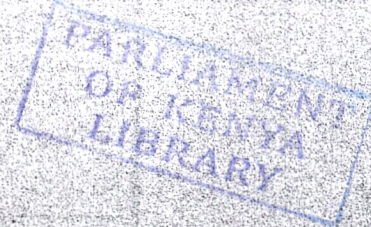


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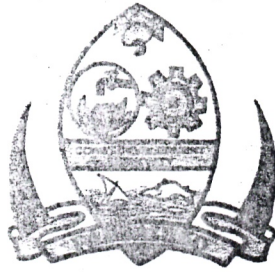


REPORT OF THE CONTROLLER AND AUDITOR-GENERAL

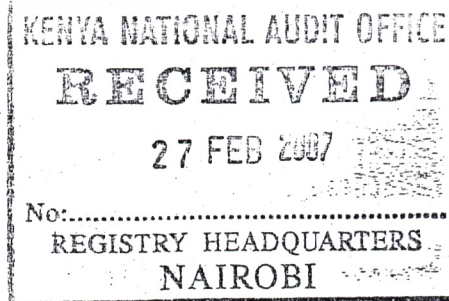
ON

**THE FINANCIAL STATEMENTS OF THE
COAST DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED 30 JUNE 2006**





COAST DEVELOPMENT AUTHORITY



ANNUAL REPORT

&

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2006

COAST DEVELOPMENT AUTHORITY

TABLE OF CONTENTS	PAGE
1. CORPORATE INFORMANTION	(I)
2. MANDATE OF THE AUTHORITY	(II)
3. STATEMENT FROM THE DIRECTOR	(III)+(IV)
4. DIRECTOR'S RESPONSIBILITIES	(V)
5. BALANCE SHEET	1
6. CASHFLOW STATEMENT	2
7. STATEMENT OF CHANGES IN EQUITY	3
8. INCOME & EXPENDITURE ACCOUNT	4-5
9. NOTES TO THE ACCOUNTS	6-12
10. SCHEDULES TO THE ACCOUNTS	13

COAST DEVELOPMENT AUTHORITY

CORPORATE INFORMATION FOR THE YEAR ENDED 30TH JUNE 2005

DIRECTORS

Mr. W.Mshihiri Wa Hare	-Chairman	
Prof. J. A. Lugogo	-Managing Director (Deceased)	
Dr.B.J.Mwandotto	-Ag.Managing Director	
Mr. Dennis Rimber	-V/Chairman	-Kilifi District Representative
Prof. A. Naji Said	- Member	- Malindi District
Mr. Micheal Wabungo	- Member	- Kwale District
Mr. Mohammed Dhidha	- Member	- Tana River District
Mrs. Victoria mwafugha	- Member	- Taita / Taveta District
Prof. Mohammed Hyder	- Member	- Mombasa District
Mr. A. Mohammed Fani	- Member	- Lamu District
Mr. Mohammed Dahir	- Member	- Ijara District
Mr. Nicholos Nzombo	- Member	
Alternate Member	- Provincial Commissioner Coast	
Alternate Member	- Inspectorate of State Corporations	
Alternate Member	- Ministry of Regional Development Authorities	
Alternate Member	- Ministry of Water	
Alternate Member	- Ministry of Finance	
Alternate Member	- Ministry of Health	

PARENT MINISTRY: Ministry of Regional Development Authorities
NSSF Building
P.O. Box 10280 -00100

NAIROBI

AUDITORS: Controller & Auditor General
P.O. Box 30084 -00100

NAIROBI

BANKERS:	National Bank of Kenya Nkrumah Branch P.O. Box 90363 -80100 <u>MOMBASA</u> National Bank of Kenya Portway House Branch P.O. Box 87770 – 80100 <u>MOMBASA</u>	Kenya Commercial Bank Treasury Square P.O. Box 90254 - 80100 <u>MOMBASA</u> Kenya Commercial Bank Kilifi Branch P.O. Box 528 – 80108 <u>KILIFI</u>
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Registered Office: Coast Development Authority
P.O. Box 1322-80100
Mama Ngina Drive
Mombasa, Kenya

Kenya Commercial Bank
Wundanyi Branch
P.O. Box 1067 – 80304
WUNDANYI

COAST DEVELOPMENT AUTHORITY

MANDATE OF THE AUTHORITY

Coast Development Authority was created by an Act of Parliament No. 20 of 1990 (Cap 449) to initiate, plan, coordinate and implement development programmes aimed at providing Socio- economic goods and services to the local community within its area of jurisdiction. The area of jurisdiction includes the whole of Coast Province consisting of Kwale, Malindi, Mombasa, Lamu, Tana River, Kilifi and Taita- Taveta districts and Ijara district of North Eastern Province and the Kenya exclusive economic zone (EEZ). The Authority is a non-profit organization.

COAST DEVELOPMENT AUTHORITY

STATEMENT FROM THE CHAIRMAN

INTRODUCTION

I would like to take this opportunity to give brief History of the CDA which was the last to be created among the existing Regional Authorities. The Authority was created by Act of Parliament Cap 449 No.20 of the laws of Kenya 1990 with Primary Objectives of accelerating Development of the Coastal region. As is well known, this region is endowed with unique ecological feature and resources.

FUNCTIONS

The Authority is mandated to carry out various functions within the Jurisdiction area of its operations. These includes:- Planning, Coordinating, Monitoring and Evaluation of Development projects of all nature in the region with a view of ensuring relevance in project identification, equitability in planning, effectiveness in presentation and usefulness to the target community.

DEVELOPMENT GOALS

The Authority set some goals social and economic welfare for the people within the region among which is Food self-sufficiency.

DEVELOPMENT STRATEGIES AND CHALLENGES

The greatest challenges facing the Authority since inception have been caused by financial constraint and to a very great extent lack of clear policy directions as to its actual mandate. From the surface it may appear the Authority has overwhelming mandate on its jurisdiction area to carry out various development projects but sadly no clear mechanism exists on how these various functions can be carried out without creating conflict with other bodies which are also mandated to execute the same functions the Authority has been mandated by the Act. It is because of this confusion of roles which has often led to unwarranted claims and accusations of duplication of duties being carried out by line ministries- hence the authority has provocatively been called upon from time to time to justify its existence. This is very disheartening and the need for clear policy guidelines at this point cannot be stressed too strongly.

DEBT SERVICING

This is another major problem facing the authority at the moment. The re-current budget can hardly meet all the necessary expenses for day to day operations of the authority. This has contributed to the huge accumulation of debts both general and statutory. The promise by the government to assist in this under the pending bills act arrangement has not materialized to date.

COAST DEVELOPMENT AUTHORITY

PERFORMANCE CONTRACT

With the advent of performance contract, there has been a notable improvement in the development Budget allocations and regularity of funds release. However, this has not been so with regard to Re-current Budget which has made it impossible to award salary review to the staff and the new approved allowance to the board members – which can contribute to apathy and low morale. Indeed this has already happened.

SELF-SUSTAINABILITY

The Authority has for a long time strived towards the goal of self-sustainability but the efforts have been frustrated by the lack of support from the government. This can be clearly illustrated by the number of projects submitted to the Treasury of which nothing has been heard up to now. Indeed, on many occasions it has been eluded such attempts were outside the core functions of the Authority. The practical illustration of such effort can be demonstrated on the formation of Pambazuko Development Company which was not only denied financial support but letter on led to recrimination and claims of engaging in activities outside the core functions laid down by the CDA Act. If this were to change there is an imperative need for the Act to be amended so as to empower the Authority to enter into business ventures. More importantly there should be adequate policy guidelines, time frame and financial support to enable the Authority take off and start income generating activities – only then can the goal of self – sustainability be achieved.

At this point I am proud to state that in spite of all these drawbacks, the Authority has continued to enjoy goodwill of the Donors and has been able to achieve some of its most pronounced Development Goals through these Agencies. In particular, I would like to single out the Coastal Micro Enterprise Development Programme (CMDP), which is targeting to empower more than 300 thousand Small Business Enterprises, Training and Financing the enterprises which are considered viable. On the Environment Conservation and Marine Programmes, the Kenya Coastal Marine Project (KCMP) under the Integrated Coastal Area Management Programme (ICAM) has greatly improved the beach operations both along North and South Areas of Mombasa and it is now planning to support the fishermen and groups in those areas through USAID Funding Programmes to venture into deep sea fishing to improve the income of fishermen.

In conclusion, we sincerely believe in spite of all these problems the future of Regional Authorities is bright as the government has recognized the complementary and not the duplicative role of these Institutions in development as previously erroneously believed. The institution has shown potential to be the real engine of development in the rural areas. With this renewed confidence by the government on these Institutions, we look forward to more support from the government and other Development Agencies so that we can serve our people even better in the future.

I would like to take this opportunity again to thank the Board of Directors, management and Staff of CDA for their tireless effort and dedication in serving all Coastal people and indeed indirectly all Kenyans.

Thank you.

MR. W. MSHIHIRI WA HARE (CHAIRMAN)

(IV)



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE COAST DEVELOPMENT AUTHORITY FOR THE YEAR ENDED 30 JUNE 2006

I have audited the financial statements of the Coast Development Authority for the year ended 30 June 2006 in accordance with the provisions of Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit. The financial statements are in agreement with the books of account.

Respective Responsibilities of the directors and the Controller and Auditor General

The directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the Authority and its operating results. My responsibility is to express an independent opinion on the financial statements based on my audit.

Basis of Opinion

The audit was conducted in accordance with the International Standards on Auditing. Those standards require that the audit be planned and performed with a view to obtaining reasonable assurance that the financial statements are free from material misstatement. An audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used and significant estimates made by the directors, as well as an evaluation of the overall presentation of the financial statements. I believe the audit provides a reasonable basis for my opinion.

1. Financial Position

During the year ended 30 June 2006, the Authority realized a deficit of Kshs. 5,508,431 (2005 - Kshs.7,484,664). The deficit together with prior year adjustment of Kshs.1,457,297.82 brought the accumulated deficit to Kshs.86,651,196. The balance sheet also reflects a negative working capital of Kshs. 3,743,470 (2005 Kshs. 21,893,634). The financial statements have therefore been prepared on a going concern basis on the assumption of continued financial support from the Government and creditors.

2. Property, Plant and Equipment

The Property, Plant and Equipment balance of Kshs. 46,594,067 as at 30 June 2006 excludes the value of seven (7) unvalued parcels of land and buildings located in

Mombasa, Malindi, Kilifi and Kwale districts. The Property, Plant and Equipment figure of Kshs. 46,594,067 as at 30 June 2006 is, therefore, understated to the extent of the value of the excluded land and buildings. I am therefore unable to confirm the value of the Authority's land and buildings as at 30 June 2006.

3. Debtors Kshs.5,132,511

Included in the debtors' figure of Kshs. 5,132,511 (2005 Kshs. 4,677,793) is an amount of Kshs. 368,447 being outstanding imprest due from ex-staff. Although there were efforts to trace the ex-staff members, the recoverability of the debts is doubtful. Further, the debtors' include a figure of Kshs. 1,719,290 invested in the Ukunda showground that has remained dormant as the initial plan of developing the showground has not taken off. Although the Authority is holding title documents as security for the debt, the recoverability of the debt is uncertain. A provision that would have been necessary in relation to these uncertainties has not been incorporated in these financial statements.

4. Pambazuko Development Company Limited

As previously reported, the Authority had advanced Kshs. 1,018,317 to the above company which, according to Note 5 to the accounts, is a company related to the Authority. The Company has not been operating and the Authority stand to lose the entire Kshs. 1,018,317 advanced to the Company. No provision in relation to this uncertainty has been incorporated in these financial statements.

5. Prepayments - Kshs.263,250

Included in the prepayments' figure of Kshs. 263,250 (2005 Kshs. 286,250) is an amount of Kshs. 221,250 in respect of an advance payment for purchase of a computer which was made several years back. To date, no computer has been received. Under the circumstances, the recoverability of the amount of Kshs. 221,250 or the receipt of the computer appears uncertain.

Opinion

Except for the reservations set out in the preceding paragraphs, in my opinion, proper books of account have been kept and the financial statements give a true and fair view of the state of the affairs of the Authority as at 30 June 2006 and of its deficit and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with Coast Development Authority Act, Cap 449 of the Laws of Kenya.


P. N. KOMORA
CONTROLLER AND AUDITOR GENERAL

Nairobi

28 February 2007

**COAST DEVELOPMENT AUTHORITY
BALANCE SHEET AS AT 30TH JUNE 2006**

	NOTES	2005/2006 (KShs)	2004/2005 (KShs)
ASSETS			
NON CURRENT ASSETS			
PLANT, PROPERTY & EQUIPMENT	2a	46,594,067	52,817,760
WORK IN PROGRESS	2b	4,873,447	-
INTANGIBLE ASSETS	2c	5,048,949	-
INVESTMENT	3	100,000	-
TOTAL NON CURRENT ASSETS		56,616,463	52,817,760
CURRENT ASSETS:			
DEBTORS	4	5,132,511	4,677,793
PAMBAZUKO	5	1,018,317	1,018,317
PREPAYMENTS	6	263,250	286,250
CASH AT BANK & IN HAND	7	19,027,995	2,299,237
TOTAL CURRENT ASSETS		25,442,072	8,281,597
TOTAL ASSETS		82,058,535	61,099,358
FUNDS AND LIABILITIES			
DEVELOPMENT GRANTS	8	103,024,190	77,024,190
REVALUATION RESERVES	9	36,500,000	36,500,000
ACCUMULATED DEFICIT	10	(86,651,196)	(82,600,063)
TOTAL FUNDS		52,872,993	30,924,127
CURRENT LIABILITIES:			
BANK OVERDRAFT	11	144,378	12,800
CREDITORS	12	29,041,164	30,162,431
TOTAL LIABILITIES		29,185,542	30,175,231
TOTAL FUNDS AND LIABILITIES		82,058,535	61,099,358

SIGNED BY:

MR. W.MSHIHIRI WA HARE
CHAIRMAN

DR. BAJ MWANDOTTO
AG. MANAGING DIRECTOR

**CASHFLOW STATEMENT FOR THE YEAR ENDED
30TH JUNE 2006**

	2005/2006	2004/2005
OPERATING ACTIVITIES		
Surplus/Deficit for the year	(5,508,431.03)	(7,484,664.00)
Prior year adjustment		
	(5,508,431.03)	(7,484,664.00)
Adjustment for the items not involving movement of funds		
Depreciation	3,433,517.12	2,632,680.00
Appropriation In Aid		
Operating Surplus/deficit before WC changes	(2,074,913.91)	(4,851,984.00)
Purchase Of Fixed Assets	(1,062,890.00)	(5,257,043.00)
Increase/decrease in Non tangible fixed assets	(3,037,969.60)	(2,010,976.00)
Increase/decrease in debtors	(454,717.65)	(501,142.00)
Increase/decrease in Develoment Grants	26,000,000.00	8,181,747.00
Increase/decrease in Prepayments	23,000.00	1,126,695.00
Increase/decrease in Work in progress	(3,031,359.80)	(1,533,081.00)
Increase/decrease in creditors	(1,121,266.99)	1,902,723.00
Increase/decrease in Revenue Reserve	1,457,297.82	-
Increase/decrease in Capital Investment	(100,000.00)	-
Net cash generated from operation	16,597,179.87	(2,943,061.00)
Net increase/Decrease in Cash and cash equivalent		
Cash and Cash equivalent at the begining of the period	2,286,437.00	5,229,498.00
Cash and Cash equivalent at the end of the period	18,883,616.87	2,286,437.00
NOTE		
Cash and Cash equivalent at the end of the period		
Comprises ;		
Cash at Bank	19,027,994.80	2,228,499.00
Bank Overdraft	(144,378.00)	(12,800.00)
Totals	18,883,616.80	2,215,699.00



COAST DEVELOPMENT AUTHORITY

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 2006**

	Development grants	Revaluation reserves	Revenue reserves	Total
As at 30 June 2005	77,024,190.00	36,500,000.00	(82,605,513.00)	30,918,677
As at 1.july.2006	77,024,190.00	36,500,000.00	(82,600,063.20)	30,918,677.00
Prior year adjustment	-	-	1,457,297.82	1,457,297.82
Net Deficit for the year			(5,508,431.03)	(5,508,431.03)
Net GOK grants	26,000,000.00	-	-	26,000,000.00
As at 30 June 2006	103,024,190.00	36,500,000.00	(86,651,196.41)	52,867,543.79

COAST DEVELOPMENT AUTHORITY

INCOME AND EXPENDITURE FOR THE YEAR ENDED 30TH JUNE 2006

INCOME	NOTES	2005/2006	2004/2005
RECURRENT GRANTS		36,314,904	42,723,414
GRANTS FROM DONORS		32,333,139	21,139,262
OTHER RECEIPTS		3,071,688	484,799
		71,719,731	64,347,475
EXPENDITURE			
ADVERTISING & PUBLICITY		419,393	141,381
BANK CHARGES		291,935	286,643
BOARD EXPENSES		829,461	2,181,479
BUILDING MAINTENANCE		168,380	355,903
BUSINESS RESOURCE CENTRE		274,362	163,057
CONTRACTED PROF.SERVICES		288,336	-
COMMUNITY PARTICIPATORY		-	-
COMPUTER MAINTENANCE		56,924	70,474
ELECTRICITY& WATER		366,653	555,065
EXTERNAL TRAVEL		576,671	
FAMINE RELIEF		1,670	
FARM EXPENSES		173,158	125,420
GRATUITY		414,148	444,430
GROUPLIFE INSURANCE			637,155
HIRE OF TRANSPORT		175,470	159,855
HONORARIA		500	155,664
INSURANCE CLAIM		1,006,079	
INTERNET SERVICES		10,020	
LEGAL EXPENSE		290,716	
MEDICAL EXPENSES		200,708	1,873,286
MISCELLANEOUS EXPENSE		309,843	1,508,453
MOTOR VEHICLE INSURANCE		-	
OFFICE EQUIPMENT MAINTENANCE		-	143,490
OFFICIAL ENTERTAINMENT		20,920	124,021
PROVISION FOR DEPRECIATION		3,433,517	2,632,680
PLANT& EQUIPMENT MAINT.		35,478	-
PENSION AUDIT		-	-
PENSION TRUSTEE		359,459	-
POSTAGE		74,791	58,764
	4		

COAST DEVELOPMENT AUTHORITY			
PROVISION FOR AUDIT FEE		100,000	
PURCHASE OF STATIONERY		250,076	-
PRINTING & PUBLISHING		-	78,664
PERSONAL EMOLUMENTS		32,772,746	-
PROFESSIONAL FEE			299,812
RENT & RATES		2,251,930	-
SANITARY		-	-
SECURITY SERVICE/INSURANCE		-	-
SHOW EXPENSE		54,072	106,159
SMALL SCALE ENTERPRIZE			
STAFF WELFARE			
SUBSCRIPTION			
TERMINAL DUES		60,000	
TELEPHONE EXPENSES		940,106	1,555,739
TRAINING EXPENSES		26,600	405,912
TRANSPORT OPERATION		1,388,186	723,531
TRAVEL & ACCOMODATION		2,229,272	3,858,885
MARIAKANI MILK SCHEME			
Kenya Coastal Management Program.	14a	15,316,365	9,029,943
FARMERS FIELD SCHOOL	14b	3,283,389	3,352,002
TREE CROP PROJECT-NERICA	14c	158,118	94,554
HORTICULTURAL MARKET SURVEY	14d	39,589	192,812
WATER PROJECT	14e	6,100	7,409
AFRICAN INDEGENOUS VEG(AIV)	14f	3,779,265	575,896
FFS REPRODUCTIVE HEALTH	14g	752,023	
KBDS	14h	6,500	
Coastal Micro-enterprise Program.	14i	4,035,233	6,942,458
		77,228,162	71,832,139
EXCESS OF EXPENDITURE OVER INCOME		(5,508,431)	(7,484,664)

COAST DEVELOPMENT AUTHORITY

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Accounting Convention

Accounts are prepared under the historical cost convention as modified by the revaluation of certain fixed assets

(b) Fixed Assets and Depreciation

Fixed assets are depreciated on a straight line basis commencing in the month of purchase at annual rates estimated to write off assets over the term of useful life.

The rates of depreciation are:-

TRACTOR	37.5%
COMPUTER/PHOTOCOPIER	30.0%
MOTOR VEHICLE	25.0%
FURNITURE & FITTINGS	12.5%
PLANT & EQUIPMENT	12.5%
LAND & BUILDINGS	1.0%

Leasehold land and buildings are amortized over the period of the leases.

(c) Income

The Recurrent Grants when received are recognized as INCOME in the Income & Expenditure statement. Whereas Development Grants are credited to Development Grants in the Balance sheet.

	2005/2006	2004/2005
2a. FIXED ASSETS		
The Schedule of Fixed Assets as at 30th June 2006 is attached.	46,594,067	48,964,694

COAST DEVELOPMENT AUTHORITY

2b. WORK IN PROGRESS

Kilifi Building	2,148,238	309,015
Guruguru Borehole	2,622,959	1,533,072
Ijara Building	102,250	
	4,873,447	1,842,087

2c. INTANGIBLE ASSETS

Encompasses development projects not leading to creation of capital assets.

Development expenditure	1,184,668	1,135,888
Catchment Conservation	159,285	
Mineral exploration	1,083,567	522,658
Minor irrigation	15,140	11,570
Water project	730,891	188,723
Micro enterprise	152,140	152,140
Treecrop project	1,260,940	
Livestock development	22,465	
Malindi intergrated project	20,000	
Fisheries Development	249,330	
Dam construction	170,523	
	5,048,949	2,010,979
TOTAL ASSETS	56,516,462	52,817,760

3. CAPITAL INVESTMENT

Mariakani Milk Scheme	100,000	-
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4. DEBTORS

The following balance amounting to kshs.3,919,279.45 comprise of non-trade debtors as follows

Imprests outstanding	578,065	1,261,420
Ex-staff imprest	368,447	368,447
Pledges	6,132	6,132
Staff telephone	28,998	28,998
Ukunda Showground	1,719,290	1,719,290
Debtors (Egerton University)	-	10,970
(Abdalla Ngozi)	3,870	3,870
(CMC)	-	20,000
Staff Advance	304,159	373,831
Nerica Advance	13,743	

COAST DEVELOPMENT AUTHORITY

FFS Advance	270,966	29,000
AIV-Imprest recovery	350	
Malindi plot	757,926	757,926
KCMP-CDA Advance	201,052	97,910
CMDP Advance-WATER	143,460	
CMDP Advance	92,393	
Imprests outstanding-CMDP	12,952	
Imprests outstanding-FFS	159,026	
Imprests outstanding-KCMP	4,584	
Imprests outstanding-FFS-RH	198,800	
Imprests outstanding-TREECROP-nerica	131,108	
Imprests outstanding-AIV	98,304	
Imprests outstanding-WATER	-	
Imprests outstanding-HMS	21,450	
Imprests outstanding- KBDS	17,437	
Totals	5,132,511	4,677,793

The figure to Malindi Plot was a prepayment towards acquiring the plot.

5. PAMBAZUKO DEVELOPMENT COMPANY

Pambazuko Dev. Co. is a related company of CDA balance of Kshs.1,018,317. represents an advance by the Authority.

1,018,317	1,018,317
------------------	------------------

6. PREPAYMENTS

Computer	221,250	221,250
Motor Vehicle		
Kenya Power deposit	25,000	65,000
Land deposit Account	17,000	
	263,250	286,250

7. CASH AT BANK & IN HAND

CDA MAIN at NBK Nkrumah		33,412
Development A/c at NBK Nkrumah	13,083,714	518,474
Farms a/c at KCB Treasury Squire	80,366	
WATER PROJECT BANK at NBK Nkrumah	26,782	96,367
Farmers Field Schools a/c at NBK Portway	102,496	315,703
Tree Crops a/c at NBK Portway	21,560	160,264
TREECROPS BANK at KCB Malindi		

COAST DEVELOPMENT AUTHORITY

TREECROPS kwale at KCB Kwale	6,451	6,450
ICAM / Kenya Coastal Management Program bank at NBK N	787,918	30,459
KILIFI (Trecrops & FFS) at KCB Kilifi	575,996	555,055
WUNDANYI (Trecrops & FFS) at KCB Wundanyi	455,605	494,959
Kenya Business Delivery Services at NBK Portway	2,324	9,100
CDA MAIN Cash in Hand	18,367	75,566
FFS-RH Cash in Hand	1,286	
AIV-Cash on hand	4,000	
HMS Bank Account	9,699	
KBDS Cash on hand	277	
Farmers Field Schools cash on hand	4,055	
KCMP-Cash on Hand	4,856	
CMDP Cash in Hand	672	3,427
CMDP Bank	113,973	
AIV Bank	1,608,805	
FFS-RH	2,118,795	
	19,027,995	2,299,237

8. DEVELOPMENT GRANTS

During the year , an amount of kshs 26,000,000.00 was received.

103,024,190	77,024,190
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9. REVALUATION RESERVE

Land and Buildings was valued at **Kshs.36,500,000**

36,500,000	36,500,000
-------------------	-------------------

This amount is credited to a capital reserve.

10. REVENUE RESERVE KSHS (86,651,196.41)

The above amounts represents total cumulative deficit which includes deficit for the year of kshs (5,508,431.03))

Balance B/f	(82,600,063)	(75,738,471)
Prior year adjustment:		
-Guruguru Borehole	860,000	
- Mariakani MilkScheme	100,000	
- CMDP	296,523	
- KNAO	200,000	
- Telephone Expense	6,225	
- Computer Maintence	(5,450)	
	1,457,298	623,072
Current Year Deficit	(5,508,431)	(7,484,664)
-9-	(86,651,196)	(82,600,063)

COAST DEVELOPMENT AUTHORITY

The prior year adjustment of Khs.1,457,298 was as a result of non provision of expenses incurred in the previous year as indicated above.

11. BANK OVERDRAFT

Farms Account		11,810
Malindi Tree Crops Account	80	80
Coastal Micro-enterprise Development Program		910
Main a/c	144,298	
	144,378	12,800

12. CREDITORS

Other Creditors	11,496,317	11,538,747
University Loan	-	20,951
DPM Dues	214,566	232,322
P.A.Y.E.	7,869,024	7,925,976
L.A.S.C.	164,300	164,300
Pension 5 %	-	103,890
Pension 15 %	5,194,628	7,817,177
Service Gratuity	732,644	732,644
N.S.S.F.	800	800
Kenya National Audit office	200,000	100,000
Staff Claims	77,394	185,060
Kbds Claims	4,393	
Outstanding Claims Nerica	28,248	
Outstanding Claims FFS	82,009	
Outstanding Claims Water	5,677	
Outstanding Claims Kcmp	6,863	
Outstanding Claims Aiv	8,659	
Outstanding Claims Cmdp	17,598	
Accrued Wages	2,001	2,001
VAT-KCMP	477,790	
VAT Cda	1,083,291	1,250,452
VAT Kbds	1,971	
VAT Rh	3,826	
VAT Ffs	104,187	
VAT Cmdp	441,006	
Farmers Revolving Fund	99,110	88,110
KCMP Advance	201,052	
FFS Advance	270,966	

COAST DEVELOPMENT AUTHORITY

Cmdp Advances	92,393	
Water Advances	143,460	
Malindi Imprest	2,900	
CDA Advance -nerica	13,743	
AIV	350	
	29,041,164	30,162,431

13. BOARD EXPENSES

These include board sitting allowances, accommodation expenses, mileage allowances and transport (airtickets) costs

14. DONOR FUNDED PROJECTS

14a. Kenya Coastal Management Program (KCMP)

The program deals with activities aimed at improving natural coastal resources management in targeted bio-diverse areas.

14b. Farmers field schools.(FFS)

The project promotes the use of on the farm training concept as a means to capacity build farmers and the community in general with improved farming skills for increased food production

14c. Tree crops project-Nerica

The project deals with promotion of growing of coastal tree crops in the region e.g. cashewnuts, coconuts etc.

14d. Horticultural Market Survey

This was a survey to identify market for horticultural crops

14e. Water project

Involves provision of expertise/financing support in the construction of water tanks for school and the local community in order increase water access.

14f. Kenya business delivery services (KBDS)

Promotes use of agricultural private extension services by mango farmers in Lamu and Tana river areas.

COAST DEVELOPMENT AUTHORITY

14g. Coastal micro-enterprise development program (CMDP)

The program aims at supporting community based organisations in fishing, cashewnut processing and handicraft subsectors with the objective of increasing household incomes.

14h. African Indigenous Vegetable (AIV)

The program aims at increased production of AIV's, incomes & nutrition security for the community especially women farmers & HIV affected farm households in coast through improved production, processing, utilization & marketing of the AIV's.

14i. Farmers Reproductive Health(FFS-RH)

The program aims at improving rural livelihoods through integration of Reproductive Health in Farmer Field Schools.

15.CURRENCY

The accounts have been prepared in Kenya shillings .

COAST DEVELOPMENT AUTHORITY

FIXED ASSETS SCHEDULE AS AT 30TH JUNE 2006

COST / VALUATION	LEASEHOLD	BUILDING	COMPUTER/ PHOTOCOPIER	FURNITURE & FITTINGS	PLANT EQUIPMENT	M/VEHICLE	TRACTORS	TOTAL(KSHS)
%		1.00	30	12.5	12.5	25	37.5	
BAL.1.7.2005	29,900,000.00	11,536,760.00	7,154,941.70	5,409,203.70	2,594,156.85	17,488,189.00	2,367,400.00	76,450,651.25
ADDITIONS			535,950.00	307,977.00	218,963.00			1,062,890.00
ASSETS ADJUSTMENT	-	-	-4,207,063.30	-3,508,982.70	-1,754,667.85	-11,358,399.10	(2,367,400.00)	-23,196,512.95
BAL.30.6.2006	29,900,000.00	11,536,760.00	3,483,828.40	2,208,198.00	1,058,452.45	6,129,789.90	-	54,317,028.75
DEPRECIATION								
BAL.1.7.2005	-	1,037,056.79	5,210,715.00	3,856,353.50	1,904,342.30	13,110,090.27	2,367,400.00	27,485,957.86
ACC.DEPR.ADJUSTMENT	-	-	-4,207,063.30	-3,508,982.70	-1,754,667.85	-11,358,399.10	(2,367,400.00)	-23,196,512.95
PRIOR YEAR ADJUSTMENT								
CHARGE FOR THE YEAR	332,222.22	115,367.60	1,045,148.52	276,024.75	132,306.56	1,532,447.48	-	3,433,517.12
BAL.30.6.2006	332,222.22	1,152,424.39	2,048,800.22	623,395.55	281,981.01	3,284,138.65	-	7,722,962.03
30.6.2006	29,567,777.78	10,384,335.61	1,435,028.18	1,584,802.45	776,471.44	2,845,651.26	-	46,594,066.72
NBV AS AT								
30.6.2005	29,900,000.00	10,499,703.21	1,944,226.70	1,552,850.20	689,814.55	4,378,098.73	-	48,964,693.39

Note.

The adjustment of 23M is in respect of fully depreciated Assets

COAST DEVELOPMENT AUTHORITY

FIXED ASSETS ADITTION SHEDULE(2005/2006)

DATE	P/V	CHE	ITEM	ASSET CLASS	AMOUNT
20.7.05	18411	182	Computers	Computer& Photocopier	192,560.00
19.9.05	18549	201	"	"	191,880.00
18.9.05	18537	197	3 Printers& UPS	"	31,250.00
22.5.06	520	376	Computer hard Disk	"	13,340.00
30.8.06	317	572	Hard Disk/Flat Screen	"	35,000.00
28.2.06	18854	298	Computers	"	71,920.00
TOTAL					535,950.00
28.11.200	18631	239	Cardboards	Furniture & Fittings	123,500.00
28.10.05	18362	302	Stationary Cabinet	"	33,000.00
23.04.05	18847	297	Stationary Cabinet	"	52,000.00
29.08.05	18362	351	office Cardboards	"	60,000.00
05.07.05	18364	173	office desks	"	39,477.00
TOTAL					307,977.00
	18921	333	Mobile Phone	Plant & Equipment	58,464.00
28.06.06		4591	Fax Machine	Plant & Equipment	27,500.00
15.06.0	19111	37	Digital Camera	"	48,000.00
29.07.0	381	263	Mobile Phone	"	14,999.00
29.07.0	18415	184	Mobile Phone	"	60,000.00
	18843	293	Safaricom Lines	"	5,000.00
	18844	294	Celtel Lines	"	5,000.00
TOTAL					218,963.00
GROSS AMOUNT					1,062,890.00

COAST DEVELOPMENT AUTHORITY		
CREDITORS LIST AS AT 30 TH JUNE 2006		
	AMOUNT(2005/2006)	AMOUNT(2004/2005)
Aero Survey & Mapping	1,192.50	1,192.50
Aga Khan Hospital	100,000.00	100,000.00
American Tech Systems	2,000.00	2,000.00
Avon Rubber Co.	108,664.00	108,664.00
Azania Hotels	3,335.00	3,335.00
Bahakanda Investments	19,900.00	19,900.00
Bakari Mgandi	359,200.00	359,200.00
Benman Contractors	-	62,688.00
Bruce Trucks & Engineering	1,500.00	84,669.00
Business Machines Ltd	7,055.00	7,055.00
Business Resourse Centre	39,784.00	20,334.50
Capital Insurance Brokers	1,389,154.34	1,389,154.34
Celtel Ltd.	192,507.97	192,507.97
Coast Inst Of Technology	-	49,725.00
Comnet Technologies	40,020.00	-
County Council of Kilifi	33,600.00	33,600.00
County Council of Kwale	2,460.00	2,460.00
Desk Top Solutions	12,980.00	12,980.00
E.A. Wildlife Society Shops	10,000.00	10,000.00
Edward Kiguru Land Surveyors	257,000.00	257,000.00
Escort Insurance Brokers	50,575.00	50,575.60
Exact Marketing	28,349.82	28,349.82
Export Processing Zone Authority	20,000.00	20,000.00
Fort Furnishers	2,540.00	2,540.00
Fatemi Enterprises	17,579.80	-
Gailey & Roberts	208,077.34	208,077.34
George Ogolla Soti	478,855.00	-
Horticultural Crops Devpt. Auth.	10,000.00	10,000.00
Hugo Guth	7,452.00	7,452.00
ICEA (Liason Insurance Brockers)	142,150.00	-
Japhtech Computor Solutions	10,440.00	-
Jivaco Agencies	195,088.35	331,112.10
Jocham Hospital	-	157,648.00
Kaayim Stationers	75,563.70	105,563.70
Kenya Airports Authority	3,138,836.00	3,138,836.00
Kenya Institute of Adminstration	36,000.00	36,000.00

COAST DEVELOPMENT AUTHORITY		
Kenya Power & Lightening (Links Road)	-	-
Kenya power & Lightening (Kizingo)	34,016.20	58,253.10
Kenya Times Media Trust Ltd	507,182.10	507,182.11
KIRDI	2,250.00	2,250.00
KPA Bandari College	232,250.00	232,250.00
KPLC (Guru Guru)	174.00	-
Liason Financial Services	90,000.00	-
Mewa Medical Centre	21,580.00	21,580.00
MFI Office Solution	470.00	8,126.00
Minet AON	245,555.20	245,555.20
Mnago Ndoro	216,616.00	216,616.00
Mombasa beach Hotel	527,328.00	527,328.00
Mombasa Coast & Tourist Association	30,000.00	30,000.00
Mombasa Municipal Council	412,000.00	412,000.00
Mombasa Polytechnic	10,650.00	10,650.00
National Water conservation (MWSC)	702.00	1,097.30
Overdrive Consultants	-	5,452.00
PAK African Press	29,600.00	29,600.00
Pandya Medical Hospital	30,000.00	100,000.00
Rentokil Initial	12,528.00	-
Saad Yahya & Associates	95,350.00	95,350.00
Salyanis	150,000.00	150,000.00
Sharp Electronics Ltd	65,532.35	65,532.35
Shehnai Restaurant	-	74,169.00
Stationery One Mombasa	41,830.40	-
Tamarind (TML) The Village	38,995.00	-
Telea Kenya Ltd	172,998.20	166,678.20
Telkom Kenya Ltd (522305 Kilifi)	38,745.00	20,710.00
Telkom Kenya Ltd (Mariakani)	27,578.00	27,578.00
Telkom Kenya Ltd(2224411)	13,206.13	-
Telkom Kenya Ltd(222728)	990.50	-
Telkom Kenya Ltd(474276)	(2,807.00)	-
Telkom Kenya Ltd(491063)	1707.46	-
Telkom Kenya Ltd(KLE 4087)	29,260.70	-
Telkom Kenya Ltd(Line No.2224406)	55,069.06	477,313.85
Telkom Kenya Ltd(TVT 5352167)	1,559.00	-
Telkom Kenya Ltd(WUN 4202)	44,618.35	-
Telkom Kenya Ltd.(2224490)	(806.20)	-
The Actuarial Services Co.	98,600.00	-
The Tamarind Group	-	9,670.00
Toyota E. Africa Ltd	82,399.00	82,084.00

The Tamarind Group	-	9,670.00
Toyota E. Africa Ltd	82,399.00	82,084.00
Travellers Beach Hotel	51,080.00	-
Tudor Security Services	22,968.00	45,936.00
U.S.I.U.	153,915.00	153,915.00
Ukunda Poultry Farm Ltd	740,981.00	740,981.00
Urban Rural Surveying Co.	150,000.00	150,000.00
Whitesands Hotel	17,786.00	17,786.00
	11,496,317.27	11,544,198.98

LIST OF OUTSTANDING IMPREST AS AT 30TH JUNE 2006

NAMES	B/F	JULY SEPT	OCT DEC	JAN MAR	APR JUNE	TOTAL AMOUNT
F.C Mng'ong'o		5,000.00			16,000.00	21,000.00
Joyce Ochako			10.00	1,450.00	203.00	1,663.00
Ngao M Ngao	15,595.00	500.00				16,095.00
Lennox Menza					360.00	360.00
Agnes Mkazala					2,252.00	2,252.00
Grace Mkubi		5.00			130.00	135.00
Daniel B Nguma	305.00	95.00				400.00
Juma Chidzangi	88.00	10.00			73,828.00	73,926.00
Esther Lujanje				4,000.00		4,000.00
Japhet Omara	137.00					137.00
Hemed Mwabudzo	26,632.00	203.00				26,835.00
Florence Biryia			4,675.00			4,675.00
Eranstus Mwangala					1,000.00	1,000.00
Shokoia Lugwe		29,000.00			6,000.00	35,000.00
Aliwasi Mwabaya		25,000.00				25,000.00
George Kombe					51,910.00	51,910.00
Kazungu mwango					16,525.00	16,525.00
Obed Munene					1,908.00	1,908.00
Amina Soud		10,000.00				10,000.00
Kurera Z Kidangu					31,120.00	31,120.00
Dullu M. Michael		180.00		125.20	4,000.00	4,305.20
Reubin Mbura					1,995.00	1,995.00
Rose mweni	70.00					70.00
F.T. Mdoe				195.00	38,500.00	38,695.00
Kilei Alphonse				69,214.50	14,400.00	83,614.50
Elizabeth Iwiya					8,008.00	8,008.00
B A J Mwandotto					950.00	950.00
Musyoki M. M				92,000.00		92,000.00
Felix K Mumba				29.50	19,361.50	19,391.00
Kahindi Charo		7.00		55.00	34.00	96.00
Tima S. Ahmed		5,000.00				5,000.00
TOTAL		42,827.00	75,000.00	4,685.00	167,069.20	288,484.50

OUTSTANDING PROJECTS CLAIMS AS AT 30.6.06		
CMDP CLAIMS		
NAME	AMOUNT	
ZACHARY ODHIAMBO	2,685.00	
JUWEIRIYA BAKULI	13,813.00	
HEMED MWABUDZO	1,100.00	17,598.00
AIV		
JOSEPHINE M RONDO	7,654.00	
ROSE R. MWENI	347.00	
KAZUNGU MWANGO	460.00	
LUCIANA SANZUA	198.00	8,659.00
WATER		
F. T MDOE	3,348.00	
KURERA ZIDI	230.00	
MUSYOKI M M	2,099.00	5,677.00
TREE CROPS (nerica)		
LUCIANA	1,434.00	
B.A.M MWERI	462.00	
ROSE MWENI	5,568.50	
F.C. MGO'NG'O	6,030.65	
J.CHIDZANGI	1,591.80	
H.R.MWABUDZO	3,500.00	
HENRY SHAURI	72.40	
NGAO M. NGAO	140.00	
MCHARO MWALUGHA	200.00	
GEORGE KOMBE	9,248.50	28,247.85
KBDS		
BAHA NGUMA	4,392.50	4,392.50
FFS		
G.KOMBE	5,816.50	
B.A.M MWERI	64,845.00	
MCHARO	5,693.00	
ROSE MWENI	2,872.50	
MASAI	852.00	
LUCIANA SANZUA	555.00	
HUMPHREY BAYA	50.00	
DANIEL BAHA	1,325.00	82,009.00
GRAND TOTAL		146,583.35

PROJECT IMPREST LIST AS AT 30.6.06		
FFS MAIN		
NAME	AMOUNT	
GEORGE K. KOMBE	31,146.00	
MASAI M. MASAI	7,980.00	
LUCIANA SANZUA	119,900.00	159,026.00
HMS		
F.C MG'ONG'O	21,450.00	21,450.00
AIV		
CHRISTELINA NZAI	33,000.00	
LUCIANA SANZUA	65,165.00	
FLORENCE T. BIRYA	138.50	98,303.50
FFS REPRODUCTIVE HEALTH		
MASAI M MASAI	198,800.00	198,800.00
CMDP		
FAUZIYA MOHAMED	1,342.50	
HEMED R. MWABUDZO	5,919.00	
JUMA R. CHIDZANGI	1,530.00	
JUWEIRIYA O. RASHID	4,160.00	12,951.50
NERICA		
KOMBE K. KOMBE	17,920.00	
LUCIANA SANZUA	38,300.00	
JUMA R. CHIDZANGI	27,993.00	
TIMA S. AHMED	3,350.00	
F.C.MG'ONG'O	25,495.00	
BAHA NGUMA	18,050.00	131,108.00
KBDS		
BAHA NGUMA	18,010.00	
LUCIANA SANZUA	395.00	
MASAI M. MASAI	(968.00)	17,437.00
KCMP		
F.T. MDOE	3,054.00	
J.WAINAINA MBURU	40.00	
ESTHER LUGANJE	1,489.50	4,583.50
GRAND TOTAL		643,659.50

STAFF TELEPHONE DEBTORS AS AT 30TH JUNE 2006

NAME	AMOUNT(Kshs)
Rahma Abukar	1,190.00
Ngao M. Ngao	(88.85)
Sarah Mwaringa	338.60
Abdikadir Dubat	667.75
Ibrahim Mohammed	791.40
Constance Dhadho	204.70
Reuben Mwachiramba	640.25
Jane Madzayo	1,150.15
Martha Sabai	52.25
Florence Jillani	207.00
Ismael Duale	354.55
Solomon Jillo	947.15
Alfred Shereta	79.35
S. Galugalu	3,890.90
L. Kiema	3,947.05
Jemima Njuki	1,139.00
Denis Chivatsi	627.00
Thomas Mcharo	216.00
Farres Jillo	1,284.00
Mary Gona	1,548.80
Daniel Ndolo	31.90
George Gichane	331.90
Mwangome Nyamawi	97.00
Felix Kaloki	3,679.00
Ruwa Mwangolo	206.00
Jerome Mwanzia	280.85
Hellen Amuguni	4,075.90
Mnago Ndoro	986.00
John Kagwi	122.20
Catherine Kadenge	(11.70)
TOTALS	28,997.80

COAST DEVELOPMENT AUTHORITY

SCHEDULE OF ADVANCE BALANCES AS AT 30TH JUNE' 2005 v/s 2006

SERIAL	NAME	2005/06	2004/05
1	Zeinab Sheikh Ali	20,000.00	1,000.00
2	Ali Zuzu	-	5,000.00
3	Zebedayo T. Komora	-	5,000.00
4	Jane Madzayo (Resigned)	109,790.15	109,790.15
5	Katana Hinzano	1,100.00	1,100.00
6	Hamis Shanga (Deceased)	3,500.00	3,500.00
7	Ngao Mwinyi Ngao	17,500.00	4,000.00
8	Grace Mboja	-	500.00
9	Caroline Muema	-	11,500.00
10	Angore Kaingu	-	750.00
11	Michael Dullu Amuma	46,000.00	58,000.00
12	Mercy Mwale	-	4,500.00
13	John Kimonge (Resigned)	-	10,000.00
14	Kahindi Charo	-	1,000.00
15	Kuri Ndoshu	5,950.00	1,000.00
16	Dahir Kone	-	6,500.00
17	Feiruz Juma Kaloo	13,195.95	6,000.00
18	Jazel Mwawasi	29,682.00	14,000.00
19	Rodgers Mwawasi Mwadime	-	8,000.00
20	Salimu Mkusi	-	3,000.00
21	Lennox Menza	-	2,000.00
22	Mahat Bashir	-	7,000.00
23	Jane Tune	2,500.00	3,000.00
24	Eranstus Mwangala	1,500.00	4,000.00
25	Masai Masai	-	20,000.00
26	Binti Said Vyombo	-	25,940.00
27	Rose Mwadime	-1,789.70	29,750.55
28	Charles Lenjo Mkamba	-	8,000.00
29	Fatuma Daba	2,000.00	6,000.00
31	Amos Yuda Maro	500.00	-
32	Grace Mkubi	2,000.00	-
33	Judith Mali Chidzugwe	1,000.00	-
34	Catherine Kadenge	1,995.00	-
35	Elphus Kahindi Mungoma	1,000.00	-
36	Josephine J Chikololo	12,450.00	-
37	Rogasia Mwandoe	8,785.55	-
38	Saumu Chasi	500.00	-
39	Florence Birya	-	10,000.00
40	Wabungo Michael	15,000.00	
	TOTAL	304,158.95	373,830.70

COAST DEVELOPMENT AUTHORITY

GRANTS FROM DONORS FOR THE YEAR 2005/2006	
	AMOUNT (KSHS)
TREE CROPS NERICA-JICA	200,000.00
HORTICULTURAL MARKET SURVEY-AGROSPHERE	-
FARMERS FIELD SCHOOLS-FAO	3,043,003.00
ICAM/KCMP-USAID	16,659,542.25
Kenya BDS	-
AFRICAN INDEGENOUS VEGETABLE	5,483,064.70
CMDP-USAID	3,853,875.75
FARMERS FIELD SCHOOLS-RH	3,067,078.00
OTHER INCOME(WATER SERVISSES)	26,575.00
TOTAL	32,333,138.70
OTHER RECEIPTS	
FARMS	28,595.00
BUSINESS RESOURCE	197,855.00
MISCELLINEOUS(OTHER RECEIPTS)	300,434.00
LOAN ADMINISTRATION	30,200.00
A IN A	2,514,603.85
TOTAL	3,071,687.85
GROSS TOTAL	35,404,826.55

COAST DEVELOPMENT AUTHORITY

EXCHEQUER RECCURRENT GRANTS				
PERIOD : 2005/2006				
DATE	NAME OF MINISTRY	PERIOD	CHEQUE NO	AMOUNT KSHS
29.07.2005	Min. of Regional Development	Jul - 05	6466	3,026,242.00
01.8.2005	„	Aug - 05	6490	534,042.75
24.8.2005	„	Aug - 05	6577	2,723,617.80
29.09.2005	„	Sept - 05	6758	2,794,823.45
19.10.2005	„	Oct - 05	6847	3,026,242.00
30.11.2005	„	Nov - 05	7202	3,026,242.00
23.12.2005	„	Dec - 05	7028	3,026,242.00
19.01.2006	„	Jan - 06	7192	3,026,242.00
21.02.2006	„	Feb - 06	7420	3,026,242.00
23.03.2006	„	Mar - 06	7551	3,026,242.00
26.04.2006	„	Apr - 06	7776	3,026,242.00
24.05.2006	„	May - 06	8840	3,026,242.00
12.06.2006	„	Jun - 06	8052	3,026,242.00
TOTALS				36,314,904.00