	0.00
1191100500		<b>Mineral Certification Laboratory</b>	0.00	0.00	0.00
	1021000000		0.00	0.00	0.00
1192000100			<b>23,234,019.00</b>	<b>21,340,003.15</b>	<b>1,894,015.85</b>
	1009000000	Mineral Resources Management	23,234,019.00	21,340,003.15	1,894,015.85
	1007000000	General Administration Planning and Support Services	0.00	0.00	0.00
1192000300			<b>431,456.00</b>	<b>373,724.80</b>	<b>57,731.20</b>
	1009000000	Mineral Resources Management	431,456.00	373,724.80	57,731.20
1192000500		<b>Directorate of Corporate Affairs(General Administration and Planning)</b>	<b>179,591,253.00</b>	<b>165,768,722.20</b>	<b>13,822,530.80</b>
	1007000000	General Administration Planning and Support Services	179,591,253.00	165,768,722.20	13,822,530.80
	1009000000	Mineral Resources Management	0.00	0.00	0.00
	1005000000	Integrated Regional Development	0.00	0.00	0.00
1192000600		<b>Directorate of Geological Survey</b>	<b>27,300,664.00</b>	<b>25,785,891.00</b>	<b>1,514,773.00</b>
	1009000000	Mineral Resources Management	0.00	0.00	0.00
	1021000000		27,300,664.00	25,785,891.00	1,514,773.00
1192000700			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1009000000	Mineral Resources Management	0.00	0.00	0.00
1192000800			<b>7,163,400.00</b>	<b>6,929,100.00</b>	<b>234,300.00</b>
	1007000000	General Administration Planning and Support Services	7,163,400.00	6,929,100.00	234,300.00
1192100200			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1021000000		0.00	0.00	0.00
	1009000000	Mineral Resources Management	0.00	0.00	0.00
1192100300			<b>19,941,518.00</b>	<b>11,444,190.35</b>	<b>8,497,327.65</b>
	1009000000	Mineral Resources Management	19,941,518.00	11,444,190.35	8,497,327.65
1192100400			<b>5,509,756.00</b>	<b>(1,568,055.00)</b>	<b>7,077,811.00</b>
	1009000000	Mineral Resources Management	5,509,756.00	(1,568,055.00)	7,077,811.00
1192100500			<b>39,000,000.00</b>	<b>3,032,700.10</b>	<b>35,967,299.90</b>
	1007000000	General Administration Planning and Support Services	0.00	0.00	0.00
	1021000000		39,000,000.00	3,032,700.10	35,967,299.90
	1009000000	Mineral Resources Management	0.00	0.00	0.00
1192100600			<b>25,928,140.00</b>	<b>7,464,900.00</b>	<b>18,463,240.00</b>
	1007000000	General Administration Planning and Support Services	0.00	0.00	0.00
	1021000000		25,928,140.00	7,464,900.00	18,463,240.00
	1009000000	Mineral Resources Management	0.00	0.00	0.00
1192100700			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1009000000	Mineral Resources Management	0.00	0.00	0.00
	1007000000	General Administration Planning and Support Services	0.00	0.00	0.00
1192100800			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1009000000	Mineral Resources Management	0.00	0.00	0.00
1192101400			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1009000000	Mineral Resources Management	0.00	0.00	0.00
1192101500			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1007000000	General Administration Planning and Support Services	0.00	0.00	0.00
	1009000000	Mineral Resources Management	0.00	0.00	0.00
1192101600			<b>35,000,000.00</b>	<b>17,344,643.50</b>	<b>17,655,356.50</b>
	1009000000	Mineral Resources Management	35,000,000.00	17,344,643.50	17,655,356.50
1192101700			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1007000000	General Administration Planning and Support Services	0.00	0.00	0.00
1192101800			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1009000000	Mineral Resources Management	0.00	0.00	0.00
1192101900			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	1009000000	Mineral Resources Management	0.00	0.00	0.00

1192102100			5,704,644.00	2,207,400.00	3,497,244.00
	1021000000		5,704,644.00	2,207,400.00	3,497,244.00
		<b>Grand Total</b>	<b>368,804,850.00</b>	<b>260,123,220.10</b>	<b>108,681,629.90</b>

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_



### Budget Execution By Programmes and Sub-Programmes

Entity: 1192-State Department for Mining

Period: JUL-22 To JUN-23

Program	Sub Program	Description	Approved Budget	Actual Payments	Variance
<b>000000000</b>		<b>Default - Non Programmatic</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	000000000	Default - Non Programmatic	0.00	0.00	0.00
<b>100500000</b>		<b>Integrated Regional Development</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	100501000	Integrated basin based Development	0.00	0.00	0.00
<b>100700000</b>		<b>General Administration Planning and Support Services</b>	<b>186,754,653.00</b>	<b>172,697,822.20</b>	<b>14,056,830.80</b>
	100701000	Mining Policy Development and Coordination	0.00	63,000.00	(63,000.00)
	100702000		186,754,653.00	172,634,822.20	14,119,830.80
<b>100900000</b>		<b>Mineral Resources Management</b>	<b>84,116,749.00</b>	<b>48,934,506.80</b>	<b>35,182,242.20</b>
	100901000	Mineral Resources Development	431,456.00	373,724.80	57,731.20
	100902000	Geological survey and mineral exploration	83,685,293.00	48,560,782.00	35,124,511.00
<b>102100000</b>			<b>97,933,448.00</b>	<b>38,490,891.10</b>	<b>59,442,556.90</b>
	102101000		97,933,448.00	38,490,891.10	59,442,556.90
	102102000		0.00	0.00	0.00
		<b>Grand Total</b>	<b>368,804,850.00</b>	<b>260,123,220.10</b>	<b>108,681,629.90</b>

The Statement has been prepared, reviewed and approved by the following:

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_

