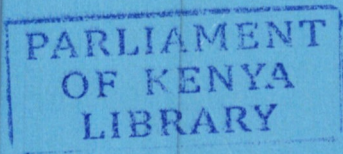
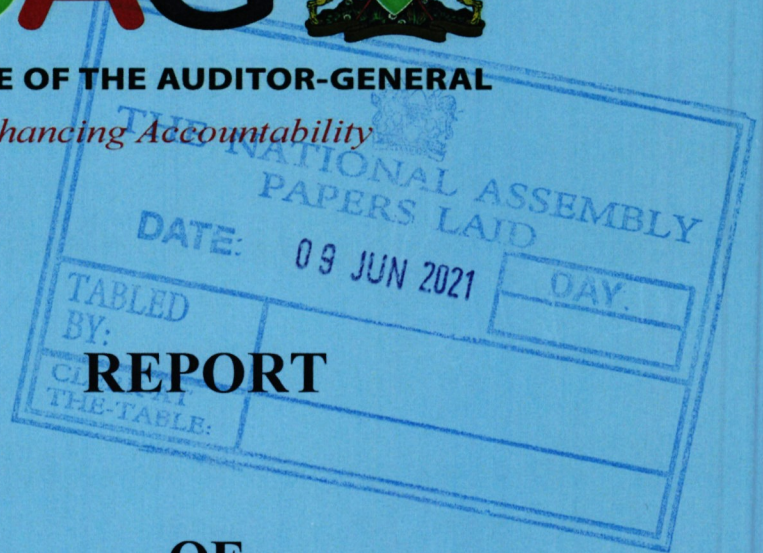


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

**STATE DEPARTMENT FOR
INDUSTRIALIZATION**

**FOR THE YEAR ENDED
30 JUNE, 2020**




State Department for Industrialization,
Reports and Financial Statements
For the year ended June 30th, 2020



MINISTRY OF INDUSTRIALIZATION, TRADE AND ENTERPRISE DEVELOPMENT
STATE DEPARTMENT FOR INDUSTRIALIZATION

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30TH, 2020

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	09 JUN 2021 DAY <i>Wednesday</i>
TABLED BY:	<i>Lem Hon. Amos Kimani</i>
CLERK AT THE TABLE:	<i>Habing Ahmed</i>

**State Department for Industrialization
 Reports and Financial Statements
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KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Ministry is established under Executive Order No. 1 of June 2018 (Revised May 2020). The Ministry has two State Departments that is the State Department for Industrialization and State Department for Trade and Enterprise Development. It has the overarching responsibility of overseeing the growth, development, and regulation of industrial and trade sectors.

The State Department for Industrialization has Thirteen (13) State Corporations, a training institution, and three (3) tribunals. Under the Kenya Governments Big Four Agenda 2018-2022, the State Department is mandated with raising the Manufacturing Sector share to GDP by supporting value addition to accelerating economic growth, create jobs, and reduce poverty.

The mandate for the State Department for Industrialization includes:

- i. Industrial Policy and Planning;
- ii. SME Policy;
- iii. SME Financing Policy;
- iv. SME/Biashara Financing Policy;
- v. Buy Kenya Build Kenya Policy and Strategy;
- vi. To promote Standardization in Industry and Quality Control;
- vii. Promotion and Development of Micro and Small Enterprises;
- viii. To Promote and facilitate Domestic and Foreign Investments;
- ix. Promotion and Oversight of the Development of Special Economic Zones and Industrial Parks;
- x. Kenya Property Rights Policy (Patents, Trade Marks, Service Marks, and Innovations);
- xi. Promotion of value Addition and Agro-Processing;
- xii. Textile Sector Development;
- xiii. Leather Sector Development;
- xiv. Business Innovation and Incubation;
- xv. Promotion and development of the Cottage Industry;
- xvi. Oversight and regulation of Scrap Metal Industry
- xvii. Promotion and Development of Medium Business Enterprises; and
- xviii. Industrial Training and Capacity Development.

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AUTONOMOUS AND SEMI-AUTONOMOUS GOVERNMENT AGENCIES

The State Corporations under the State Department include:

Autonomous Government Agencies

- i.) East African Portland Cement Company (EAPCC)
- ii.) Industrial and Commercial Development Corporation (ICDC)
- iii.) Kenya Bureau of Standards (KEBS)
- iv.) IDB Capital Limited.

Semi-Autonomous Government Agencies

- i.) Export Processing Zones Authority (EPZA)
- ii.) Kenya Industrial Estates (KIE)
- iii.) Kenya Industrial Property Institute (KIPI)
- iv.) Kenya Industrial Research and Development Institute (KIRDI)
- v.) Kenya Investment Authority (KenInvest)
- vi.) Kenya National Accreditation Services (KENAS)
- vii.) Numerical Machining Complex (NMC)
- viii.) Scrap Metal Council (SMC)
- ix.) Special Economic Zones Authority (SEZA).
- x.) Micro and Small Enterprises Authority (MSEA)
- xi.) Special Economic Zones Authority (SEZA).

Reports and Financial Statements

At the Cabinet-level the Ministry is represented by a Cabinet Secretary who is responsible for the general policy formulation and provides strategic direction.

VISION, MISSION, AND CORE VALUES

VISION

The globally competitive and sustainable industrial sector

MISSION

To create an enabling environment for a globally competitive and sustainable industrial sector

CORE VALUES

The State Department seeks to uphold the following core values:

- ⚙️ **Customer focus:** We are committed to upholding the highest standard in the delivery of our services to all customers;
- ⚙️ **Integrity:** we are committed to acting in an honest impartial, fair, and transparent manner and being devoid of corruption practices while delivering our services;
- ⚙️ **Teamwork:** We will deliberately nurture team spirit, collaboration, consultation and adopt a participatory approach in discharging our mandate;
- ⚙️ **Professionalism:** We will maintain a high level of professionalism through continuous competency development;
- ⚙️ **Creativity and innovativeness:** We will continuously be seeking innovative methods of delivering our services;
- ⚙️ **Efficiency and effectiveness:** we will be guided by operational, rationalization, and cost-saving measures;
- ⚙️ **Commitment to Environmental Sustainability:** we shall be committed to ensuring sustainable industrial and enterprise development process which protects the environment.

STRATEGIC OBJECTIVES

- i.) To improve product competitiveness and business environment
- ii.) To Increase manufacturing, sector contribution to GDP to 15%
- iii.) To Attract Domestic and Foreign Direct investments
- iv.) To Generate Employment opportunities
- v.) To Mobilize resources for Industrial and Trade Development
- vi.) Strengthen institutional capacity for service delivery

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(b) Principal Activities

The principal activity/mission of the State Department is to create an enabling environment for a globally competitive, sustainable Industrial and Enterprise sector through appropriate policy, legal, and regulatory framework.

(c) Key Management

The State Department for Industrialization day-to-day management is under the following key organs:

For the State Department for Industrialization:

- i. Industrialization Secretary
- ii. Directorate of Agro - industries;
- iii. Directorate of Chemical and Mineral Industries;
- iv. Directorate of County Industrial Support;
- v. Directorate of Engineering and Construction industries;
- vi. Directorate of Enterprise Development;
- vii. Directorate of Manufacturing and Industrialization Policy;
- viii. Directorate of Private Sector Development and Business Environment;
- ix. Directorate of Research and Development;
- x. Kenya Industrial Training Institute; and
- xi. Administration and Support Services.

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2020 and who had direct fiduciary responsibility were:

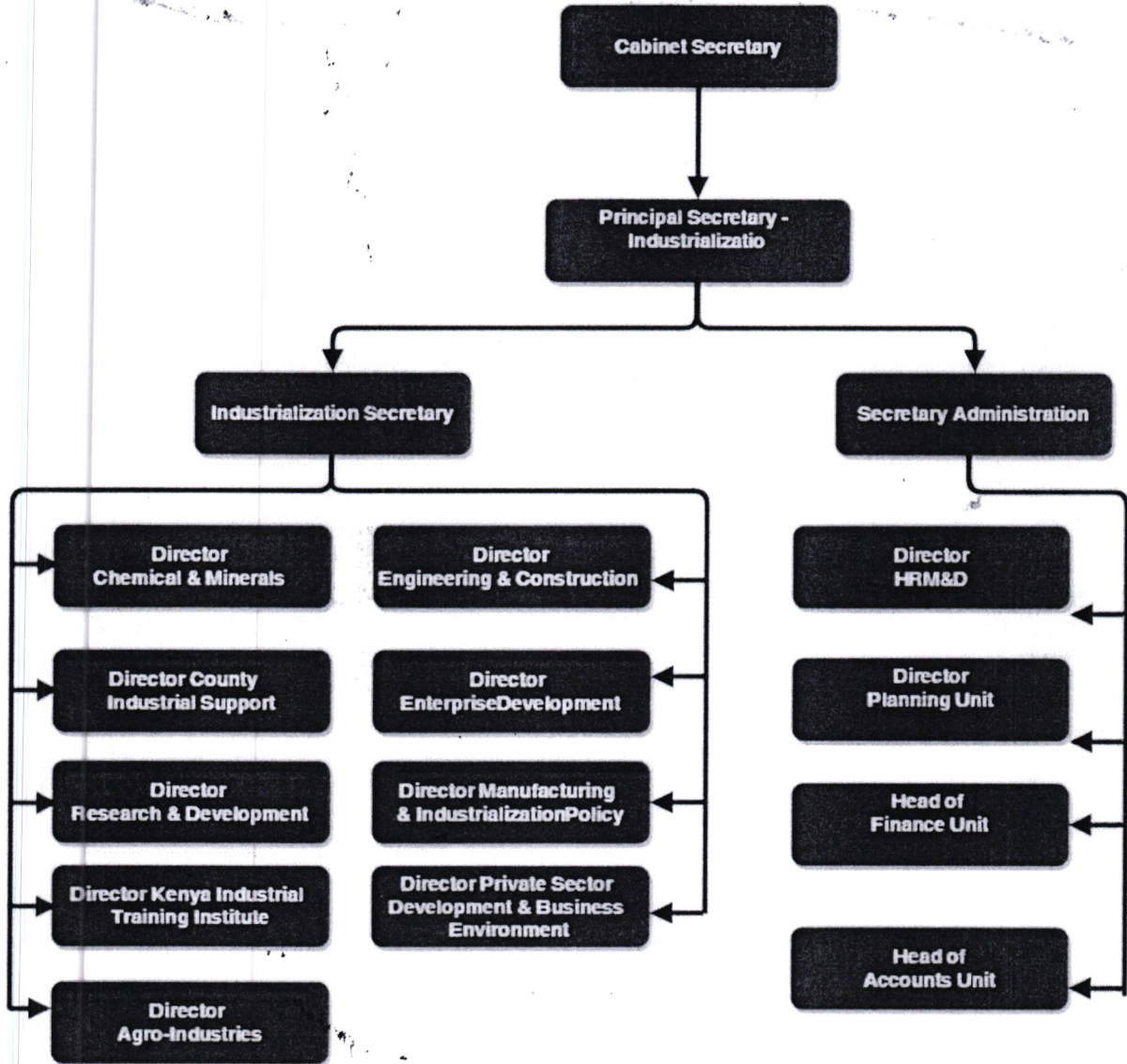
No.	Designation	Name
1.	Cabinet Secretary, Ministry of Industrialization, Trade and Enterprise Development	Betty C. Maina, CBS
2.	Principal Secretary, State Department for Industrialization	Dr. F. O. Owino, PhD, CBS
3.	Secretary Administration	Mr. Rashid Khator
4.	Industrialization Secretary	Mr. Hezekiah Okeyo

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No.	Designation	Name
5.	Director, Enterprise Development	Ms. Nancy Muya
6.	Director, County Industrial Support	Mr. Joseph Mbeva
7.	Ag. Director Agro – processing industries	Mr. Simon Atebe
8.	Director of Private Sector Development and Business Environment	Mr. Stephen Odua
9.	Director of Manufacturing & Industrialization Policy	Mr. Roy Nyangena
10.	Director, Chemicals and Minerals	Mr. Julius Kirima
11.	Director of Kenya Industrial Training Institute	Ms. Peris Adema
12.	Director of Engineering and Construction	Mr. George Makateto
13.	Director of Research and Development	Mr. Nobby Macharia
14.	Director of Planning	Mr. Jared Ichwara
15.	Director of Human Resource and Development	Dr. Judy Njeru, PhD
16.	Chief Finance Officer	Mr. Nicholas Kamau
17.	Principal Accountant	Ms. Ruth Wanyonyi





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Senior Management – State Department for Industrialization







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SHORT BIOGRAPHY INFORMATION FOR SENIOR MANAGEMENT

 <p>Ms. Betty C. Maina, CBS, Cabinet Secretary</p>	<p>Ms. Betty C. Maina, CBS is the Cabinet Secretary for the Ministry of Industrialization, Trade and Enterprise Development. She has more than 27 years' experience in organizational leadership and development.</p> <p>She has served as the Principal Secretary in the Ministry of Environment and Forestry, State Department for Industrialization, and State Department of East African Affairs. She has also served as the Chief Executive of the Kenya Association of Manufacturers for 11 years. She holds a Master of Science Degree in Development Administration and Planning from the University College of London, and an undergraduate degree in Land Economics from the University of Nairobi.</p>
 <p>Dr. F. O. Owino, Ph.D., CBS, Principal Secretary</p>	<p>Dr. Francis O. Owino is the current Principal Secretary, State Department for Industrialization since September 2019. Before he was appointed Principal Secretary, Dr. Owino served in different levels of government with experience spanning from 1990.</p> <p>Dr. Owino holds a Doctor of Philosophy [Ph.D.] in Peace and Conflict Studies from Masinde Muliro University of Science and Technology obtained in 2013, a Masters of Business Administration [Strategic Management] from Kenya Methodist University, 2008, and a Bachelor of Arts [B.A] 2nd Class Upper Division, University of Nairobi, 1989.</p>
 <p>Mr. Hezekiah Okeyo Industrialization Secretary</p>	<p>Mr. Hezekiah B. Okeyo holds a Master of Business Administration (MBA) in Strategic Management from the Eastern and Southern African Management Institute (ESAMI), Tanzania; Master of Science (MSc) in Environmental Science and Technology from IHE Delft, Netherlands, Bachelor of Science (BSc) from the University of Nairobi University.</p> <p>He has broad experience in industrial policy development and research analysis. He joined the Civil Service June 1990 under Industrial Development Officers Cadre and has risen through the ranks in the industrialization docket.</p>
 <p>Mr. Stephen A. Odua</p>	<p>Mr. Stephen Odua is the Director of Industries in charge of Business Environment (BE) and Private Sector Development (PSD) in the State Department of Industrialization, Ministry of Industry, Trade, and Co-operatives. He is also the Project Coordinator of the Kenya Industry and Entrepreneurship Project (KIEP), a World Bank-sponsored Project, and an Alternate Director to the Board of Directors, Kenya Investment Authority.</p>

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 <p>Ms. Nancy Muya</p>	<p>Ms. Nancy W. Muya is a Director of Industries in charge of the Enterprise Development Directorate. She holds BSc. (Maths/Chem) degree from Kenyatta University and is pursuing MSc (Entrepreneurship) degree at Jomo Kenyatta University of Agriculture and Technology. She has over 29 years of experience in civil service, offering her expertise in industrial development while in the Ministry. She has undergone several short-term training programmes during her work experience in industrial development, policy formulation, processing technologies, management, and leadership, locally and internationally.</p>
 <p>Mr. Julius Kithinji Kirima</p>	<p>Julius Kithinji Kirima, HSC is Director of Industries Heading Chemical & Mineral Industries Directorate in the State Department of Industrialization. He holds a Bachelor of Science Degree in Chemistry and Mathematics, Master of Science in Entrepreneurship, and is currently working on his thesis for the award of Doctor of Philosophy in Entrepreneurship. Mr. Kirima has risen the ranks in the civil service from Industrial Development Officer II in 1990 to Director of Industries and was awarded Head of State Commendation (HSC) for his distinguished service to the Republic of Kenya 2011.</p> <p>Mr. Kirima has served previously as Deputy Director of Internal Trade, Chairman of the Technical Committee that Drafted the Anti-Counterfeit Bill 2008, and later Ag. Secretary to Operationalize the Anti-Counterfeit Agency, Coordinator for Kenya Trade and Poverty Programme (KTPP,) and Member of high-Level Task Force that negotiated the East African Community Common Market Protocol. Mr. Kirima is also a Lead Expert in Environmental Impact Assessment and Audit and is trained in Ceramic Kiln and Firing Technology, among others</p>
 <p>Mr. Joseph Mbeva</p>	<p>Mr. Joseph Mbeva is Director of Industries in charge of Industrialization Field services. holds vast experience in industrial matters and intellectual property rights have started working with the Government from 1992 to date.</p> <p>He holds a Master's of Science Degree in Intellectual Properties and a Bachelor's Degree in Science.</p>
 <p>Ms. Peris Adema</p>	<p>Ms. Peris Adema is the current Director of the Kenya Industrial Training Institute, Nakuru. She holds a Master's degree in Corporate Strategy and Economic Policy.</p>

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 Ms. Judy Njeru, PhD	<p>Dr. Judy Njeru, Director is the Director, Human Resources and Development. She holds a Doctor of Philosophy in Diplomacy and International relations, Masters of Arts in International Studies, Masters in Education Administration, Postgraduate Diploma in HRM, and Bachelor's Degree in Education.</p> <p>Other training includes; SLDP, Senior Management, Management of training function, Training needs Analysis, Personnel management Negotiation skills, Team building, and Disaster training.</p>
 Mr. Nicholas Kamau	<p>Mr. Nicholas Kamau is the Senior Chief Finance Officer for the State Department. He is experienced in financial management having worked with various MDAs for the last 20 years in various capacities in financial management including being an auditor, accountant, and currently finance.</p> <p>He holds a master's degree in science in finance and investment, Bachelor's degree in finance, certified information systems, and CPA K. He is a member of ICPAK.</p>
 Ms. Ruth Wanyonyi	<p>Ms. Ruth Wanyonyi is a Principal Accountant and she joined the department in June 2018. She was appointed as the Acting Head of the accounting Unit in July 2020.</p> <p>She is a holder of a Master of Science Degree in Finance from JKUAT, Bachelor of Commerce in Finance, 1st Class honor from KCA University, and CPA (K). She is a member of ICPAK.</p>

(e) Fiduciary Oversight Arrangements

The key State Department fiduciary oversight arrangements include:

Audit and finance committee activities

The committee performs the following duties

- i.) Reviewing and monitoring the external auditor's independence and objectivity, taking into consideration relevant professional and regulatory requirements. In fulfilling its duties, the committee reviews with the external auditors, the scope of their audit plan, a system of internal audit reports, assistance given by management and its staff to the auditors, and any findings and actions to be taken.
- ii.) Reviewing any related party transactions that may arise within the entity.
- iii.) Reviewing communication between external auditors and management including responses on audit queries on the annual financial statement raised by the Auditor General.
- iv.) Following up on recommendations of the Parliamentary Accounts Committee (PAC).

**State Department for Industrialization
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The following shows the number of finance and audit committee meetings held during the year and the attendance of individual members.

Audit Committee

NO.	NAME	POSITION	16/10/2019	2020	Total attendance
1	Mr. Nicholas K. Mbuko	Chairperson	✓		1
2.	Ms. Jane W. Muthaura	Member	✓		1
3.	Ms. Rose M. Nyamweya	Member	✓		1
4.	Mr. Simon S. Nabasu	Member	✓		1
5	Prof. Daniel K. Tarus	Member	✓		1
6.	Ms. Lucy Kabaya	Member	✓		1

Budget Committee Activities

This is the committee charged with the responsibility of implementation of the State Department's budget and its prudent management. The duties of the committee include:

- i.) To review and consider the cash flow plans
- ii.) To review the utilization of the cash limits and consider any changes as may be required;
- iii.) To review the utilization of the donor funds voted for the State Department.
- iv.) To advise the accounting officer on the challenges related to the budget implementation
- v.) To review and recommend the reallocation of payments
- vi.) To review and approve the submission of the payment returns, payroll IPPDs, pending bills, and A-I-A returns for the State Department and recommend actions to be taken
- vii.) To participate in sector working groups
- viii.) To review budgets, supplementary estimates, and performance of budget against actual for the State Department in consultation with the Heads of Department.

The following shows the number of budget committee meetings held during the year and the attendance of individual members

**State Department for Industrialization
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Budget Committee

NO.	NAME	POSITION	2019	14/08/2020	Total attendance
1	Mr. Nicholas Kamau	Chairperson		✓	1
2.	Mr. Jared Ichwara	Vice-chairperson		✓	1
3.	Lucy Kariuki	Secretary		✓	1
4.	Rashid Khator	Member		✓	1
5	Dr. Judy Njeru, PhD	Member		✓	1
6.	Mr. Makori Obiero	Member		✓	1
7.	Mr. Hezekiah Okeyo	Member		✓	1

(f) Entity Headquarters

P.O. Box 30418-00100
NSSF Building, Block A
Bishops Road, Capital Hill
Nairobi, KENYA

(g) Entity Contacts

Telephone: 020-2731531-9
E-mail: ps@industrialization.go.ke;
ps.moied@gmail.com
Website: www.industrization.go.ke

(h) Entity Bankers

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

**State Department for Industrialization
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(i) Independent Auditors

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

(j) Principal Legal Adviser

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

II. FORWARD BY THE CABINET SECRETARY

The Big Four (4) Agenda is premised on addressing the pressing concerns facing Kenyans while creating the best environment for achieving accelerated socio-economic transformation, increased job creation, and improved quality of life for all Kenyans.

The Government Economic Transformation Agenda is anchored on four socio-economic pillars of:

1. Increasing the manufacturing share of GDP from 8.4% to 15%.
2. Ensuring 100% Food and Nutrition Security.
3. Providing 500,000 Affordable homes to the low-income segment.
4. Providing 100% Universal Health Coverage.

The manufacturing sector has been identified as the key driver for economic growth and development under the "Big Four" Agenda. The sector plays a critical role in contributing to economic growth and generating employment as the country moves towards the realization of the aspirations of Vision 2030. Its overall goal is to increase its contribution to Gross Domestic Product (GDP) by at least 15% by 2022; increase the level of foreign direct investments to \$2 billion; and improve ease of doing business ranking from 80 in 2017 to 50 by 2022. This will propel Kenya towards becoming Africa's industrial hub. The sector has a high potential of investment attraction, employment creation, export expansion, the stimulus for agricultural sector growth, and provision forward and backward linkages in all other sectors of the economy. The sector plays a strategic role in technology and innovation as it is a major platform for the diffusion of new technologies to other sectors of the economy.

Under the manufacturing pillar, the priority areas to drive growth include Cotton processing for Textiles and apparel manufacturing; Agro-processing; Construction materials; Leather and Leather Goods; Oil, mining and gas; Iron and Steel; Information Communication and Telecommunication equipment; Automotive Sector; and Pharmaceutical Sector. Alongside these drivers, the enablers include improving market access; standards and accreditation; improvement in business climate; development of industrial parks/Economic Zones; and Micro, Small, and Medium Enterprises Development.

In terms of Budget allocation to the Ministry (State Department for Industrialization), Three programmes are being implemented namely:

- i. Promotion of Industrial Development and Investment (Industrial Development & Investments; and Promotion of Industrial Training)
- ii. Standards and Business Incubation (Standardization Metrology & Conformity Assessment; Industrial Research, Technology & Innovations; and Business Financing and Incubation for MSMEs)
- iii. General Administration, planning, and support services.

State Department for Industrialization
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The key achievements for the FY 2019/2020 include:

- i. Development of Leather Industrial Park by KLDC involving Delivery of basic infrastructure facilities for Kenya Leather Park; completion of the Common Effluent Treatment Plant and construction of internal access roads precast wall;
- ii. Special Economic Zone at Dongo Kundu, Mombasa - Basic infrastructure facilities including Construction of a Business Centre to house a one-stop-shop, custom gatehouses and custom warehouses; perimeter wall; buffer zone and landscaping; and Administration Block;
- iii. Special Economic Zones at Naivasha (Industrial Park) – Basic infrastructure facilities including Construction of a Business Centre to house a one-stop-shop, apparel and textile training center, custom gatehouses and custom warehouses; perimeter wall; buffer zone and landscaping; and Administration Block;
- iv. Development of Athi River Textile hub - completion of construction of Industrial Sheds;
- v. Modernization of RIVATEX Machinery – modern machinery acquisition and installation; completion of the effluent treatment plant, perimeter wall, and procurement and commissioning of firefighting equipment;
- vi. Modernization of NMC's Foundry Plant & Fabrication Workshop - Completion of modernization of foundry plant, fabrication plant, and Galvanising plant;
- vii. Construction of Constituency Industrial Development Centers (ESP) – involved upgrading, refurbishing, and equipping the Constituency Industrial Development Centers to provide worksite for the MSMEs;
- viii. Provision of Finances to SMEs in the Manufacturing sector through KIE - Provide credit to MSMEs the in manufacturing and agro-processing sector, incubation and Business Advisory Services;
- ix. Construction of Industrial Research, Laboratories (KIRDI Kisumu) - procurement, installation, and commissioning of equipment for the laboratories for research and product development;
- x. Construction of Industrial Research, Laboratories (KIRDI Nairobi) - construction works, cladding, and building services and management installations;
- xi. Infrastructure and civil works development (KITI) – completion of Central Stores, Women Hostels, Walkways, and rehabilitation of Perimeter wall;
- xii. Kenya Youth Empowerment and Opportunities Project (KYEOP)
- xiii. Kenya Industry and Entrepreneurship Project (KIEP) - for increased innovation and productivity in select private sector firms through Upgrading of SMEs, Incubators and Accelerators and student training on coding and soft skills;
- xiv. Development of Various SMEs in Kenya (IDB Capital) – to provide industrial credit by SMEs.

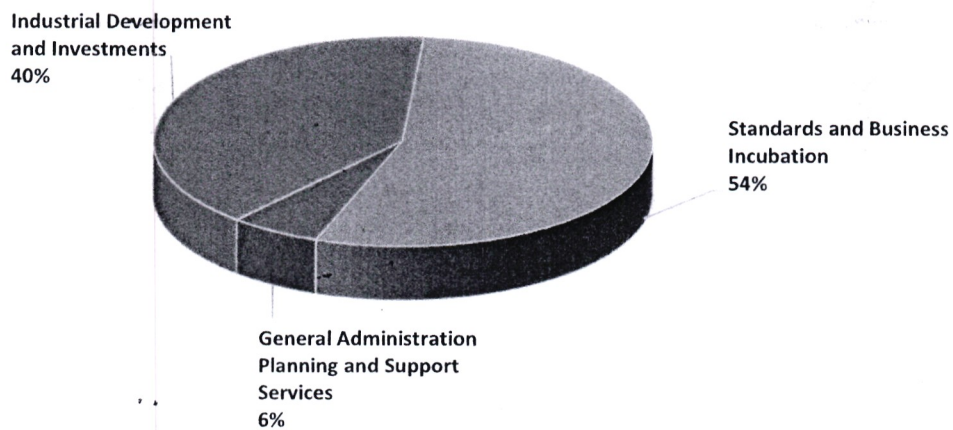
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BUDGET ALLOCATION

The Budget estimates for the FY 2019/20 were Kshs. 9,820.24 Million consisting of Recurrent Kshs. 2,654.27 Million and Development Kshs. 7,165.97 Million. The State Department was to expend the gross budget of **Kshs. 11,178,346,154** under the following three programmes:

	KShs		
General Administration Planning and Support Services	661,107,064	517,400,175	143,706,889
Industrial Development and Investments	4,455,678,084	3,193,393,152	1,262,284,932
Standards and Business Incubation	6,061,561,006	5,359,113,214	702,447,792
	11,178,346,154	9,069,906,541	2,108,439,613

BUDGET ALLOCATION BY PROGRAMMES



**State Department for Industrialization
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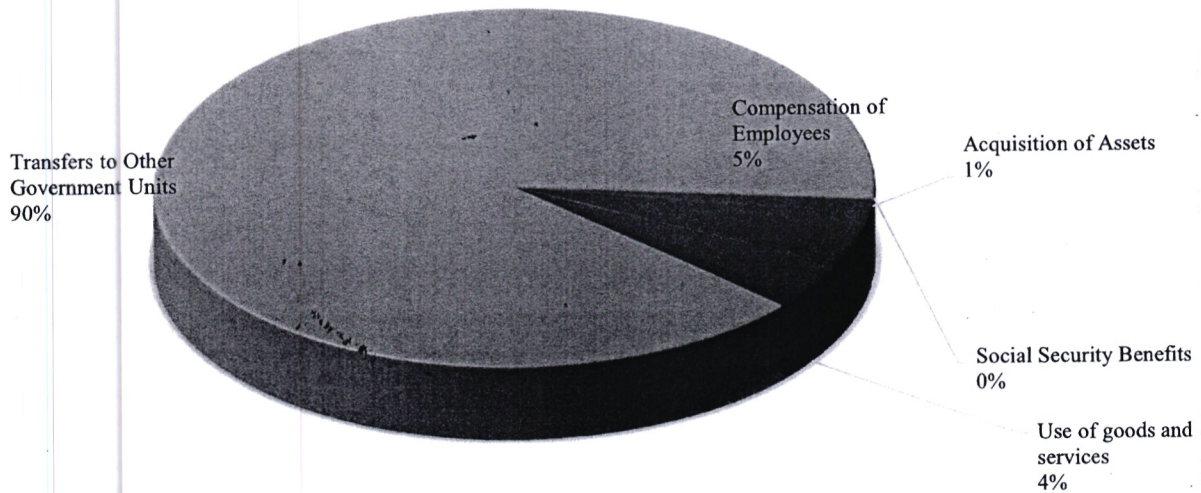
COMMENTARY BY THE CABINET SECRETARY (CONTINUED)

Budget Utilisation (Payments)

The State Department spent **Kshs. 9,069,906,541** against an approved budget of **Kshs. 11,178,346,155** representing absorption of **85%**. The utilization of the budget was carried out through various activities (economic classifications) as shown in the chart below:

		ACTUAL EXPENDITURE	BUDGET
Compensation of Employees	448,864,914	439,622,751	9,242,163
Use of goods and services	534,501,805	384,713,585	149,788,220
Transfers to Other Government Units	9,706,158,196	8,115,915,254	1,590,242,942
Social Security Benefits	175,365	175,365	0
Acquisition of Assets	488,645,875	129,479,586	359,166,289
Total Payments	11,178,346,155	9,069,906,541	2,108,439,614

Budget Utilisation as Per Economic Items



It is noted that 5% of the State Department's budget was utilized on the compensation of employees while 4% was utilized on goods and services. Transfer to other Government Units and acquisition of assets accounted for 90% and 1% for acquisition of assets. The variance of Kshs 2.1 billion was as result of changes occasioned by supplementary II for the Special Economic Zones Authority and Covid-19 pandemic.

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Emerging Issues

The COVID-19 Pandemic is threatening not only healthcare systems but also the stability of economies and livelihoods of the citizens. It has also caused disruptions in the value chain in the Manufacturing Sector, leading to massive losses in revenue and jobs across all the subsectors, an abrupt decline in the economic growth, and constriction of the economy.

However, the pandemic has demonstrated a significant capacity and supply response by the existing enterprises. The crisis has underlined the importance of sufficient local production and adequate capacity for import substitution.

Implementation challenges and recommendations

The Manufacturing Sector pillar of the 'Big Four' Agenda is faced with several challenges which include:

- i.) Covid-19 pandemic;
- ii.) Inadequate basic infrastructure facilities;
- iii.) Unavailability of industrial land;
- iv.) Counterfeit, Dumping and Substandard goods
- v.) High cost and quality of energy and high operational cost;
- vi.) Unfavourable business environment (investor-friendly environment and policies);
- vii.) Inadequate budgetary allocation;
- viii.) Limited access to financial services for industrial development;
- ix.) Climate Change and Waste Management; and
- x.) Limited access to markets.

The recommendations put forward include:

- i.) Increase funding in priority programme areas under the State Department for Industrialization;
- ii.) Fast track development, finalization and approval of Policies and enactment of Bills by Parliament to support the manufacturing sector;
- iii.) Provide for a Post Covid-19 Stimulus package, particularly for MSMEs;
- iv.) Implementation of the projects and programmes require implementation framework and close collaboration among Ministries, Department and Agencies, the County Governments and private sector; and
- v.) Strengthen the Public Private Partnership legal framework to pave way for private sector to play a key role in the implementation of the programmes especially the flagship projects.


Betty C. Maina, CBS
CABINET SECRETARY

**State Department for Industrialization
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STATEMENT OF PERFORMANCE AGAINST MDA'S PREDETERMINED OBJECTIVES

Introduction

In line with the Vision and Mission and Key Strategic Objectives, the Ministry has identified key priority areas under the Manufacturing Pillar of the Big Four Agenda for implementation. The strategies will help in the attainment of the key result areas outlined in the sector performance standards which include: Export Growth and Global competitiveness; Contribution to economic growth; Industrial Growth and Development; Employment, prosperity and equity; Resources for industrial and Trade Development; and Leadership and integrity (governance).

The key development objectives include:

- i. To Improve product competitiveness;
- ii. To improve the business environment;
- iii. To Increase manufacturing, sector contribution to GDP to 15%;
- iv. To Attract Domestic and Foreign Direct investments;
- v. To Generate Employment opportunities;
- vi. To Mobilize resources for Industrial Development; and
- vii. Strengthen institutional capacity for service delivery.

Progress on the attainment of strategic development objectives

Summary of projects/Programmes, key performance targets, and achievements for the Financial Year 2019/2020

State Department for Industrialization			
Project/Programme Priority Initiative	2019/2020 Targets	Achievements	Remarks
Increase in the level of investments, exports & employment opportunities Export Processing Zones through the development of Athi river textile hub EPZ	Create 5,267 Employment opportunities	1,409 jobs	Exports and jobs affected by Covid-19 outbreak
	Increase in the amount of Exports (Kshs. 78 billion)	Kshs. 70.6 billion	
	Increase in the amount of Direct Investments (Kshs. 107 billion)	Kshs. 109 billion	
	Attract 136 Operating Enterprises to establish in the zones	140 operating enterprises attracted and operating	
	Gazette 10 zones	3 zones gazetted	
	Development of Athi river textile hub EPZ consisting of 4 large	Construction of the textile hub is at 90%	

State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020

State Department for Industrialization			
Project/Programme Priority Initiative	2019/2020 Targets	Achievements	Remarks
	industrial sheds and 8 SMEs sheds	complete with civil works on-going	
Investments Attraction (Domestic & foreign), investment promotion, and one-stop-shop center	Amount of investments attracted (in Kshs. billions) No. of investment projects proposals facilitated	Kshs. 156.94 billion worth of investments registered 43 manufacturing projects registered	Operationalization of National Investment Council pending to coordinate attraction of investments
Development of Leather Industrial Park at Kinanie (basic infrastructure facilities Common Effluent Treatment Plant (CETP), Internal Access roads and perimeter wall) - Under the Kenanie-Kenya Leather Development Council (KLDC)	Construction of effluent treatment plant (30% completion rate)	Construction of the two components of CETP (2.5 Million liters per day pre-treatment unit and 10 million liters per day unit) is at a 27% completion rate	
Development of Special Economic Zones	Commence construction of basic infrastructure facilities for Naivasha SEZ (Customs gatehouse, access road perimeter wall & Administration block)	Draft Master Plan completed Geo-Technical survey investigations for the Admin block undertaken Detailed Strategic Environmental Assessment (SEA) currently ongoing The tendering process for the construction of the Administration block, boundary wall, access road, and bridges have been finalized awaiting award	Off-site infrastructure for Naivasha Industrial park will be done by Enablers (other MDAs) with the contract for water pipeline awarded and expected on-site by 30th June 2021. The construction works for the tendered works will be awarded once the funds are available

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

State Department for Industrialization			
Project/Programme Priority Initiative	2019/2020 Targets	Achievements	Remarks
	Commence construction of basic infrastructure facilities for Dongo Kundu SEZ (Customs gatehouse, access road, perimeter wall & Administration block)	<p>Loan agreement with JICA signed</p> <p>Detailed designs and land use plan for the DK-SEZ land ongoing with the help of JICA</p> <p>Geo-Technical survey investigations for the Admin block undertaken</p> <p>The tendering process for the construction of the Administration block, boundary wall, and access roads has been finalized awaiting award</p>	<p>Dongo Kundu offsite infrastructure is supported by JICA through grants and loan</p> <p>The construction works for the tendered works will be awarded once the funds are available</p>
	Gazetment of 3 SEZs	2 private SEZs gazetted	
Modernization RIVATEX machinery and factory	EA and	Completion of installation of machinery (for spinning preparation, weaving, processing finishing sections)	Additional specialized machines for niche products such as Wax Fabrics and completion the ETP require additional funding
		Effluent Treatment Plant (ETP) for a Zero Effluent Discharge System constructed	Construction of the Effluent Treatment Plant (ETP) is at 25% complete
		The modernization level is 90% complete	
		Enhanced production of Fabrics from 5,000 to 25,000 meters per day	
		Cotton consumption increased from 10 to 20 Bales (4tons) per day, out of which 300 Bales are purchased locally	

State Department for Industrialization
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For the year ended June 30th, 2020

State Department for Industrialization			
Project/Programme Priority Initiative	2019/2020 Targets	Achievements	Remarks
Cotton Revitalization Programme under RIVATEX EA	Increase Production of cotton through the adoption of hybrid cotton production systems	Roadmap and action plan developed jointly with 24 cotton growing counties. 72,000 Acres put under cotton production with over 36,000 farmers supported with seeds (Conventional seeds 134,700 kgs, Hybrid seeds 16,000 kgs & 9,000 liters of pesticides) Cabinet approved the lifting of the ban on BT cotton.	Funds for commercialization of BT Cotton required
Modernization of foundry plant and fabrication workshops to enhance the manufacture of machines, machinery tools, and parts – Numerical Machining Complex (NMC)	Quantity of castings Produced (125 tonnes)	63.95 ton of castings produced	The Agency affected by reduced orders
	No. of transmission parts /industrial fittings manufactured (56,000 pieces)	38,660 transmission parts /industrial fittings Manufactured Commenced production of auto parts for local vehicle assembling	
Restructuring of East African Portland Cement Company for increased cement production for the construction sector	Restructure EAPCC for improved operations and efficiency	Cabinet Approved restructuring of EAPCC assets, reduction of the workforce, and improved operations	High Operations costs and aging plant affect the production levels
	Produce 450 Kilotons of cement for construction	265 Kilotons of cement produced	
Infrastructure and civil works	Completion rate of 65% for construction	Completion rate remained 65%	Additional funding required for

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

State Department for Industrialization			
Project/Programme Priority Initiative	2019/2020 Targets	Achievements	Remarks
development- Kenya Industrial Training Institute (KITI)	of Workshops, Classrooms, and Ablution Block		completion of the stalled project
	Increased student enrolment in KITI from 1,565 to 2,600.	2,849 students trained on industrial skills	
Accreditation of Conformity Assessment Bodies – Kenya Accreditation Service (KENAS) Increased Accreditation And assessment	Enact Kenya National Accreditation Service Bill for an enabling environment for accreditation services to Conformity Assessment Bodies (CABs)	Kenya National Accreditation Service Act 2019 enacted	Operations affected by COVID-19 pandemic
	Assess 206 Conformity Assessment Bodies	141 Conformity Assessment Bodies assessed	
	Accredit 40 New Conformity Assessment Bodies	47 New Conformity Assessment Bodies accredited	
	Develop and roll out 4 accreditation schemes	3 accreditation schemes developed and rolled out	
Development and enforcement of standards by the Kenya Bureau of Standards (KEBs)	Develop 574 Standards including 74 to support 'Big four'	564 standards including 90 for 'Big Four' developed	Operations were affected by the implementation of Government directives on scaling to curb the spread of the COVID-19 pandemic.
	Certify 3,400 Products under SMEs	3,456 permits issued for products under SMEs	
	Certify 11,291 Products under large firms	11,303 Permits issued for Products Certified under Large Firms	
Intellectual property rights through registration of Patents, utility models, industrial designs, and trademarks	The process to completion 432 applications of patents	383 patents, processed to completion	Applications and processing were affected by Covid- 19
	The process to completion 140	131 utility models processed to completion	

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

State Department for Industrialization			
Project/Programme Priority Initiative	2019/2020 Targets	Achievements	Remarks
	applications of utility models		
	The process to completion 190 applications of industrial designs	153 industrial designs processed to completion	
	The process to completion 5,200 trademarks applications	5,246 trademarks processed to completion	
Financial support to Micro Small & Medium Enterprises (MSMEs) in the Manufacturing sector by Kenya Industrial Estates (KIE)	Disburse Kshs 1,200 million to SMEs as industrial credit	Kshs 1,222.4 million issues to SMEs as industrial credit	The creation of jobs by the SMEs was affected by the closure of businesses and scaling down of operations during the last quarter due to Covid-19
	Create 36,000 employment opportunities	36,835 jobs created	
	Train 44,000 SMEs/businesses on business skills and entrepreneurship	Trained 57,150 on business skills and entrepreneurship	
	Link 2,200 to markets, source of raw material and technology	Linked 4,182 enterprises	
Create enabling environment for Micro and Small Enterprises development through policy review Worksites provision and fund establishment	Review the MSEs Policy (Sessional Paper No. 2 of 2005 on Development of Micro and Small Enterprises policy)	MSEs Policy reviewed and submitted to Cabinet for Approval	
	MSEs Development Fund established	MSE Fund Regulations developed and submitted to the AG office STAWI product for MSMEs launched on 6 th November 2019 by commercial banks	
	Complete construction, equipping & refurbishment of 40	37 CIDCs upgraded, refurbished, and equipped	

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020.**

State Department for Industrialization			
Project/Programme Priority Initiative	2019/2020 Targets	Achievements	Remarks
	Constituency Industrial Development Centres (CIDCs)		
	Establish one Biashara centers close to the worksites of MSMEs clusters, to offer trade facilitation services related to taxes, standards, technology, and finance	Kariobangi Biashara center established with one-stop services from KIE, KEBS, KIPI, KRA, and KENAS	
Amount of industrial credit to SMEs increased and jobs created under IDB Capital	Disburse Kshs 1,100 million as credit issued to medium and large enterprises	Kshs 416 million issued as industrial credit to medium and large enterprises	Uptake of loan/industrial credit and creation of jobs was slowed down by the outbreak of the pandemic
	Create 1,900 employment opportunities	1,880 jobs created in the newly created enterprises	
The amount of financing to medium and large enterprises increased under ICDC	Disburse Kshs 1,600 million as credit issued to medium and large enterprises	Kshs 429 million issued as industrial credit to medium and large enterprises	Uptake of loan/industrial credit and creation of jobs was slowed down by the outbreak of the pandemic
	Create 8,500 employment opportunities	1835 jobs created in the newly created enterprises	
Completion of the research, technology, and innovation laboratories for increased use of industrial technologies and MSMEs growth facilitated	Develop and transfer 9 Industrial technologies to SMEs	12 industrial technologies developed & transferred to SMEs	Delivery and installation of equipment at the three laboratories and common manufacturing facilities at KIRDI Kisumu affected by the disruption of global supply chains by the Covid-19 pandemic.
	Supported 685 SMEs through Technology Incubation & Common Manufacturing Facilities	688 SMEs supported through technology incubation and common manufacturing facilities, training and consultancy services, laboratory testing and analysis	
	Equipping the Food Processing, Natural	Food Processing, Natural products &	

State Department for Industrialization
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For the year ended June 30th, 2020

State Department for Industrialization			
Project/Programme Priority Initiative	2019/2020 Targets	Achievements	Remarks
	Products, Energy laboratories, and common manufacturing facilities	Energy laboratories equipping ongoing at 90% completion	
	Completion rate of 80% for construction of Industrial Research, laboratories in Nairobi, South B	Construction of Industrial Research, laboratories in Nairobi, South B is at 70% complete (Civil works (formwork, steelwork and concrete work))	
Creating an Enabling environment to address hindrances to the expansion of operations of manufacturers	Reduction of energy cost to the enterprises	Legal Notice No. 132, of 31 July 2019 on 30% electricity expense allowable against taxable profits for manufacturers	The aim is to encourage consumption, investment, and revenue growth for the manufacturing enterprises
Enabling Policy framework(s) for the manufacturing sector	Develop the National Automotive Policy for development of local assembly and manufacture of vehicles/motorcycles and spare parts	Draft National Automotive Policy developed and submitted to Cabinet for Approval	
	National Reforms on Standards and Quality infrastructure to facilitate the growth of the SMEs and manufacturing sector	Taskforce on the National Reforms on Standards and Quality infrastructure constituted	
	Establish a National Credit Guarantee Fund	Taskforce to fast-track the process of establishing a National Credit Guarantee Fund constituted	

**CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY
REPORTING**

The State Department for Industrialization has been established under Executive Order No. 2 of May 2020. The Mandate includes Industrialization Policy and Planning; Value Addition/Agro Processing; Quality Control including Industrial Standards; Investment Promotion Policy and Facilitation; Kenya Property Rights Policy (Patents, Trade Marks, Service Marks, and Innovation); Textile Sector Development; Leather Sector Development; Ease of Doing Business; Special Economic Zones and Industrial Parks; Industrial Training and Capacity Development; Enterprise Development and Innovation; SME Policy and Development; and SME Training.

The State Department undertook the following activities under the Corporate Social Responsibility during the Financial Year:

1. Sustainability strategy and profile

The State Department has put in place the Management Board Structure bringing together the Cabinet Secretary, Principal Secretary, Head of Directorates, and Chief Executive Officers of the various State Corporations under it.

The Management Board meets once every month. This has built synergy and effective coordination in the implementation and delivery of planned programmes and projects. The reporting and follow up is done to ensure all agreed actions point are implemented within the stipulated timelines. Issues of good governance and accountability have been adopted by the Board to ensure that all Institutions/Departments have zero tolerance to corruption practices, ensure payment of outstanding pending bills, and reduction of Audit queries.

The State Department has put in place mechanisms of engaging with the Development Donors with a view of supporting in the implementation of some of the Industrial programmes including technical Assistance. Some of the support received include Textile Programme Development support from Msingi East Africa, JICA – through OVOP, and TMEA. The Department is in negotiation with the German Government through GIZ on support to establish Centre for Entrepreneurship.

In terms of implementing the Capital Projects, the Government has signed a loan agreement with the Government of Japan through JICA to support the development of Dongo Kundu Special Economic Zones, while the International Finance Corporation (IFC) has committed to supporting the Master Planning and Feasibility Study for Kisumu SEZ. In addition, the Department has signed a financing agreement with the World Bank to support the implementation of the Kenya Industry Entrepreneurship Project which is aimed at supporting innovation and productivity improvement for select firms/SMEs.

2. Environmental performance

The State Department undertakes the reviewing and screening of Environment Impact Assessments and Strategic Environmental Assessment for all industrial projects both at the National Level and County level. This is meant to reduce the adverse impact of projects and their impacts on the environment and livelihoods.

In terms of implementing the greening initiative and progressing towards the achievement of the 10% tree cover in the country, the State Department planted over 22,000 trees in the FY 2019/2020 covering an area of 14,646 acres of land. The areas where planting trees was carried out include Ngong Forest, Mau Forest, all the 22 field Stations, KITI field, and public schools.

3. Employee welfare

The Accounting Officer developed and implemented employee welfare and wellness programmes in the workplace to improve the motivation and working environment for the staff at the Headquarters and at the Field Stations. These programmes included:

- i.) Organized Medical camps for the staff;
- ii.) Organized Voluntary counselling and testing sessions for the staff;
- iii.) Undertook regular distribution of condoms to staff in various offices including field stations.

4. Market place practices

The State Department is spearheading the implementation of public procurement preferences targeting special groups of women, youth, and persons with disabilities:

- i.) Awarded Kshs. 100.19 million tenders of the total procurement budget to the Youth, Women, and Persons with Disabilities
- ii.) Organized capacity building of three groups through training on: government procurement procedures; the requirements for accessing government procurement opportunities; and the specific opportunities;
- iii.) Undertook prequalification of suppliers and special groups that provided the framework for the selection of merchant and suppliers;
- iv.) Continuous update of the prequalification framework;
- v.) Cleared the pending bills with the available resources provided and within reasonable timelines.

5. Community Engagements

The State Department worked with the County Governments of Kakamega and Embu in undertaking resource mapping targeting women and youth groups engaged in value addition activities.

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the State Department for Industrialization 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, 2020. 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.

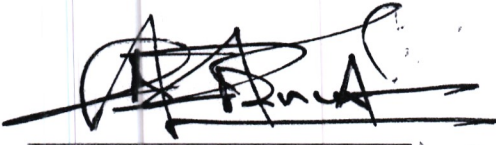
The Accounting Officer in charge of the State Department for Industrialization accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the entity's financial statements give a true and fair view of the state of the entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer in charge of the State Department for Industrialization 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 Industrialization 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.

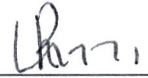
**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

Approval of the financial statements

The *entity's* financial statements were approved and signed by the Accounting Officer on: 28/12/ 2020.



Principal Secretary
Name: **Dr. F. O. Owino, PhD, CBS**



Principal Accounts Controller
Name: **Ruth M. Wanyonyi**
ICPAK Member Number: 13147

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR INDUSTRIALIZATION FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of State Department for Industrialization set out on pages 1 to 21 which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the State Department for Industrialization as at 30 June, 2020, 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. Unsupported Acquisition of Assets

As reflected in the statement of receipts and payments, the Department made payments totalling Kshs.130,498,443 under acquisition of assets. However, five payment vouchers for payments totalling Kshs.6,808,960 were not provided for audit review.

Consequently, it has not been possible to confirm the accuracy and validity of Kshs.6,808,960 included in the reported expenditure on acquisition of assets.

2. Unsupported Payments for Foreign and Domestic Travels

The statement of receipts and payments reflects use of goods and services expenditure of Kshs.383,694,728 which, as disclosed in Note 4 to the financial statements, includes Kshs.29,034,947 and Kshs.9,325,497 relating to domestic and

foreign travel and subsistence respectively. The State Department paid an amount of Kshs.3,200,025 to three (3) tour and travel firms for local and foreign travels. However, supporting documents including copies of air tickets and boarding passes, copies of motor vehicle work tickets and imprest surrender vouchers were not provided for audit review.

Consequently, the accuracy and validity of the expenditure of Kshs.3,200,025 could not be confirmed.

3. Unsupported and Wrong Classification of Foreign and Domestic Travel Costs

Included in the transfers to other Government units balance of Kshs.8,115,915,254 is Kshs.3,907,211 paid to a tour and travel firm on 13 December, 2019 vide payment voucher No.285 for invoices dated between 2016 and 2018. Most of the payments related to foreign travel by the former Cabinet Minister and his assistants. However, there was no evidence that the firm was subjected to competitive bidding and approval for budget re-allocation was not provided. Further, clearance by the Head of Public Service and the surrender of imprests issued to the officers for the travel were not availed for audit review.

In the circumstances, it has not been possible to confirm the accuracy, validity, value for money and correct classification of the Kshs.3,907,211 paid to the tour and travel firm.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Industrialization 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 audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. I have determined that there are no Key Audit Matters to communicate in my report.

Other Matter

1. Unresolved Prior Year Audit Matters

As disclosed under the progress on follow up of prior years' audit recommendations section of the financial statements, matters raised in the previous financial years, remained unresolved as at 30 June, 2020.

2. Pending Bills

Notes 16.1 and 16.2 to the financial statements reflects pending bills amounting to Kshs.120,814,328 comprised of Kshs.25,083,850 for the State Department, Kshs.79,982,755 for Kenya Industrial Training Institute (KITI) and Kshs.15,747,723 due to other entities respectively, that were not settled in the year under review but were carried forward to the 2020/2021 financial year. Failure to settle bills in the year to which they relate will adversely affect the implementation of the subsequent year's budgeted programmes as the pending bills form a first charge to that year's budget provision.

3. Budgetary Performance and Control

As reflected in the summary statement of appropriation - recurrent and development combined, the State Department had a budgeted revenue of Kshs.11,178,346,155 but received Kshs.9,201,586,113 resulting to under-collection of Kshs.1,976,760,042 or 18%. Similarly, the State Department's actual expenditure for the year amounted to Kshs.9,069,906,541 against budgeted expenditure of Kshs.11,178,346,155 resulting in an overall under absorption of Kshs.2,108,439,614 or 19% of the budgeted amount. Management attributed the under expenditure to delayed Exchequer releases. The under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

4. Delay in Exchequer Releases

The Department received Exchequer releases amounting to Kshs.445,748,433 from The National Treasury in the month of June and July 2020 as summarized below:

Date Funds Received in the Bank Account	Vote	Amount (Kshs.)
25 June, 2020	Recurrent	220,785,654
30 June, 2020	Recurrent	17,031,708
2 July, 2020	Recurrent	31,948,162
3 June, 2020	Development	20,234,381
12 June, 2020	Development	54,131,010
15 June, 2020	Development	85,192,000
30 June, 2020	Development	16,425,519
Total		445,748,434

The delay may have negatively affected timely implementation of the programmes of the State Department and provision of services to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the State Department's ability to continue to sustain services, disclosing, as applicable,

matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the 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 the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution.

My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the sustainability of services, 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 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 express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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



Nancy Gathungu
AUDITOR-GENERAL

Nairobi

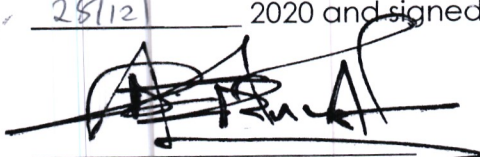
26 May, 2021

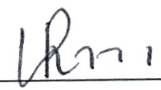
**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019-2020 Kshs	2018-2019 Kshs
RECEIPTS			
Transfers from National Treasury	1	9,174,623,868	5,633,349,526
Proceeds from Sale of Assets	2	26,962,245	30,225,237
TOTAL REVENUES		9,201,586,113	5,663,574,763
PAYMENTS			
Compensation of Employees	3	439,622,751	441,612,844
Use of goods and services	4	383,694,728	847,964,287
Transfers to Other Government Units	5	8,115,915,254	4,164,881,665
Social Security Benefits	6	175,365	5,900,000
Acquisition of Assets	7	130,498,443	153,586,055
TOTAL PAYMENTS		9,069,906,541	5,613,944,851
SURPLUS/DEFICIT		131,679,572	49,629,912

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 28/12 2020 and signed by:


Principal Secretary
Name: **Dr. F. O. Owino, PhD, CBS**

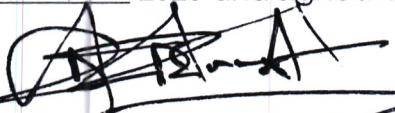

Principal Accounts Controller
Name: **Ruth M. Wanyonyi**
ICPAK Member Number: 13147

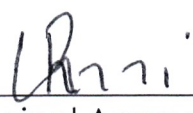
State Department for Industrialization
 Reports and Financial Statements
 For the year ended June 30th, 2020

STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020 Kshs	2018-2019 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8A	168,798,873	39,774,514
Cash Balances	8B	23,849	135,503
Total Cash And Cash Equivalents		168,822,721	39,910,016
Accounts Receivables - Outstanding Imprest and Clearence Accounts	9	315,131	30,529,643
TOTAL FINANCIAL ASSETS		169,137,852	70,439,660
LESS: FINANCIAL LIABILITIES			
Accounts Payables - Deposits	10	31,830,892	7,436,572
NET FINANCIAL ASSETS		137,306,959	63,003,088
REPRESENTED BY			
Fund balance b/fwd	11	63,003,088	942,112,985
Prior year adjustments	12	(57,375,701)	(928,739,808)
Surplus/Defict for the year		131,679,572	49,629,912
NET FINANCIAL POSSITION		137,306,959	63,003,089

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 28/12/2020 and signed by:


 Principal Secretary
 Name: **Dr. F. O. Owino, PhD, CBS**

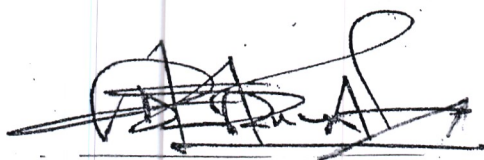

 Principal Accounts Controller
 Name: **Ruth M. Wanyonyi**
 ICPAK Member Number: **13147**

State Department for Industrialization
 Reports and Financial Statements
 For the year ended June 30th, 2020

STATEMENT OF CASH FLOWS

	Note	2019- 2020 Kshs	2018-2019 Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for operating income:			
Transfers from National Treasury	1	9,174,623,868	5,633,349,526
		9,174,623,868	5,633,349,526
Payments for operating expenses			
Compensation of Employees	3	439,622,751	441,612,844
Use of goods and services	4	383,694,728	847,964,287
Transfers to Other Government Units	5	8,115,915,254	4,164,881,665
Social Security Benefits	6	175,365	5,900,000
		8,939,408,098	5,460,358,796
Adjusted for:			
Prior Year Adjustments	12	(57,375,701)	9,923,539
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	13	30,214,512	2,603,915
Increase/(Decrease) in Accounts Payable: (deposits and retention)	14	24,394,321	(928,739,808)
		232,448,902	(743,221,625)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	26,962,245	30,225,237
Acquisition of Assets	7	(130,498,443)	(153,586,055)
Net cash flows from Investing Activities		(103,536,198)	(123,360,818)
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		128,912,704	(866,582,443)
Cash and cash equivalent at BEGINNING of the year		39,910,016	906,492,460
Cash and cash equivalent at END of the year		168,822,721	39,910,017

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 _____ 2020 and signed by:


 Principal Secretary
 Name: **Dr. F. O. Owino, PhD, CBS**

Principal Accounts Controller
 Name: Ruth M. Wanyonyi
 ICPAK Member Number: **13147**

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

STATE DEPARTMENT FOR INDUSTRIALIZATION

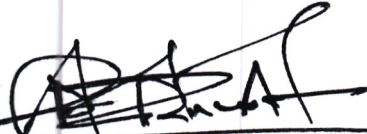
**SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT
COMBINED**

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization Difference to Final Budget
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	6,120,734,944	3,733,157,211	9,853,892,155	9,174,623,868	679,268,287	93%
Proceeds from Foreign Borrowings	1,154,000,000	(550,000,000)	604,000,000	-	604,000,000	0%
Other Receipts	360,227,000	360,227,000	720,454,000	26,962,245	693,491,755	4%
Total Receipts	7,634,961,944	3,543,384,211	11,178,346,155	9,201,586,113	1,976,760,042	82%
Payments						
Compensation of Employees	216,894,700	231,970,214	448,864,914	439,622,751	9,242,163	98%
Use of goods and services	394,000,000	140,501,805	534,501,805	383,694,728	150,807,076	72%
Transfers to Other Government Units	6,732,007,000	2,974,151,196	9,706,158,196	8,115,915,254	1,590,242,942	84%
Social Security Benefits	4,587,683	(4,412,318)	175,365	175,365	0	100%
Acquisition of Assets	287,472,561	201,173,314	488,645,875	130,498,443	358,147,432	27%
Grand Total	7,634,961,944	3,543,384,211	11,178,346,155	9,069,906,541	2,108,439,614	81%
Surplus/Deficit	-	-	-	131,679,572	(131,679,572)	

Notes:

Underutilization on proceeds from foreign borrowings, other receipts, use of goods and services, transfers to other government entities, and the Acquisition of assets is due to change in supplementary budgets and COVID 19 pandemic.

The entity financial statements were approved on 28/12/ 2020 and signed by:


Principal Secretary
Name: **Dr. F. O. Owino, PhD, CBS**


Principal Accounts Controller
CPA Ruth Wanyonyi
ICPAK Member Number: **13147**

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

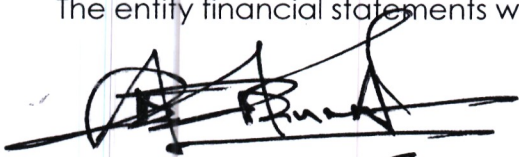
SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
RECEIPTS						
Exchequer releases	1,344,234,944	1,309,691,122	2,653,926,066	2,626,065,151	27,860,914	99%
Proceeds from Sale of Assets	15,500,000	18,500,000	34,000,000	-	34,000,000	0%
Other Receipts	360,227,000	360,227,000	720,454,000	26,962,245	693,491,755	4%
Total Receipts	1,719,961,944	1,688,418,122	3,408,380,066	2,653,027,396	755,352,669	78%
PAYMENTS						
Compensation of Employees	216,894,700	231,970,214	448,864,914	439,622,751	9,242,163	98%
Use of goods and services	197,000,000	140,501,805	337,501,805	318,509,695	18,992,109	
Transfers to Other Government Units	1,297,007,000	1,321,677,000	2,618,684,000	1,884,095,000	734,589,000	72%
Social Security Benefits	4,587,683	(4,412,318)	175,365	175,365	-	100%
Acquisition of Assets	4,472,561	(1,318,579)	3,153,982	3,127,809	26,173	99%
Grand Total	1,719,961,944	1,688,418,122	3,408,380,066	2,645,530,620	762,849,446	78%
Surplus/Deficit	-	-	-	7,496,777	(7,496,777)	

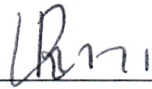
Notes:

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The entity financial statements were approved on 28/12 2020 and signed by:



Principal Secretary
Name: **Dr. F. O. Owino, PhD, CBS**



Principal Accounts Controller
CPA Ruth Wanyonyi
ICPAK Member Number: **13147**

State Department for Industrialization
 Reports and Financial Statements
 For the year ended June 30th, 2020

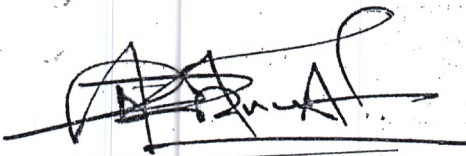
SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation (=0/6 %)
RECEIPTS						
Exchequer releases	4,761,000,000	2,404,966,089	7,165,966,089	6,548,558,717	617,407,373	91%
Proceeds from Foreign Borrowings	1,154,000,000	-550,000,000.00	604,000,000	-	604,000,000	0%
Total Receipts	5,915,000,000	1,854,966,089	7,769,966,089	6,548,558,717	1,221,407,373	84%
Payments						
Use of goods and services	197,000,000	-	197,000,000	65,185,033	131,814,967	33%
Transfers to Other Government Units	5,435,000,000	1,652,474,196	7,087,474,196	6,231,820,254	855,653,942	88%
Acquisition of Assets	283,000,000	202,491,893	485,491,893	127,370,634	358,121,259	26%
Grand Total	5,915,000,000	1,854,966,089	7,769,966,089	6,424,375,921	1,345,590,168	83%
Surplus/Deficit	-	-	-	124,182,796	(124,182,796)	

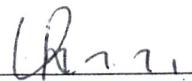
Notes:

Underutilization on proceeds from foreign borrowings, other receipts, use of goods and services, transfers to other government entities, and the Acquisition of assets is due to change in supplementary budgets and COVID 19 pandemic.

The entity financial statements were approved on 28/12/2020 and signed by:



Principal Secretary
 Name: **Dr. F. O. Owino, PhD, CBS**



Principal Accounts Controller
 CPA Ruth Wanyonyi
 ICPAK Member Number: **13147**


**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Program	Sub Program	Description	Approved Budget	Actual Payments	Variance
301000000		General Administration Planning	661,107,064	517,400,175	143,706,889
	301010000		661,107,064	517,400,175	143,706,889
302000000		Industrial Development and	4,455,678,084	3,193,393,152	1,262,284,932
	302010000	Promotion of Industrial Development	4,025,748,563	3,028,604,131	997,144,432
	302030000	Promotion of Industrial Training	429,929,521	164,789,020	265,140,501
303000000		Standards and Business Incubation	6,061,906,063	5,359,113,214	705,088,944
	303010000	Standardization, Metrology and	203,035,000	120,000,000	83,035,000
	303020000	Business financing & incubation for	3,711,160,863	3,115,106,919	596,053,944
	303040000	Industrial Research, Development and	2,147,710,200	2,124,006,295	26,000,000
		Grand Total	11,178,691,211	9,069,906,541	2,111,080,765

(NB: This statement is a disclosure statement indicating the utilization of the same format at the Entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)


Principal Secretary
Name: **Dr. F. O. Owino, PhD, CBS**


Principal Accounts Controller
CPA Ruth Wanyonyi
ICPAK Member Number: **13147**

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

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 Entity for all the years presented.

a) Recognition of Receipts

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

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy applies to the entity)

SIGNIFICANT ACCOUNTING POLICIES

Transfers from the Exchequer

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

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 payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and termination 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 30th June 2020, there were no instances of non-compliance with terms and conditions which have resulted in the cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

The Entity recognizes all payments when the event occurs, and the related cash has been paid out by the Entity.

Compensation of Employees

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

Use of Goods and Services

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

Interest on Borrowing

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

SIGNIFICANT ACCOUNTING POLICIES

Repayment of Borrowing (Principal Amount)

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

Acquisition of Fixed Assets

The payment on the acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from the 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 payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

5. In-kind contributions

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment, or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

6. 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.

7. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya at various commercial banks at the end of the financial year.

Restriction on Cash

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

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2020, this amounted to Kshs - compared to Kshs - in the or period as indicated on note -.

There were no other restrictions on cash during the year.

SIGNIFICANT ACCOUNTING POLICIES

8. Accounts Receivable

For these financial statements, imprests and advances to authorized public officers and/or institutions that 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.

9. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending the 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.

10. Pending Bills

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

11. 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 in June 2019 for the period 1st July 2019 to 30th June 2020 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.

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

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

12. Comparative Figures

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

SIGNIFICANT ACCOUNTING POLICIES

13. Subsequent Events

There have been no events after the financial year-end with a significant impact on the financial statements for the year ended 30th June 2020.

14. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by i. restating the comparative amounts for the prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities, and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 26 explaining the nature and amounts.

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to.

NOTES TO THE FINANCIAL STATEMENTS

1 EXCHEQUER RELEASES

Description	2019-2020 Kshs	2018-2019 Kshs
Total Exchequer Releases for quarter 1	2,512,740,700	493,132,935
Total Exchequer Releases for quarter 2	868,673,023	1,283,808,726
Total Exchequer Releases for quarter 3	4,805,610,559	2,020,023,550
Total Exchequer Releases for quarter 4	987,599,586	1,836,384,315
TOTAL	9,174,623,868	5,633,349,526

2 PROCEEDS FROM SALE OF ASSETS

	2019-2020 Kshs	2018-2019 Kshs
Receipts from the Sale of Inventories, Stocks and Commodities	26,962,245	30,225,237
TOTAL	26,962,245	30,225,237

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

3 COMPENSATION OF EMPLOYEES

	2019- 2020 Kshs	2018-2019 Kshs
Basic salaries of permanent employees	250,212,220	254,512,874
Basic wages of temporary employees	-	187,099,970
Personal allowances paid as part of salary	189,223,885	-
Personal allowances paid as reimbursements	186,646	
TOTAL	439,622,751	441,612,844

4 USE OF GOODS AND SERVICES

	2019- 2020 Kshs	2018-2019 Kshs
Utilities, supplies and services	33,855,912	32,967,278
Communication, supplies and services	2,844,387	7,445,208
Domestic travel and subsistence	29,034,947	82,070,564
Foreign travel and subsistence	9,325,497	37,827,158
Printing, advertising and information supplies & services	3,583,068	35,216,238
Rentals of produced assets	118,525,055	117,406,273
Training expenses	25,066,837	29,258,777
Hospitality supplies and services	10,192,246	28,514,840
Specialised materials and services	79,613,175	100,705,601
Office and general supplies and services	10,501,048	34,907,926
Other operating expenses	45,728,588	298,145,779
Routine maintenance – vehicles and other transport equipment	4,242,093	12,777,966
Routine maintenance – other assets	4,570,705	15,781,901
Fuel Oil and Lubricants	6,611,170	14,938,778
TOTAL	383,694,728	847,964,287

5 GRANTS AND TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2019- 2020 Kshs	2018-2019 Kshs
Transfers to National Government entities (SCOA Codes 2630100, 2630200, 2640400, 2640500, 2649900, 2820100, 2820200, 2820300)	1,884,095,000	1,393,219,059
See attached list	6,231,820,254	2,771,662,606
TOTAL	8,115,915,254	4,164,881,665

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

**State Department for Industrialization
Reports and Financial Statements
For the year ended June 30th, 2020**

Description	Recurrent	Development	2019- 2020
	Kshs	Kshs	Kshs
Transfers to SAGAs and SCs			-
Kenya Investment Authority	253,200,000	-	253,200,000
Kenya Leather Development Council	158,200,000	267,198,089	425,398,089
Numeric Machining Complex Limited	138,679,200	297,400,000	436,079,200
Export Processing Zones Authority	100,000,000	470,000,000	570,000,000
Special Economic Zone Authority	22,770,000	6,108,107	28,878,107
Micro And Small Enterprise Authority	258,600,000	1,373,114,058	1,631,714,058
Kenya Industrial Estates Limited	278,935,600	1,200,000,000	1,478,935,600
Kenya Industrial Research and Development Institution	553,710,200	1,568,000,000	2,121,710,200
RIVATEX	-	1,050,000,000	1,050,000,000
Kenya Accreditation Services	120,000,000		120,000,000
TOTAL	1,884,095,000	6,231,820,254	8,115,915,254

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 SOCIAL SECURITY BENEFITS

	2019-2020 Kshs	2018-2019 Kshs
Government pension and retirement benefits	175,365	5,900,000
TOTAL	175,365	5,900,000

7 ACQUISITION OF ASSETS

	2019- 2020 Kshs	2018-2019 Kshs
Refurbishment of Buildings	2,638,642	5,674,496
Construction and Civil Works	-	146,409,399
Purchase of Office Furniture and General Equipment	489,167	1,502,160
Research, Studies, Project Preparation, Design & Supervision	127,370,634	-
TOTAL	130,498,443	153,586,055

8A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit e.t.c	2019-2020	2018-2019
			Kshs	Kshs
Central Bank of Kenya, 87038023,KShs	Ksh	Reccurent	4,385,672	17,615,086
Central Bank of Kenya, 87056980,KShs	Ksh	Development	378,851	13,600,000
Central Bank of Kenya, 87134823,KShs	Ksh	Deposit	15,747,723	7,436,572
Central Bank of Kenya, 30861002,KShs	Ksh	Project	132,203,457	1,122,856
kenya commercial Bank-111297716 KITI,Kshs	Ksh	Deposit	16,083,169	-
Total	-		168,798,873	39,774,514

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8B: CASH IN HAND

	2019- 2020 Kshs	2018-2019 Kshs
Cash in Hand – Held in domestic currency	23,849	135,503
TOTAL	23,849	135,503

8C: Cash in hand should also be analyzed as follows:

	2019- 2020 Kshs	2018-2019 Kshs
	23,849	135,503
TOTAL	23,849	135,503

9: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	2019- 2020 Kshs	2018-2019 Kshs
Government Imprests	240,226	587,212
District suspense	74,904	29,942,431
TOTAL	315,130	30,529,643

10 ACCOUNTS PAYABLE

	2019- 2020 Kshs	2018-2019 Kshs
Deposits	15,747,723	7,436,572
Deposits-KITI	16,083,169	-
TOTAL	31,830,892	7,436,572

11 FUND BALANCE BROUGHT FORWARD

	2019- 2020 Kshs	2018-2019 Kshs
Bank accounts	39,774,514	906,420,029
Cash in hand	135,503	72,431
Receivables - Outstanding Imprests	30,529,643	40,453,182
Payables - Deposits	(7,436,572)	(4,832,657)
TOTAL	63,003,088	942,112,985

12 PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f	Adjustments	Adjusted Balance b/f
	FY 2018/2019 as per Financial statements Kshs		FY 2018/2019 Kshs
Bank account Balances	39,774,514	(28,785,100)	10,989,414
Cash in hand	135,503	-	135,503
Receivables	30,529,643	(28,590,601)	1,939,042.38
Accounts Payables	(7,436,572)	-	(7,436,572)
	63,003,088	(57,375,701)	5,627,387

Disclosure: The prior year adjustments of ksh.57,375,701

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Constitutes of ksh.28, 590,601 unspent Development A.I.E from KITI under District suspense for the financial year 2018/2019 that was recovered by treasury on 22/11/2019 the year under Audit. Ksh.28,785,100 (was unspent balance at the headquarter as at 30/6/2019 recovered by treasury as follows: Recurrent A/C- Ksh.13,600,000 on 9/8/2019 and Development A/C.15,185,100 on 29/11/2019. Note. The recovered money was unspent balances from various exchequers received.

13. CHANGES IN RECEIVABLE

Description	2019-2020	2018-2019
Government Imprests-13A	240,226	587,212
District suspense-13 B	74,904	29,942,431
TOTAL(13-A + 13-B)	315,131	30,529,643
Change in receivables(previous-current year)	30,214,512.11	

13A CHANGES IN RECEIVABLE

Description of the error	2019 - 2020 KShs	2018 - 2019 KShs
Outstanding Imprest as at 1 st July 2019 (A)	587,212	0
Imprest issued during the year (B)	54,010,157	55,172,085
Imprest surrendered during the Year (C)	54,357,643	54,584,873
Net changes in account receivables D= A+B-C	240,226	587,212

13.B CHANGES IN RECEIVABLE

Description of the error	2019 - 2020 KShs	2018 - 2019 KShs
Outstanding District Suspense as at 1 st July 2019 (A)	29,942,431	0
AIE issued during the year (B)	150,961,853	319,321,026
AIE surrendered during the Year (C)	180,829,380	289,378,595
Net changes in account receivables D= A+B-C	74,904	29,942,431

14. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

Description of the error	2019 - 2020 KShs	2018 - 2019 KShs
Deposit and Retentions as at 1 st July 2019 (A)	7,436,572	4,832,656.75
Deposit and Retentions held during the year (B)	45,167,344	21,923,968
Deposit and Retentions paid during the Year (C)	36,856,192	19,320,053
Deposit -KITI	16,083,169	
Net changes in account payables D= A+B- C	31,830,892	7,436,572.75
Changes in accounts payable=previous- current years(31,830,892-7,436,572.75	24,394,321	

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15. RELATED PARTY DISCLOSURES

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

The following comprises of related parties to the State Department for Industrialization.

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

Related party transactions:

	2019- 2020 Kshs	2018-2019 Kshs
Transfers to the Other Ministries Departments and Agencies	8,115,915,254	4,164,881,665
Transfers from other Ministries Departments and Agencies	26,962,245	30,225,237
Transfer to Projects	442,346,058	-

OTHER IMPORTANT DISCLOSURES

16.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

Description	Balance b/f FY 2018/2019 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance c/f FY 2019/2020 Kshs
Supply of services	32,771,945	23,315,148	(31,003,243)	25,083,850
Supply of goods& Services -KITI	79,982,755	-	-	79,982,755
Total	112,754,700	23,315,148	(31,003,243)	105,066,605

16.2: OTHER PENDING PAYABLES (See Annex 2)

	2019- 2020 Kshs	2018-2019 Kshs
Amounts due to Entity entities	15,747,723	7,436,572
TOTAL	15,747,723	7,436,572

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16.3 External Assistance

Description	FY 2019/2020	FY 2018/2019
	Kshs	Kshs
External assistance received in cash		
External assistance received as loans and grants	177,492,638	36,326,115
Total	177,492,638.00	36,326,115.00

a) External assistance relating loans and grants

Description	FY 2019/2020	FY 2018/2019
	Kshs	Kshs
External assistance received as loans	177,492,638	-
External assistance received as grants		36,326,115
Total	177,492,638	36,326,115.00

b) Undrawn external assistance

Description	The purpose for which the undrawn external assistance may be used	FY 2019/2020	FY 2018/2019
		EURO	EURO
Undrawn external assistance - loans		86,870.35	1,400,000
Undrawn external assistance - grants			
Total			

c).Classes of providers of external assistance

Description	FY 2019/2020	FY 2018/2019
	Kshs	Kshs
Multilateral donors	-	36,326,115
Bilateral donors	-	-
International assistance organization	177,492,638	-
Total	177,492,638.00	36,326,115

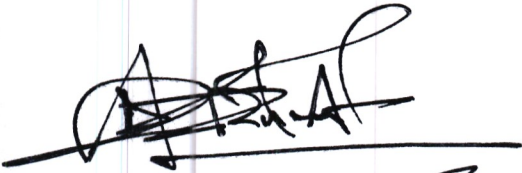
PROGRESS ON FOLLOW UP OF PRIOR YEARS AUDITOR'S RECOMMENDATIONS

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

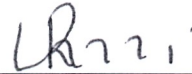
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Transfer to other government Units and other grants and Transfers	The matter was elaborately responded to before the PAC Committee		Waiting for PAC's Report	
	Unreconciled Cash and Bank Balances Management has not explained or reconciled the variances casting doubt on the accuracy of the cash and cash equivalents balance of Kshs.39,910,016 as at 30 June, 2019	The Figures have been reconciled		Resolved	
	Other matters				
	1.Pending Bills	The Pending bills were paid during the financial year under audit 2019/2020.		Resolved	
	2.Budgetary Performance and Control Observation Kshs.956,439,067 or 14%. Further, the State Department projected to spend the budgeted revenue of Kshs.6,620,013,83			Resolved	

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	<p>0 on various budget lines but actually incurred expenditure totalling to Kshs.5,613,944,851 resulting to an overall budget under absorption of Kshs.1,006,068,979 or 15%.</p> <p>In the circumstances, the State Department may not have implemented all its planned activities creating a negative impact on service delivery to the public.</p>	<p>The Issue was due to lack of exchequer from the National Treasury</p>			
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Principal Secretary



Principal Accounts Controller

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE (Attached)

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To- Date	Outstanding Balance 2019-2020	Outstanding Balance 2018-2019
Supply of goods					
High tech suppliers					
1. TWENTY FOUR INTER ACTIVE	483,274.00	2013/14	483,274	0	483,274.00
2. DESIRAL(K)	4,350,143.80	2013/14	4,350,143.80	0	4,350,143.80
3. AUTOGENIUS ENTERPRISES	162,100.00	2013/14	162,100.00	0	162,100.00
4. MEDIA MAX	8,830,500.00	2011/12	8,830,500.00	0	8,830,500.00
5. PWC	14,311,225.00	2016/17	14,311,225.00	0	14,311,225.00
6. KENYA SCHOOL OF MONETARY	2,866,000.00	2018/19	2,866,000.00	0	2,866,000.00
7. OLACO INVESTMENT	106,241.00	2013/14			106,241.00
8. MINJA TYRES AND AUTO MART L	326,500.00	2013/14			326,500.00
9. DREW ESSENCE ENTERPRISES	115,000.00	2014/15			115,000.00
10. PATNET ENTERPRISES	98,500.00	2016/17			98,500.00
11. JEMMIX ENTERPRISES	318,060.00	2016/17			318,060.00
12. KENYA RE-INSURANCE	804,400.90	2013/14			804,400.90
13. ELITE TIMES VENTURES	1,525,120.00	2019/20		1,525,120.00	
14. KENYA SAFARI LODGES LTD	348,000.00	2019/20		348,000.00	
15. PAGO AIRWAYS TRAVEL	45,430.00	2019/20		45,430.00	
16. PHARRELL TRAVEL LTD	42,392.00	2019/20		42,392.00	
17. ROSEBE ENTERPRISE	125,000.00	2019/20		125,000.00	
18. KISUMU HOTEL	250,000.00	2019/20		250,000.00	
19. HUBLINK AGENCIES	425,000.00	2019/20		425,000.00	
20. FRIENDS & FAWZ LTD	351,000.00	2019/20		351,000.00	
21. FRAIMA INVESTMENTS	415,800.00	2019/20		415,800.00	
22. HIGHLANDS FALLS AGENCIES	440,000.00	2019/20		440,000.00	
23. TRENDMART GENERAL SUPPLIES	412,500.00	2019/20		412,500.00	
24. SAMO AGENCIES LTD	642,000.00	2019/20		642,000.00	
25. SAMO AGENCIES LTD	495,000.00	2019/20		495,000.00	
26. DEBOMA AGENCIES	499,000.00	2019/20		499,000.00	
27. DORO SUPPLIERS	300,000.00	2019/20		300,000.00	
28. AFRO KENT OFFICE EQUIPMENT	1,545,000.00	2019/20		1,545,000.00	
29. NATIONAL MEDIA	263,320.00	2019/20		263,320.00	
30. EMART SERVICES	1,311,500.00	2019/20		1,311,500.00	
31. ROBI AGENCIES	506,500.00	2019/20		506,500.00	
32. FACE INVESTMENT	95,000.00	2019/20		95,000.00	
33. KAIGI ENTERPRISE	240,000.00	2019/20		240,000.00	
34. FACE INVESTMENT	180,000.00	2019/20		180,000.00	
35. ELITE TIMES VENUTRES	61,360.00	2019/20		61,360.00	
36. TROJANS GENERAL SUPPLIERS	375,000.00	2019/20		375,000.00	
37. TRUESENCE LOGISTICS	425,000.00	2019/20		425,000.00	
38. MINIMIX AGENCIES	589,950.00	2019/20		589,950.00	
39. LAMDAK LTD	492,000.00	2019/20		492,000.00	
40. ELIOTI ENTERPRISES	202,500.00	2019/20		202,500.00	
41. EMART ENTERPRISES	530,000.00	2019/20		530,000.00	
42. JAYCODE ENTERPRISES	555,000.00	2019/20		555,000.00	
43. KITI	530,000.00	2019/20		530,000.00	
44. PHARRELL LTD	51,800.00	2019/20		51,800.00	
45. PHARRELL LTD	154,939.00	2019/20		154,939.00	
46. BURCHS RESORT	332,500.00	2019/20		332,500.00	
47. ARINDO ENTERPRISES	540,000.00	2019/20		540,000.00	
48. RAMUMBI BUSINESS SOLUTIONS	375,000.00	2019/20		375,000.00	
49. SANS ERMALO VENTURES	360,000.00	2019/20		360,000.00	
50. BASE LINK GROUP LTD	316,200.00	2019/20		316,200.00	
51. SPATRADE KENYA LTD	1,065,000.00	2019/20		1,065,000.00	
52. MFI DOCUMENT SOLUTIONS	1,644,648.00	2019/20		1,644,648.00	
53. MILAKOT AGENCIES	480,000.00	2019/20		480,000.00	
54. AFROKENT OFFICE EQUIP	927,000.00	2019/20		927,000.00	
55. EMART	747,200.00	2019/20		747,200.00	
56. JENMEA ENTERPRISES	495,000.00	2019/20		495,000.00	
57. THE ELITE TIMES VENTURES	37,980.00	2019/20		37,980.00	
58. MFI DOCUMENT SOLUTIONS	548,216.00	2019/20		548,216.00	
59. DOWAKA GLOBAL	425,000.00	2019/20		425,000.00	
60. PATREDA GLOBAL ENTERPRISES	202,500.00	2019/20		202,500.00	
61. MUSART AGENCIES	480,000.00	2019/20		480,000.00	
62. WELLINGTON ENTERPRISES	295,000.00	2019/20		295,000.00	
63. UNIKEM ENTERPRISES	500,000.00	2019/20		500,000.00	
64. CHIEF MECHANICAL & TRANSPORT	41,360.00	2019/20		41,360.00	
65. KITUI MULTIPURPOSE DEV. CENTRE	180,000.00	2019/20		180,000.00	
66. JEHOVA JIRE HOTEL	242,000.00	2019/20		242,000.00	
Sub-Total	57,431,660		31,003,243	25,083,850.00	32,771,944.70
Grand Total	57,431,660		31,003,243	25,083,850.00	32,771,944.70

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ANNEX 2 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Cost	Accumulated depreciation	Depreciation expense	Net book value
	(Ksh)	(Ksh)	(Ksh)	(Ksh)
Buildings and structures	152,083,895	130,009,276	-	282,093,171
Office equipment, furniture and fittings	1,502,160	489,167	-	1,991,327
Total	153,586,055	130,498,443	-	284,084,498

Disclosure: The amount under the Asset class of Building and construction of ksh.130, 009,276 consist of the actual amount for buildings and structures ksh.2, 638,642 and the balance of ksh.127, 370,634 was the amount charged on research,feasibility studies, project preparation, design & supervision item.

ANNEX 3-LIST OF PROJECTS IMPLEMENTED BY THE STATE DEPARTMENT FOR INDUSTRIALIZATION

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements(yes/no)
	1 KIEP	To increase innovation and productivity in selected private sector firms	Dr.F.O.Owino,PhD	NO

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ANNEX 4 – LIST OF SCs, SAGAs, AND PUBLIC FUNDS UNDER THE STATE DEPARTMENT FOR INDUSTRIALIZATION

Ref	SC, SAGA or Public Fund's name	Principal activity of entity	Accounting Officer	Amount transferred during the year	Inter-entry reconciliations done? (yes/no)
1	KENYA INVESTMENT AUTHORITY	INVESTMENT PROMOTION	Phd. MOSES IKIARA	253,200,000.00	YES
2	KENYA LEATHER DEV. COUNCIL	DEVELOPMENT OF LEATHER CLUSTERS	Dr. ISAACK N. MOHAMMED	425,398,089.00	YES
3	NUMERICAL MACHINING COMPLEX	MANUFACTURE OF MACHINE PARTS	Eg. DAVID MWADALI	436,079,200.00	YES
4	EXPORT PROCESSING ZONES AUTHORITY	MANUFACTURING AND JOB CREATION	Mr. HENRY OBINO	570,000,000.00	YES
5	SPECIAL ECONOMIC ZONES AUTHORITY	MANUFACTURING AND JOB CREATION	Mr. MESHACK KIMEU	28,878,107.00	YES
6	MICRO AND SMALL ENTERPRISE AUTHORITY	LENDING AND BUSINNES SUPPORT TO MICRO AND SMALL ENTERPRISES	Mr. HENRY RITHAA	1,631,714,058.00	YES
7	KENYA INDUSTRIAL ESTATES LTD	LENDING AND BUSINNES SUPPORT TO INCUBATION ENTERPRISES	Mr. PARMAN OLE NARIKAE	1,478,935,600.00	YES
8	KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE	RESEARCH ACTIVITIES AND INCUBATION (PRODUCT DEVELOPMENT)	Prof. DAVID TUIGONG	2,121,710,200.00	YES
9	RIVATEX	REVITALIZATION OF TEXTILE MANUFACTURING	Prof. THOMAS KIP KURGAT	1,050,000,000.00	YES
10	KENYA ACCREDITATION SERVICE	PROVISION OF ACCREDITATION SERVICES	Mr. MARTIN CHESIRE	120,000,000.00	YES
				8,115,915,254.00	

ANNEX 5-ANALYSIS OF KITI AIA, DEPOSITS & EXPENDITURES-Attached.

The total amount collected on behalf of KITI students during the financial year 2019/2020 was ksh.37, 192,947, the institution incurred the expenditure /refund to students of ksh.28, 610,378 under various activities as per the attached schedules.

Thus the closing balance as 30/6/2020 was total ksh.16, 082,264 that constitutes money for various activities as per the attached schedule.

ANNEX 6 – REPORTS GENERATED FROM IFMIS

The following financial Reports Generated from IFMIS should be generated and attached as appendices to these financial statements.

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