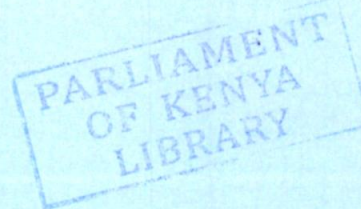


REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE



REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
VETERINARY SERVICES DEVELOPMENT FUND**

**FOR THE YEAR ENDED
30 JUNE 2014**

**MINISTRY OF AGRICULTURE, LIVESTOCK
AND FISHERIES**

V 11





**MINISTRY OF AGRICULTURE, LIVESTOCK & FISHERIES,
STATE DEPARTMENT OF LIVESTOCK,
VETERINARY SERVICES DEVELOPMENT FUND (VSDF)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2014**

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

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I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The VSDF was created under the Exchequer and Audit Act Cap 412 through Legal Notice No. 109 of May 1996 with the Permanent Secretary in charge of the Ministry of Livestock being the accounting officer. An amount of K£1,000 was appropriated by Parliament and was provided during the 1996/97 Financial year.

(b) Principal Activities

The VSDF is run under the State Department of Livestock at Kabete with a major aim of preventing and controlling animal diseases and pests to safeguard human health, improve animal welfare, increase livestock productivity, ensure high quality livestock and their products and facilitate domestic and international trade. It also hopes to provide and facilitate efficient veterinary services for production of safe and high quality animals, animal products and by-products and promote trade and industrial growth in a sustainable environment.

In general, more that profit motive, it is driven by need to serve the general public by ensuring consumption of safe animal products in a hygienic environment while keeping and maintaining health animal in an effort to achieve self-sustainability and promotion of both internal and external trade in animal products.

(c) Veterinary Services Development Fund (VSDF) Headquarters

Private Bag Kangemi 00625
VetLabs Kabete
Off Waiyaki Way
Nairobi, Kenya

(d) Veterinary Services Development Fund (VSDF) Contact.

Telephone: 0202043282
Email: vsdfkabete@gmail.com
Website: www.kilimo.go.ke

(e) Veterinary Services Development Fund (VSDF) Banker.

Kenya Commercial Bank
Sarit Centre Branch
P.O. Box 14959
Westlands 00800
Nairobi, Kenya

**VETERINARY SERVICE DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

(f) Independent Auditors

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

(g) Principal Legal Adviser

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

MEMBERS OF THE STEERING COMMITTEE

NAME	DESIGNATION
1. Philomena Koech, (Mrs) EBS	Director Of Administration
2. Dr. Thomas Dulu	Deputy Director-Vet. Services
3. Dr. Mosses Gathura	Fund Manager
4. Norah Kandie	Principal Leather Dev. Officer
5. Mr. Evelyn Ongondi	Finance Officer
6. Mr. Harrison Kamau	Accountant

MEMBERS OF THE MANAGEMENT TEAM

NAME	DESIGNATION
1. Dr. Mosses Gathura	Fund Manager
2. Dr. Joan Magero	Deputy Fund Manager
3. Mr. Henry M. Momata	Accountant
4. Mr. David G. Ngugi	Senior Clerical Officer
5. Mr. Peter M. Wachira	Clerical Officer I
6. Miss. Ann W. Gacheru	Clerical Officer I
7. Mrs. Jane W. Kariuki	Clerical Officer I
8. Mr. John Nyaga	Clerical Officer I
9. Miss. Rose Makau	Senior Support Officer

**VETERINARY SERVICE DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

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**VETERINARY SERVICE DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

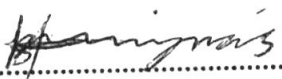
II. STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The Director's Responsibilities are clearly articulated as per the Legal notice No. 109 of the Exchequer and audit Act Cap. 412. He is the officer charged with the responsibility of administering the Fund with the following duties:-

- Supervise and control the administration of the fund.
- Consult with the Cabinet Secretary for the time being responsible for matters relating to Veterinary services as may from time to time be required.
- If he thinks fit, impose conditions on the use of any Expenditure Authorized by him or on his behalf and may impose any responsible Prohibition, Restriction or other Requirement Concerning such use of Expenditure.
- Cause to be kept all proper Books of Accounts and other Books and Records relating to the Fund and to all the various Activities and undertakings Financed by the Fund.
- Prepare, sign and transmit to the Controller and Auditor-General, in respect of each Financial year and within four months after the end of the year in such form as the treasury may from time to time direct in accordance with section 18 (2) of the Act.

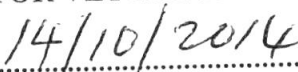
The Director's accept responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act and the State Corporations Act. The Directors of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2014, and of the Fund's financial position as at that date. The Manager further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Director to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Sign.....

DR. KISA J. Z. JUMA NGEIYWA, OGW

DIRECTOR VETERINARY SERVICES.

Date.....

REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON VETERINARY SERVICES DEVELOPMENT FUND FOR THE YEAR ENDED 30 JUNE 2014 – MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Veterinary Services Development Fund set out on pages 4 to 24, which comprise the statement of financial position as at 30 June 2014, and the statement of financial performance, statement of changes in net assets, statement of cash flows 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 8 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 6 of the Public Audit Act, 2003.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 9 of the Public Audit Act, 2003. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

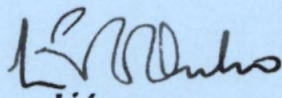
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or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

considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Veterinary Services Development Fund as at 30 June 2014, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and Legal Notice No. 109 of May 1996.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

28 April 2015

**VETERINARY SERVICE DEVELOPMENT FUND
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

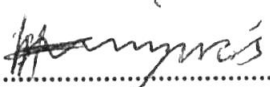
III. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2014

	Note	2013-2014 Kshs	2013-2014 Kshs Adjusted figures	2012-2013 Kshs
Revenue from exchange transactions				
Sales from veterinary	3	195,196,066	210,853,456	210,853,456
		195,196,066	210,853,456	210,853,456
Total revenue		195,196,066	210,853,456	210,853,456
Expenses				
Expenses	4	179,076,474	208,312,318	198,476,930
Total expenses		179,076,474	208,312,318	198,476,930
Surplus before tax		16,119,592	2,541,139	12,376,526
Surplus for the period		16,119,592	2,541,139	12,376,526

VETERINARY SERVICES DEVELOPMENT FUND
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014

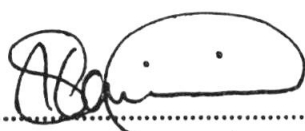
IV. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

Assets	Note	2013-2014 Kshs	2012-2013 Kshs Adjusted figures	2012-2013 Kshs
Current assets				
Cash and cash equivalents	6	1,996,198	867,099	867,099
		<u>1,996,198</u>	<u>867,099</u>	<u>867,099</u>
Non-current assets				
Motorcycle		-	-	13,978,500
Vehicles		-	-	21,980,000
Furniture and Fittings	5	1,522,826	1,842,351	3,221,202
Computer \$ Other Accessories	5	1,071,273	1,825,425	10,810,016
Special Plant	5	40,132,243	41,209,223	62,641,486
		<u>42,726,342</u>	<u>44,876,999</u>	<u>112,631,204</u>
Total assets		<u>44,722,540</u>	<u>45,744,098</u>	<u>113,498,303</u>
Liabilities				
Current liabilities				
Trade payables		-	17,141,150	17,141,150
		-	<u>17,141,150</u>	<u>17,141,150</u>
Non-current liabilities				
Grant Capital	7	20,000	20,000	20,000
Accumulated Reserve	8	28,582,948	26,041,809	83,960,627
Surplus for the Year		16,119,592	2,541,139	12,376,526
		<u>44,722,540</u>	<u>28,602,948</u>	<u>96,357,153</u>
Total liabilities		<u>44,722,540</u>	<u>45,744,098</u>	<u>113,498,303</u>

Sign.....

DR. KISA J. Z. JUMA NGEIYWA, OGW
 DIRECTOR: VETERINARY SERVICES

Date.....14/10/2014

Sign.....

SICILY K. KARIUKI (MRS), MBS
 ACCOUNTING OFFICER.

Date.....

**VETERINARY SERVICE DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

V. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2014

	Accumulated surplus Kshs	Total Kshs
Balance as at 30 JUNE 2012	26,061,809	26,061,809
Surplus/(deficit) for the period	2,541,139	2,541,139
Transfers to/from accumulated surplus	-	-
Balance as at 30 JUNE 2013	<u>28,602,948</u>	<u>28,602,948</u>
Surplus for the period	16,119,592	16,119,592
Transfers to/from accumulated surplus	-	-
Balance as at 30 JUNE 2014	<u>44,722,540</u>	<u>44,722,540</u>

VETERINARY SERVICE DEVELOPMENT FUND
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014

VI. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2013/2014 Kshs	2012/2013 Kshs Adjusted Figures.	2012/2013 Kshs
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Net Surplus		16,119,592	2,541,139	12,376,526
Depreciation	5	11,175,606	9,835,388	-
Working capital adjustments.				
Decrease in Current Liabilities		(17,141,150)	(4,000,785)	(4,000,785)
Decrease in Temporary Imprests		-	295,120	295,120
Decrease in DVO's Suspense		-	2,716,328	2,716,328
Cash Flows From Operation		<u>10,154,048</u>	<u>11,387,189</u>	<u>11,387,189</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Purchase of Assets	5	(9,024,950)	(11,458,925)	(11,458,925)
Cash Flows From Investing		<u>(9,024,950)</u>	<u>(11,458,925)</u>	<u>(11,458,925)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Net Change		<u>1,129,099</u>	<u>(71,736)</u>	<u>(71,736)</u>
CASH & CASH EQUIVALENT BEGINNING				
		<u>867,099</u>	<u>938,835</u>	<u>938,835</u>
CASH & CASH EQUIVALENT ENDING				
	6	<u>1,996,198</u>	<u>867,099</u>	<u>867,099</u>

VETERINARY SERVICES DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014

II. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Original budget	Actual on comparable basis	Performance difference
	2013-2014	2013-2014	2013-2014
Revenue	Kshs	Kshs	Kshs
Artificial Insemination	4,796,600	8,245,810	-3,449,210
Meat Inspectorate	110,695,000	96,113,327	14,581,673
Hides And Skins	79,945,600	72,105,847	7,839,753
Animal Health Services	17,762,800	12,933,540	4,829,261
Veterinary Investigative Laboratories	500,000	418,122	81,878
Veterinary Farms	5,000,000	4,147,310	852,690
Veterinary Laboratories	900,000	845,105	54,895
Other Veterinary Services	400,000	387,005	12,995
Total income	<u>220,000,000</u>	<u>195,196,066</u>	<u>24,803,934</u>
Expenses			
Basic Wages – Temporary	4,621,554	3,519,059	1,102,495
Communication, Supplies	200,000	196,538	3,462
Domestic Travel & Subsistence	11,477,735	10,764,317	713,418
Foreign Travel & Subsistence	7,600,000	6,727,035	872,965
Printing, Advert And Information	5,390,000	4,108,346	1,281,654
Training Expenses	7,179,731	6,549,077	630,654
Hospitality Supplies	1,650,000	-	1,650,000
Specialized Materials	87,827,212	79,656,378	8,170,834
Office & General Supplies	42,961,148	37,272,658	5,688,490
Fuel Oil & Lubricants	6,204,104	6,158,681	45,423
Other Operating Expenses	10,200,000	9,086,966	1,113,034
Routine Maintenance Vehicles	2,093,041	1,982,375	110,666
Routine Maintenance Other Ass.	1,185,000	885,495	299,505
Overhaul Vehicle & Other	550,000	176,250	373,750
Rehabilitation & Renovation of Plant	840,475	817,692	22,783
Specialized Plant & Equipment	7,720,000	7,717,950	2,050
Purchase of office Furniture & Computers	2,300,000	1,307,000	993,000
Total expenditure	<u>200,000,000</u>	<u>176,925,817</u>	<u>23,074,183</u>

VIII. NOTES TO THE FINANCIAL STATEMENTS

1. Statement of compliance and basis of preparation

The entity's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the entity. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The financial statements are prepared on accrual basis.

2. Summary of significant accounting policies

a) Revenue recognition

i) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labourhours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity.

b) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the

**VETERINARY SERVICES DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

f) Nature and purpose of reserves

The Fund creates and maintains reserves in terms of specific requirements. Entity to state the reserves maintained and appropriate policies adopted.

g) Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

h) Cash and cash equivalents

Cash and cash equivalents comprise of cash held at Kenya Commercial Bank, Sarit Centre Branch Account Number 110 697 2791 of Kshs. 31,965,577.29 as at 30th June 2014.

i) Comparative figures

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

j) Significant judgments and sources of estimation uncertainty –

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

State all judgements, estimates and assumptions made: e.g

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due

to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur.

**VETERINARY SERVICES DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 36.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Assumptions were used in determining the provision for rehabilitation of landfill sites. Landfill areas are rehabilitated over years and the assumption was made that the areas stay the same in size for a number of years.

Provision is made for the estimated cost to be incurred on the long-term environmental obligations, comprising expenditure on pollution control and closure over the estimated life of the landfill. The provision is based on the advice and judgment of qualified engineers.

The estimates are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money.

The increase in the rehabilitation provision due to passage of time is recognized as finance cost in the statement of financial performance.

The cost of ongoing programs to prevent and control pollution and rehabilitate the environment is recognized as an expense when incurred.

k) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2014.

**VETERINARY SERVICES DEVELOPMENT FUND
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

3. REVENUE COLLECTED

Artificial Insemination	8,245,810	5,441,889
Meat Inspectorate	96,113,327	115,486,341
Hides And Skins	72,105,847	65,141,889
Animal Health Services	12,933,540	18,482,386
Veterinary Investigative Laboratories	418,122	886,250
Veterinary Farms	4,147,310	4,819,780
Veterinary Laboratories	845,105	427,700
Other Veterinary Services	387,005	167,220
Total revenue	<u>195,196,066</u>	<u>210,853,456</u>

4. EXPENSES

Expenses

Basic Wages – Temporary	3,519,059	5,938,562
Educational & Library Supplies	-	200,000
Communication, Supplies	196,538	260,000
Domestic Travel & Subsistence	10,764,317	21,987,409
Foreign Travel & Subsistence	6,727,035	4,900,000
Printing, Advert And Information	4,108,346	4,919,000
Training Expenses	6,549,077	8,910,440
Hospitality Supplies	-	4,120,730
Specialized Materials	79,656,378	97,314,452
Office & General Supplies	37,272,658	16,948,276
Fuel Oil & Lubricants	6,158,681	9,499,356
Other Operating Expenses	9,086,966	10,700,000
Routine Maintenance Vehicles	1,982,375	6,172,500
Routine Maintenance Other Ass.	885,495	1,585,730
Overhaul Vehicle & Other	176,250	1,350,000
Rehabilitation & Renovation of Plant	817,692	2,170,475
Purchase Of Certified Seeds/Live Animals	-	1,500,000
Depreciation	11,175,606	9,835,388
Total expenses	<u>179,076,474</u>	<u>208,312,318</u>

**VETERINARY SERVICES DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014**

5. ASSETS SCHEDULE

	<u>Motor vehicles & Cycles</u>	<u>Special Plant</u>	<u>Computer & Other Accessories</u>	<u>Furniture Fittings</u>	<u>Total</u>
Cost	Shs	Shs	Shs	Shs	Shs
At 1 July 2012	35,958,500	54,408,311	8,202,266	2,603,202	101,172,279
Additions	-	8,233,175	2,607,750	618,000	11,458,925
Disposals	-	-	-	-	-
At 30 June 2013	35,958,500	62,641,486	10,810,016	3,221,202	112,631,204
Additions	-	7,717,950	1,212,000	95,000	9,024,950
Disposals	-	-	-	-	-
At 30 June 2014	35,958,500	70,359,436	12,022,016	3,316,202	121,656,154

Depreciation and impairment

At 1 July 2012	-	35,958,500	-	13,602,078	-	7,382,039	-	976,201	-	57,918,818
Depreciation	-	-	-	7,830,186	-	1,602,552	-	402,650	-	9,835,388
Impairment	-	-	-	-	-	-	-	-	-	-
At 30 June 2013	-	35,958,500	-	21,432,264	-	8,984,591	-	1,378,851	-	67,754,206
Depreciation	-	-	-	8,794,930	-	1,966,152	-	414,525	-	11,175,606
Disposals	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-
At 30 June 2014	-	35,958,500	-	30,227,193	-	10,950,743	-	1,793,376	-	78,929,812

Net book values

At 30 June 2014	-	40,132,243	-	1,071,273	-	1,522,826	-	42,726,342
At 30 June 2013	-	41,209,223	-	1,825,425	-	1,842,351	-	44,876,999

**VETERINARY SERVICES DEVELOPMENT FUND
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6. BANK RECONCILIATION STATEMENT

AS AT 30TH JUNE 2014

Station: KABETE.....

	Kshs.	cts	Kshs.	cts	Kshs	cts
Balance as per bank certificate					31,965,577	29
Less:						
1. Payments in Cash Book not yet recorded in Bank Statement (Unrepresented Cheques)	23,759,863	00				
2. Receipts in Bank Statement not yet record in Cash Book	6,996,339	30			(30,756,202)	30)
Add:						
3. Payments in bank Statement not yet recorded in Cash Book	605	00				
4. Receipts in Cash Book not yet recorded in Bank Statement	786,218	00			786,823	00
					1,996,197	99
Bank as Per Cash Book balance					1,996,197	99

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct

H.M MOMATA
.....
Signature

ACCOUNTANT
.....
Designation

15/07/2014
.....
Date

UNPRESENTED CHEQUES

Date	Name	Account No	Amount
23/06/2014	SERINDA AGENCIES	32077	685,000.00
23/06/2014	ERICHEM K LTD	32078	986,000.00
23/06/2014	BORA BIOTECH	32079	862,500.00
23/06/2014	BORA BIOTECH	32080	862,500.00
23/06/2014	SERINDA AGENCIES	32083	685,000.00
23/06/2014	ROXI SCIENTIFIC	32084	700,000.00
23/06/2014	ROXI SCIENTIFIC	32085	700,000.00
23/06/2014	ROXI SCIENTIFIC	32086	650,000.00
23/06/2014	ROXI SCIENTIFIC	32087	613,300.00
23/06/2014	ROXI SCIENTIFIC	32088	613,300.00
23/06/2014	JAPETH C. NG'ETICH	32090	7,320.00
25/06/2014	DR. AYORE	32094	330,099.00
25/06/2014	DR. PURITY NGUHIU	32095	20,580.00
25/06/2014	DR. ALLAN AZEGELE	32096	225,974.00
26/06/2014	DVS KABETE	32097	58,000.00

**VETERINARY SERVICES DEVELOPMENT FUND
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30/06/2014	MILIMANI TECHNICAL	32098	805,000.00
30/06/2014	MILIMANI TECHNICAL	32099	805,000.00
30/06/2014	MILIMANI TECHNICAL	32100	805,000.00
30/06/2014	MILIMANI TECHNICAL	32101	805,000.00
30/06/2014	BEANIC GENERAL SUPPLIERS	32102	962,500.00
30/06/2014	BEANIC GENERAL SUPPLIERS	32103	962,500.00
30/06/2014	BEANIC GENERAL SUPPLIERS	32104	962,500.00
30/06/2014	BEANIC GENERAL SUPPLIERS	32105	962,500.00
30/06/2014	RISING P	32106	995,000.00
30/06/2014	KAMTECH	32107	64,000.00
30/06/2014	DANILA	32108	35,620.00
30/06/2014	MARY OJIAMBO	32109	53,179.00
30/06/2014	UNIVERSITY OF NAIROBI	32111	622,500.00
30/06/2014	UNIVERSITY OF NAIROBI	32112	622,500.00
30/06/2014	BORA BIOTECH	32113	904,800.00
30/06/2014	BORA BIOTECH	32114	904,800.00
30/06/2014	DVS KABETE CASH BOOK O/C	01069	8,300.00
30/06/2014	UNIVERSITY OF NAIROBI	32115	830,299.00
30/06/2014	BENSON MURIITHI	32116	24,148.80
30/06/2014	ISAK MURSAL	32117	30,186.00
30/06/2014	KANCHORA ABADULAH	32118	30,186.00
30/06/2014	DAVID MUHINDI	32119	30,186.00
30/06/2014	SELETA LETAKAOLE	32120	30,186.00
30/06/2014	JAMES MWANGI	32121	30,186.00
30/06/2014	JAMES TIRBAKAI	32122	30,186.00
30/06/2014	LUCY NYIRO	32123	6,708.00
30/06/2014	PURITY NJOKA	32124	6,708.00
30/06/2014	KAHINDI BIGOLO	32125	6,708.00
30/06/2014	JANE NJOROGE	32126	6,708.00
30/06/2014	JOYCE KENDAGOR	32127	6,708.00
30/06/2014	KAHINDI KARISA	32128	6,708.00
30/06/2014	ROBERT ONKUNDI	32129	6,708.00
30/06/2014	ELIZABETH GITAU	32130	6,708.00
30/06/2014	ROBERT TOROITICH	32131	6,708.00
30/06/2014	TSIMBA CHIGWADO	32132	14,757.60
30/06/2014	MUSAU MUSUNGU	32133	17,776.20
30/06/2014	MONICA JELAGAT	32134	14,757.60
30/06/2014	STEPHEN KAGAI	32135	14,757.60
30/06/2014	ALICE MWANGI	32136	14,757.60
30/06/2014	ZIPPORAH GAICHIRI	32137	14,757.60
30/06/2014	KENGA CHENGO	32138	14,757.60
30/06/2014	SIMON NGUGI	32139	14,757.60
30/06/2014	PATRICK MUNGE	32140	20,794.80
30/06/2014	TERRY GACHERI	32141	21,465.60
30/06/2014	NICHOLAS WEBUYE	32142	21,465.60
30/06/2014	OYUNGU JECINTA	32143	21,465.60
30/06/2014	QUEEN WANDERA	32144	21,465.60

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30/06/2014	SHIDA JOSEPH	32145	21,465.60
30/06/2014	SALIM TAMBAA	32146	21,465.60
30/06/2014	CLARE OTIATO	32147	21,465.60
30/06/2014	NOEL MWASHO	32148	21,465.60
30/06/2014	BENARD ANAMPIU	32149	21,465.60
30/06/2014	CONSTANCE WAKIO	32150	14,086.80
30/06/2014	ROSELYN KAESA	32151	14,086.80
30/06/2014	KENNEDY GITHINJI	32152	6,708.00
30/06/2014	SOLEH AMONDI	32153	14,086.80
30/06/2014	DAISY MUCHANGI	32154	21,465.60
30/06/2014	CHRISTINE KAMBI	32155	21,465.60
30/06/2014	ESTHER MACHARIA	32156	21,465.60
30/06/2014	VIOLA JEPKEMBOI	32157	21,465.60
30/06/2014	JONATHAN OREGE	32158	21,465.60
30/06/2014	PHILES NYAMIOBO	32159	14,757.60
30/06/2014	EDWIN OPOTI	32160	21,465.60
30/06/2014	MELAP NAFULA	32161	21,465.60
30/06/2014	JOSEPH MUKUNZU	32162	6,708.00
30/06/2014	DVS KABETE	32163	10,397.40
30/06/2014	GLOBAL INTERJAPAN	32164	998,750.00
30/06/2014	GLOBAL INTERJAPAN	32165	998,750.00
30/06/2014	BRASKEN INTER TRADERS	32166	820,000.00
	TOTAL		23,759,863.00

RECEIPTS IN BANK STATEMENT NOT IN CASH BOOK

03/06/2014	CASH DEPOSIT D MUBEA		675.00
03/06/2014	CASH DEPOSIT DVO MALINDI		2,850.00
03/06/2014	CASH DEPOSIT DVO MALINDI		10,625.00
03/06/2014	CASH DEPOSIT EPHRAIM		600.00
03/06/2014	CASH DEPOSIT DVO NYANDARUA WEST		280.00
03/06/2014	CASH DEPOSIT DVO SUBUKIA		200.00
03/06/2014	CASH DEPOSIT DVO SUBUKIA		350.00
03/06/2014	CASH DEPOSIT HANCE		19,600.00
03/06/2014	CASH DEPOSIT DVO KINANGO		34,375.00
03/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		4,000.00
03/06/2014	CASH DEPOSIT WILLIAM KATAMA		6,000.00
03/06/2014	CASH DEPOSIT DVO MAGARINI		2,790.00
03/06/2014	CASH DEPOSIT DVO MAGARINI		2,420.00
03/06/2014	CASH DEPOSIT DVO NYANDARUA WEST		300.00
03/06/2014	CASH DEPOSIT CODE 7630		460.00
03/06/2014	CASH DEPOSIT BETHEWEL		12,960.00
03/06/2014	CASH DEPOSIT DVO RABAI		44,500.00
03/06/2014	CASH DEPOSIT DVO EMBU NORTH		6,500.00
04/06/2014	CASH DEPOSIT DVO BUSIA		800.00
04/06/2014	CASH DEPOSIT DVO MUMIAS		45,600.00
04/06/2014	CASH DEPOSIT SCVO BUTULA		20,000.00
04/06/2014	CASH DEPOSIT DVO MUMIAS		800.00
04/06/2014	CASH DEPOSIT SCVO BUTULA		1,940.00

**VETERINARY SERVICES DEVELOPMENT FUND
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04/06/2014	CASH DEPOSIT SCVO BUTULA		1,000.00
04/06/2014	CASH DEPOSIT DVO WAJIR EAST		10,450.00
04/06/2014	CASH DEPOSIT DVO WAJIR EAST		14,000.00
04/06/2014	CASH DEPOSIT KITINA		21,150.00
04/06/2014	CASH DEPOSIT DVO SABATIA		990.00
04/06/2014	CASH DEPOSIT DVO SABATIA		850.00
04/06/2014	CASH DEPOSIT DVO SABATIA		1,050.00
04/06/2014	CASH DEPOSIT CHANGAYO		9,775.00
04/06/2014	CASH DEPOSIT DVO MAGARINI		450.00
04/06/2014	CASH DEPOSIT DVO MAGARINI		13,050.00
04/06/2014	CASH DEPOSIT DVO NYANDARUA WEST		360.00
04/06/2014	CASH DEPOSIT DVO KALOLENI		14,100.00
04/06/2014	CASH DEPOSIT GAU		43,775.00
04/06/2014	CASH DEPOSIT NGONG VET FARM		214,740.00
04/06/2014	CASH DEPOSIT DVO TIGANIA WEST		1,000.00
04/06/2014	CASH DEPOSIT DVO 3150		2,020.00
04/06/2014	CASH DEPOSIT MK		600.00
04/06/2014	CASH DEPOSIT DVO VIHIGA		6,000.00
04/06/2014	CASH DEPOSIT SAMUEL		6,255.00
05/06/2014	CASH DEPOSIT RASHID		1,485.00
05/06/2014	CASH DEPOSIT DVO KALOLENI		30,975.00
05/06/2014	CASH DEPOSIT DVO MWEA EAST		40,250.00
05/06/2014	CASH DEPOSIT PETER		8,400.00
05/06/2014	CASH DEPOSIT DVO TMARA WEST		3,000.00
05/06/2014	INTER BRANCH CHQ	47	23,920.00
05/06/2014	CASH DEPOSIT DVO KWALE		4,000.00
05/06/2014	CASH DEPOSIT JAMES		3,100.00
05/06/2014	CASH DEPOSIT RICHARD		3,700.00
05/06/2014	CASH DEPOSIT DVO EMBU WEST		4,850.00
05/06/2014	CASH DEPOSIT DVO RACHUONYO		1,550.00
05/06/2014	TRANSFER AT NAKURU	569	34,025.00
05/06/2014	CASH DEPOSIT DVO SUBUKIA		700.00
05/06/2014	CASH DEPOSIT DVO SUBUKIA		800.00
05/06/2014	CASH DEPOSIT DAN		19,495.00
05/06/2014	CASH DEPOSIT DVO KAKAMEGA EAST		3,050.00
05/06/2014	TRANSFER AT NJAMBINI	18	214,921.00
06/06/2014	CASH DEPOSIT MARY		2,100.00
06/06/2014	CASH DEPOSIT DVO MLD		9,550.00
06/06/2014	CASH DEPOSIT STELLA		14,970.00
06/06/2014	CASH DEPOSIT DVO HAMISI		1,000.00
06/06/2014	CASH DEPOSIT DVO EMBU WEST		2,285.00
06/06/2014	CASH DEPOSIT DVO EMBU WEST		3,000.00
06/06/2014	TRANSFER AT KANJIADO	44	36,050.00
06/06/2014	CASH DEPOSIT DVO EMBU WEST		6,000.00
06/06/2014	CASH DEPOSIT DVO GANZE		3,900.00
06/06/2014	CASH DEPOSIT DVO EMBU WEST		1,800.00
06/06/2014	CASH DEPOSIT CHRISTOPHER		5,500.00

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06/06/2014	CASH DEPOSIT CHRISTOPHER		600.00
06/06/2014	CASH DEPOSIT CHRISTOPHER		750.00
06/06/2014	CASH DEPOSIT CHRISTOPHER		2,700.00
06/06/2014	CASH DEPOSIT JOYCE		900.00
06/06/2014	CASH DEPOSIT JOYCE		9,100.00
06/06/2014	TRANSFER AT EMBU	183	69,800.00
06/06/2014	CASH DEPOSIT DVO NYANDARUA WEST		2,350.00
07/06/2014	CASH DEPOSIT DVO EMBU NORTH		7,750.00
07/06/2014	CASH DEPOSIT CHANGAYO		4,425.00
09/06/2014	CASH DEPOSIT DVO GANZE		50.00
09/06/2014	AGENT DEPOSIT		19,000.00
09/06/2014	CASH DEPOSIT JOHN		4,500.00
09/06/2014	CASH DEPOSIT DR UMLAI		4,800.00
09/06/2014	CASH DEPOSIT DVO MATUNGU		1,000.00
09/06/2014	CASH DEPOSIT DVO KAKAMEGA EAST		11,750.00
09/06/2014	CASH DEPOSIT DVO TANA DELTA		29,515.00
09/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		200.00
09/06/2014	CASH DEPOSIT DVO MALINDI		11,425.00
09/06/2014	CASH DEPOSIT DVO TMARA WEST		500.00
10/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		800.00
10/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		300.00
10/06/2014	CASH DEPOSIT KITINA		23,400.00
10/06/2014	CASH DEPOSIT DVO BAHARI		3,500.00
10/06/2014	TRANSFER AT NAKURU		45,873.10
11/06/2014	CASH DEPOSIT DVO NDHIWA		4,660.00
11/06/2014	CASH DEPOSIT DVO NDHIWA		1,050.00
11/06/2014	CASH DEPOSIT DVO NDHIWA		3,920.00
11/06/2014	CASH DEPOSIT DVO KINANGO		28,070.00
11/06/2014	CASH DEPOSIT DVO TMARA WEST		200.00
11/06/2014	CASH DEPOSIT DVO TMARA WEST		200.00
11/06/2014	CASH DEPOSIT DVO TMARA WEST		600.00
11/06/2014	CASH DEPOSIT RICHARD		4,400.00
11/06/2014	CASH DEPOSIT HERBERT		10,000.00
11/06/2014	CASH DEPOSIT DVO HAMISI		2,700.00
11/06/2014	CASH DEPOSIT DVO WAJIR EAST		6,620.00
11/06/2014	CASH DEPOSIT DAVIS		6,175.00
11/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		700.00
11/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		1,000.00
11/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		2,000.00
11/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		500.00
11/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		1,000.00
11/06/2014	CASH DEPOSIT GAU		28,275.00
11/06/2014	CASH DEPOSIT DVO EMBU WEST		13,200.00
11/06/2014	TRANSFER AT KIMILILI		10,653.00
11/06/2014	CASH DEPOSIT DVO BAHARI		8,490.00
11/06/2014	CASH DEPOSIT DVO KWALE		100.00
11/06/2014	CASH DEPOSIT 7530		1,000.00

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11/06/2014	TRANSFER AT THIKA		24,000.00
12/06/2014	CASH DEPOSIT DVO NDHIWA		3,000.00
12/06/2014	CASH DEPOSIT JOYCE		3,500.00
12/06/2014	CASH DEPOSIT CHARLES		2,040.00
12/06/2014	CASH DEPOSIT DVO 9060		2,100.00
12/06/2014	CASH DEPOSIT CHRISTOPHER		700.00
12/06/2014	CASH DEPOSIT DVO VIHIGA		500.00
12/06/2014	CASH DEPOSIT DVO RACHUONYO		3,800.00
12/06/2014	CASH DEPOSIT PETER		600.00
12/06/2014	CASH DEPOSIT PETER		9,320.00
12/06/2014	CASH DEPOSIT DVO SABATIA		500.00
12/06/2014	CASH DEPOSIT DVO SABATIA		2,220.00
12/06/2014	CASH DEPOSIT DVO ISEMBE SOUTH		3,000.00
12/06/2014	CASH DEPOSIT DVO ISEMBE SOUTH		100.00
12/06/2014	CASH DEPOSIT DVO ISEMBE SOUTH		500.00
12/06/2014	CASH DEPOSIT DVO ISEMBE SOUTH		600.00
12/06/2014	CASH DEPOSIT TOM		1,200.00
12/06/2014	CASH DEPOSIT DVO MIRANGINE		3,150.00
13/06/2014	CASH DEPOSIT DVO EMBU WEST		1,575.00
13/06/2014	CASH DEPOSIT JOAB		5,000.00
13/06/2014	CASH DEPOSIT KIBET		3,360.00
13/06/2014	CASH DEPOSIT DVO MAGARINI		2,400.00
13/06/2014	CASH DEPOSIT NANCY		3,000.00
13/06/2014	INWARD SWIFT		1,000.00
13/06/2014	TRANSFER AT LIMURU		1,299,264.00
14/06/2014	CASH DEPOSIT CHANGAYO		6,200.00
14/06/2014	CASH DEPOSIT MISSI		24,675.00
16/06/2014	CASH DEPOSIT DVO WAJIR EAST		7,975.00
16/06/2014	CASH DEPOSIT SUB COUNTY MATETE		14,480.00
16/06/2014	CASH DEPOSIT SUB COUNTY MATETE		350.00
16/06/2014	CASH DEPOSIT P KIHUGA		1,320.00
16/06/2014	CASH DEPOSIT DVO KIGUNO		700.00
16/06/2014	CASH DEPOSIT AGGREY		200.00
16/06/2014	CASH DEPOSIT NJAU		7,210.00
16/06/2014	CASH DEPOSIT NJAU		7,500.00
16/06/2014	CASH DEPOSIT NJAU		6,995.00
16/06/2014	CASH DEPOSIT NJAU		7,125.00
16/06/2014	CASH DEPOSIT DVO WAJIR EAST		9,525.00
16/06/2014	CASH DEPOSIT DVO WAJIR EAST		13,350.00
16/06/2014	CASH DEPOSIT DVO MALINDI		10,675.00
16/06/2014	CASH DEPOSIT GAU		28,725.00
16/06/2014	CASH DEPOSIT DVO TMARA WEST		1,500.00
17/06/2014	CASH DEPOSIT SAMUEL		2,400.00
17/06/2014	CASH DEPOSIT DVO SABATIA		3,600.00
17/06/2014	CASH DEPOSIT DVO SABATIA		1,000.00
17/06/2014	CASH DEPOSIT DVO MATUGA		18,970.00
17/06/2014	CASH DEPOSIT KITINA		24,000.00

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18/06/2014	CASH DEPOSIT SILVESTER		3,400.00
18/06/2014	TRANSFER AT MRKNI	219	65,474.75
18/06/2014	TRANSFER AT SONDU		280.75
18/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		200.00
18/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		100.00
18/06/2014	CASH DEPOSIT DVO KINANGO		4,750.00
18/06/2014	INTER BRANCH CHQ	149	264,000.00
18/06/2014	CASH DEPOSIT MUTANGE		15,000.00
18/06/2014	CASH DEPOSIT BERVARD		80,475.00
18/06/2014	CASH DEPOSIT JOSEPH		5,000.00
18/06/2014	CASH DEPOSIT BERVARD		16,000.00
19/06/2014	CASH DEPOSIT DVO BURA		22,250.00
19/06/2014	CASH DEPOSIT DVO BURA		24,925.00
19/06/2014	CASH DEPOSIT ONGARE		24,435.00
19/06/2014	CASH DEPOSIT ONGARE		835.00
19/06/2014	CASH DEPOSIT DVO RABAI		37,100.00
19/06/2014	CASH DEPOSIT ALI MWANZA		2,100.00
19/06/2014	CASH DEPOSIT DVO MOYALE		8,750.00
19/06/2014	CASH DEPOSIT DVO MOYALE		10,000.00
19/06/2014	TRANSFER AT LIMURU		1,979,774.00
19/06/2014	CASH DEPOSIT JN NJOROGI		8,015.00
19/06/2014	CASH DEPOSIT DVO NYERI SOUTH		5,100.00
19/06/2014	INTER BRANCH CHQ	74	105,074.70
20/06/2014	CASH DEPOSIT DVO TANA RIVER		200.00
20/06/2014	CASH DEPOSIT DVO GANZE		2,820.00
20/06/2014	CASH DEPOSIT DVO BAHARI		11,100.00
20/06/2014	CASH DEPOSIT LINUS		5,000.00
20/06/2014	CASH DEPOSIT DVO KAKAMEGA EAST		1,000.00
20/06/2014	CASH DEPOSIT DVO KAKAMEGA WAT		14,900.00
20/06/2014	CASH DEPOSIT DVO KINANGO		20,200.00
21/06/2014	CASH DEPOSIT DVO BUTERE		5,000.00
21/06/2014	CASH DEPOSIT DVO BUTERTE		10,000.00
23/06/2014	CASH DEPOSIT CHANGAYO		4,350.00
23/06/2014	CASH DEPOSIT DVO KIGUMO		14,000.00
23/06/2014	CASH DEPOSIT DVO KIGUMO		28,000.00
23/06/2014	CASH DEPOSIT PITHON		200.00
23/06/2014	CASH DEPOSIT WILLIAM KATAMA		4,000.00
23/06/2014	CASH DEPOSIT PIUS		450.00
23/06/2014	CASH DEPOSIT DVO MATUNGU		7,000.00
23/06/2014	CASH DEPOSIT DVO MATUNGU		7,000.00
23/06/2014	CASH DEPOSIT DVO MATUNGU		1,000.00
23/06/2014	CASH DEPOSIT PETER		50.00
24/06/2014	CASH DEPOSIT DVO BUTERE		5,000.00
24/06/2014	CASH DEPOSIT DVO BUTERE		5,000.00
24/06/2014	CASH DEPOSIT DVO KIGUMO		4,000.00
24/06/2014	CASH DEPOSIT DVO SAMBURU		700.00
24/06/2014	CASH DEPOSIT DVO SAMBURU		3,400.00

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24/06/2014	CASH DEPOSIT DVO MALINDI		10,150.00
24/06/2014	CASH DEPOSIT DVO RABAI		30,500.00
24/06/2014	CASH DEPOSIT DAVID		300.00
24/06/2014	CASH DEPOSIT PETER		150.00
24/06/2014	CASH DEPOSIT HENRY		2,000.00
24/06/2014	CASH DEPOSIT DVO BUSIA		500.00
24/06/2014	INTER BRANCH CHQ	271	43,154.00
24/06/2014	INTER BRANCH CHQ	269	20,688.00
24/06/2014	CASH DEPOSIT KITWA		21,000.00
24/06/2014	INTER BRANCH CHQ	270	115,544.00
24/06/2014	CASH DEPOSIT DVO MALINDI		5,150.00
25/06/2014	CASH DEPOSIT DVO KILIFI		6,300.00
25/06/2014	CASH DEPOSIT DVO KILIFI		6,300.00
25/06/2014	CASH DEPOSIT CDVS JOSPHINE		10,000.00
25/06/2014	CASH DEPOSIT CDVS JOSPHINE		10,000.00
25/06/2014	CASH DEPOSIT DVO SBU CENTRAL		15,725.00
25/06/2014	CASH DEPOSIT DVO SBU CENTRAL		7,900.00
25/06/2014	CASH DEPOSIT DVO TMARA WEST		1,000.00
25/06/2014	CASH DEPOSIT DVO SAMBURU CENTRAL		2,000.00
25/06/2014	CASH DEPOSIT DVO NYANDARUA WEST		200.00
25/06/2014	CASH DEPOSIT DVO NYANDARUA WEST		250.00
25/06/2014	CASH DEPOSIT DVO NYANDARUA WEST		2,000.00
25/06/2014	CASH DEPOSIT DVO MATUNGU		1,000.00
25/06/2014	CASH DEPOSIT DVO MATUNGU		1,000.00
25/06/2014	CASH DEPOSIT DVO KHWISERO		5,000.00
25/06/2014	CASH DEPOSIT DVO KHWISERO		5,000.00
25/06/2014	CASH DEPOSIT VINCENT		750.00
25/06/2014	CASH DEPOSIT JOYCE		400.00
26/06/2014	CASH DEPOSIT DVO BAHARI		1,630.00
26/06/2014	AGENT DEPOSIT		7,000.00
26/06/2014	CASH DEPOSIT DVO MOYALE		4,500.00
26/06/2014	CASH DEPOSIT DVO LIKUYANI		7,530.00
26/06/2014	CASH DEPOSIT DVO LIKUYANI		5,000.00
26/06/2014	CASH DEPOSIT DVO MATUNGU		5,450.00
26/06/2014	CASH DEPOSIT CDVS JOSPHINE		5,000.00
26/06/2014	CASH DEPOSIT DVO EMBU WEST		7,885.00
26/06/2014	CASH DEPOSIT DVO KIRINYAGA WEST		29,480.00
26/06/2014	CASH DEPOSIT GAU		28,000.00
26/06/2014	CASH DEPOSIT DVO 3150		6,330.00
26/06/2014	CASH DEPOSIT DVO 3150		2,000.00
26/06/2014	CASH DEPOSIT DVO 3150		2,900.00
26/06/2014	CASH DEPOSIT PETER		50.00
26/06/2014	CASH DEPOSIT DVO BAHARI		2,600.00
26/06/2014	CASH DEPOSIT DVO TMARA WEST		1,500.00
27/06/2014	CASH DEPOSIT WILLIAM KATAMA		2,100.00
27/06/2014	CASH DEPOSIT DVO BUTERE		4,000.00
27/06/2014	CASH DEPOSIT DVO OTHAYA		600.00

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27/06/2014	CASH DEPOSIT KALOENI		11,500.00
27/06/2014	CASH DEPOSIT DVO KEIYO		4,200.00
27/06/2014	CASH DEPOSIT DVO 3150		100.00
27/06/2014	CASH DEPOSIT LEAH		8,700.00
27/06/2014	CASH DEPOSIT PETER		50.00
27/06/2014	CASH DEPOSIT DVO 3150		1,540.00
27/06/2014	CASH DEPOSIT DVO MALINDI		11,360.00
27/06/2014	CASH DEPOSIT DVO NYANDARUA WEST		380.00
27/06/2014	CASH DEPOSIT DVO EMBU WEST		5,250.00
27/06/2014	CASH DEPOSIT DVO EMBU WEST		3,000.00
27/06/2014	CASH DEPOSIT DVO MAGARINI		2,000.00
27/06/2014	CASH DEPOSIT SAMUEL		5,000.00
27/06/2014	CASH DEPOSIT DVO OTHAYA		1,500.00
27/06/2014	CASH DEPOSIT DVO KIMORORI		400.00
27/06/2014	CASH DEPOSIT DVO RABAI		33,000.00
28/06/2014	CASH DEPOSIT PETER		6,150.00
28/06/2014	CASH DEPOSIT SIMON		500.00
28/06/2014	CASH DEPOSIT WARIO		8,475.00
28/06/2014	CASH DEPOSIT DVO KALOENI		3,540.00
28/06/2014	CASH DEPOSIT DVO MAGARINI		2,790.00
30/06/2014	CASH DEPOSIT DVO MASABA		200.00
30/06/2014	CASH DEPOSIT DINAH		5,720.00
30/06/2014	CASH DEPOSIT DVO GANZE		4,200.00
30/06/2014	CASH DEPOSIT DVO TANA RIVER		650.00
30/06/2014	CASH DEPOSIT MARY		4,000.00
30/06/2014	CASH DEPOSIT MARY		36,550.00
30/06/2014	CASH DEPOSIT DVO KWALE		9,325.00
30/06/2014	CASH DEPOSIT NANCY		1,040.00
30/06/2014	CASH DEPOSIT DVO NYERI SOUTH		10,005.00
30/06/2014	CASH DEPOSIT JOSEPH		4,540.00
30/06/2014	CASH DEPOSIT DVO KURIA WEST		500.00
30/06/2014	CASH DEPOSIT DVO KURIA WEST		400.00
30/06/2014	CASH DEPOSIT DVO MALINDI		14,000.00
30/06/2014	CASH DEPOSIT DVO KIGUMO		750.00
30/06/2014	CASH DEPOSIT DVO BAHARI		7,010.00
30/06/2014	CASH DEPOSIT DVO NYERI SOUTH		6,395.00
30/06/2014	CASH DEPOSIT DVO NYERI SOUTH		6,235.00
30/06/2014	CASH DEPOSIT DVO NYERI SOUTH		5,000.00
30/06/2014	CASH DEPOSIT DVO KIGUMO		800.00
30/06/2014	CASH DEPOSIT DVO BAHARI		260.00
30/06/2014	CASH DEPOSIT DVO MATUGA		14,830.00
30/06/2014	CASH DEPOSIT DVO BAHARI		200.00
30/06/2014	CASH DEPOSIT DVO MRKNI		27,300.00
30/06/2014	CASH DEPOSIT CHRISTINE		873.00
30/06/2014	CASH DEPOSIT DVO EMBU NORTH		2,400.00
30/06/2014	CASH DEPOSIT WILLIAM		200.00
30/06/2014	CASH DEPOSIT DVO EMBU NORTH		7,325.00

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30/06/2014	CASH DEPOSIT DVO KWALE		9,500.00
30/06/2014	CASH DEPOSIT FLORINDA		3,000.00
30/06/2014	CASH DEPOSIT FLORINDA		10,600.00
30/06/2014	CASH DEPOSIT DVO MALINDI		50.00
30/06/2014	CASH DEPOSIT DVO MALINDI		4,950.00
30/06/2014	CASH DEPOSIT RONALD		3,000.00
30/06/2014	CASH DEPOSIT DVO MALINDI		600.00
30/06/2014	CASH DEPOSIT DVO MALINDI		4,150.00
30/06/2014	CASH DEPOSIT DVO MWEA EAST		43,165.00
30/06/2014	CASH DEPOSIT SIMON		400.00
30/06/2014	CASH DEPOSIT DVO BAHARI		3,000.00
30/06/2014	CASH DEPOSIT DVO NYERI SOUTH		2,850.00
30/06/2014	CASH DEPOSIT JOYCE		1,500.00
30/06/2014	CASH DEPOSIT CHANGAYO		9,075.00
30/06/2014	CASH DEPOSIT DVO KAKAMEGA EAST		11,850.00
30/06/2014	CASH DEPOSIT DVO KAKAMEGA EAST		1,000.00
30/06/2014	CASH DEPOSIT DVO KAKAMEGA EAST		500.00
30/06/2014	CASH DEPOSIT DVO KAKAMEGA EAST		480.00
30/06/2014	CASH DEPOSIT DVO VIHIGA		2,250.00
30/06/2014	TRANSFER AT SWIFT		2,000.00
30/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		100.00
30/06/2014	CASH DEPOSIT DVO IGEMBE SOUTH		250.00
30/06/2014	CASH DEPOSIT COSMUS		14,100.00
30/06/2014	CASH DEPOSIT NANCY		120.00
30/06/2014	CASH DEPOSIT DVO MATUNGU		8,000.00
30/06/2014	CASH DEPOSIT DVO CHEPALUNGU		1,300.00
30/06/2014	CASH DEPOSIT DVO MWINGI WEST		12,225.00
30/06/2014	CASH DEPOSIT DVO MWINGI WEST		8,400.00
30/06/2014	CASH DEPOSIT DVO MWINGI WEST		8,400.00
30/06/2014	CASH DEPOSIT DVO RACHUONYO		380.00
30/06/2014	CASH DEPOSIT ANTHONY		2,060.00
30/06/2014	CASH DEPOSIT MATHEW		200.00
30/06/2014	CASH DEPOSIT DVO TANA DELTA		6,265.00
30/06/2014	CASH DEPOSIT DVO KWALE		2,530.00
30/06/2014	CASH DEPOSIT MATARA		9,500.00
30/06/2014	CASH DEPOSIT KIHARU		10,000.00
30/06/2014	CASH DEPOSIT DVO BAHARI		3,150.00
30/06/2014	CASH DEPOSIT DVO BAHARI		2,500.00
30/06/2014	CASH DEPOSIT DVO SBU CENTRAL		2,300.00
30/06/2014	CASH DEPOSIT CHARLES		3,300.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		11,200.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		12,350.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		20,325.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		14,200.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		10,950.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		15,750.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		12,225.00

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30/06/2014	CASH DEPOSIT RVIL KERICHO		9,675.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		12,975.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		13,775.00
30/06/2014	CASH DEPOSIT RVIL KERICHO		21,175.00
30/06/2014	INTER BRANCH CHQ	142	37,650.00
	TOTAL		6,996,339.30

PAYMENTS IN BANKSTATEMENT NOT YET RECORDED IN CASHBOOK

06/06/2014	UNPAID ITEM BANK CHARGES		55.00
06/06/2014	UNPAID ITEM BANK CHARGES		550.00
	TOTAL		605.00

RECEIPTS IN CASHBOOK NOT YET RECORDED IN BANKSTATEMENT

02/05/2014	DVS BANKING UNCLEARED CHQ	231783	117,600.00
06/06/2014	DVS BANKING UNCLEARED CHQ	73	110,885.00
20/06/2014	DVS BANKING UNCLEARED CHQ	13373	10,000.00
30/06/2014	DVS BANKING UNCLEARED CHQ	134	44,000.00
30/06/2014	DVS BANKING UNCLEARED CHQ	146	14,100.00
30/06/2014	DVS BANKING UNCLEARED CHQ	151	51,300.00
30/06/2014	DVS BANKING UNCLEARED CHQ	129	139,238.00
30/06/2014	DVS BANKING UNCLEARED CHQ	145	150,615.00
30/06/2014	DVS BANKING UNCLEARED CHQ	91220	148,480.00
	TOTAL		786,218.00

7. CAPITAL FUND

Authorized capital is K £1000 equivalent to Kshs20,000.00 only initially appropriated by parliament vide legal Notice No. 109 of 1996

8. ACCUMULATED RESERVE

This constitutes the accumulated surpluses since the inception of the Fund. The surpluses from operations were to be kept on a reserve account pending treasury's decision on its disposal. Any deficiency realized in any financial year shall, subject to Treasury approval, be set-off against the retained surpluses.

The accumulated reserve is as per the analysis below.

	Kshs
Accumulated Reserve as at June 2012	83,980,627.15
Add surplus	2,541,138.60
	<u>86,521,765.75</u>
Less accumulated Depreciation	57918817.90
Balance as at 30th June 2013	<u>28,602,947.85</u>

**VETERINARY SERVICES DEVELOPMENT FUND
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IX. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timeframe:
729	<p>Unapproved Re-allocation</p> <p>During the year under review, management reallocated funds totalling Kshs.62,857,500.00 from various items to item 2211003 (purchase of specialized materials), contrary to Regulation 6 of the Exchequer and Audit (Veterinary Services Development Revolving Fund) Regulations, 1996, which provides that the annual budget of the Fund shall be submitted to Treasury for approval, and any remission of the approved budget shall be referred to Treasury for necessary action. No explanation has been provided for the omission.</p>	<p>It is true that During the Year Under Review the Management Re-allocated Kshs. 62,857,500.00 from Various items to item 2211003 (Purchase of Specialized Materials), Contrary to Regulation 6 of the Exchequer and Audit (Veterinary Services Development Fund) which Provides that the annual Budget of the Fund Shall be Submitted to Treasury for Approval, and any Remission of the Approved Budget Shall be Referred to Treasury For Necessary Action. It should however be noted that the Director of Veterinary Services had sought the Approval Vide Letter Ref:Dev/4/Vol.XVIII/113(Copy Attached).The feedback To This Approval was never Received in Time Forcing The Management to go on with the Re-Allocation to make some funds available under the Item in question for dealing with the Anthrax and RVF diseases outbreaks occurrence. The management also needed some funds to urgently cater for the purchase of feeds and some drugs for the various farms in the country which were facing disease threats. The anomaly is Highly Regretted.</p> <p>APPENDIX XIA</p>	DVS	Not Resolved	Within a Month

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Reference No. on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timeframe:
730	<p>Unsupported Cleared Balance The Balance Sheet as at 30 June 2013 reflects a comparative (2011/2012) balance of Kshs.2,716,327.70 relating to DVOs (District Veterinary Officers) Suspense Account that was cleared during the year under review. However, no documentary evidence has been provided in support of the cleared balance. Consequently, validity of the clearance could not be confirmed.</p>	<p>It's true that the Balance Sheet as at 30 June 2013 Reflects a comparative (2011/2012 balance) of Ksh.2, 716,327.70 relating to DVO's (District Veterinary Officers) Suspense Account that was cleared under the year in Review, however it Should be noted that this amount included Ksh. 530,406.50 (see Appendix XI) which was in respect of uncollected cheques by Various DVO's. These cheques were reversed in the Cash Book and removed from the list of Unspent AIEs (See F.O 17 Attached). The rest of the Unspent AIE's of Ksh. 2,185,921.20 (Appendix XII) were fully accounted for by the respective DVOs and the necessary Adjustments made in the Cash Book.</p>	DVS		Within a Month
731	<p>Cash and Bank Balance The Balance Sheet also reflects a cash and bank balance of Kshs.867,099.35 that agrees with the reconciled cashbook balance as at 30 June 2013. However, the bank reconciliation statement as at that date reflects receipts in bank not recorded in the cashbook totalling Kshs.11,677,018.40, out of which an amount of Kshs.2,874,310.00 relates to the month of May 2013. No explanation has been given for not updating the cashbook with these receipts. The statement similarly reflects payments in bank</p>	<p>It is true that the Balance Sheet Reflects a Cash and Bank balance of Kshs 867,099.35 that agrees with the Reconciled Cash Book Balance as at 30June 2013.However,the bank reconciliation statement as at that date reflects receipts in Bank not recorded in the Cash book totalingKshs 11,677,018.40 out of which an amount of Kshs 2,874,310.00 relates to the Month of May 2013.The cash book was not updated with these receipts because the respective DVO's had not presented the Banking Slips to our office to necessitate us receipt the same in our Books. Some of These slips have so far been Received and the necessary recording done in our Books.</p>	DVS		Within a Month

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timeframe:
	<p>statement not recorded in the cashbook totalling Kshs.2,474,968.38, out of which payments totalling Kshs.1,497,310.75 relate to the period between 7 January and 31 May, 2013. The statement further reflects receipts in cashbook not recorded in the bank statement totalling Kshs.8,639,964.00, out of which receipts totalling Kshs.1,069,791.00 relate to the period between 8 January and 31 May 2013 that had not been cleared. In addition, receipts in cashbook not in bank include Kshs.7,454,778.00 attributed to various cashbook overcasts whose validity could not be confirmed. Consequently, accuracy and completeness of the cashbook balance as at 30 June, 2013 could not be confirmed.</p>	<p>It is also true that the statement similarly reflects payments in Bank statement not recorded in the Cash Book totalingKshs. 2,474,968.38 out of which Payments totalingKshs 1,497,310.75 relates to the period between 7th January and 31st May 2013. This amount included Bank Charges and was erroneously left out while preparing the respective Adjusting documents. As up to date the necessary Adjustments have been made as per attached reconciliation statement(Appendix XIII)and PV No. 0562 (Appendix XIII A)</p> <p>The statement further reflects Receipts in Cash book not recorded in the Bank Statement totalingKshs 8,639,964.00 out of which receipts totalingKshs 1,069,791.00 relate to the period between 8th January and 31st May 2013 that had not been cleared. This amount comprised of various receipts which were earlier receipted in our books as part of cash book adjustments and later erroneously on receiving the banking slips they were receipted again. This error has so far been rectified as per attached reconciliation statement.</p> <p>It is also true that the receipts in Cash book not in Bank included Kshs 7,454,778.00 attributed to Various Cash book overcasts. This was also as a</p>			

**VETERINARY SERVICES DEVELOPMENT FUND
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Reference No. on the External Audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timeframe:
		result of Receipt in Cash Book from Various DVO's banking which had earlier been adjusted for being outstanding for a long time. The Double Receipt has so far been reversed as per attached reconciliation statement. (Appendix XIII) and PV No. 0563 (see Appendix XIV)			
732	<p>Fixed Assets The Balance Sheet also reflects a fixed assets balance of Kshs.112,631,204.00 as at 30 June 2013. However, Note 2 to the financial statements reflects additions to computers totalling Kshs.10,810,016.00, but records available indicate that the amount includes a figure of Kshs.344,600.00 relating to additions to furniture and fittings. The balances shown under computers and furniture and fittings are therefore overstated and understated by a similar amount. No explanation has been given for failure to reflect correct classification of the assets.</p>	It true that the balance sheet reflects fixed assets balance of Kshs 112,631,204.00 as at 30 June 2013. Note 2 to the financial statements reflects additions to computers totalling Kshs. 10,810,016.00, as alleged the records available indicated that the amount included a figure of Kshs 344,600.00 relating to additions to furniture and fittings, the balances shown under computer and furniture and fittings are therefore overstated by the same amount. The overstatement and understatement was due to combination of purchase of computers, office equipment and furniture Items under one code i.e.(3111000) . However plans have been laid down to separate these items to avoid occurrence of this problem in future as per Appendix XV	DVS		Within a Month
733	<p>Creditors The financial statements reflect a creditors (pending bills) balance of Kshs.17,141,150.00 as at 30 June 2013. However, no explanation has been provided for the apparent over-commitment as the Fund</p>	It True the Financial Statements Reflects Creditors (Pending Bills) Balance of Kshs 17,141,150.00 as at 30 June 2013 and No explanation has been provided for the over commitment. However it should be noted that the over commitment was as a result of the Anthrax and RVF diseases outbreak which needed	DVS		Within a Month

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timeframe:
	reported a cash and bank balance of only Kshs.867,099.35 as at that date, which was not adequate to settle the pending bills.	substantial amount of funds in order to curb it. The management also needed some funds to urgently cater for the purchase of feeds and some drugs for the various farms in the country which were facing disease threats. The commitment was done in anticipation that funds will be collected. Since then funds have been collected and the commitments cleared in the financial year 2013/2014 (Appendix XIV)			