

REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE

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**REPORT OF THE CONTROLLER
AND
AUDITOR-GENERAL ON
THE FINANCIAL STATEMENTS OF
EWASO NG'IRO SOUTH DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED 30TH JUNE 2009**



**Ewaso Ng'iro South Development
Authority**

**FINANCIAL REPORT
FOR THE YEAR
ENDED
30TH JUNE 2009**

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CORPORATE INFORMATION

Ewaso Ng'iro South Development Authority was established by an Act of parliament Cap 447 of the laws Kenya. The object and purpose for which the Authority was established was to plan, coordinate and implement development projects in the Ewaso Nyiro River Basin and catchment areas and for connected purposes.

Registered Office: ENSDA building.

Off Narok- Bomet Rd opposite Narok University College

P.O Box 213

NAROK

Bankers National Bank of Kenya

Narok Branch

P.O. Box 348

NAROK

Co-operative Bank Of Kenya

Kisii Branch

P.O Box 2469.

KISII

Auditors: Kenya National Audit Office

Anniversary Towers

P.O Box 30084 00100.

NAIROBI.

Members of the board:

- | | |
|---------------------------|------------------|
| 1. Ms Beatrice Sabana | Vice Chairperson |
| 2. Mr. Jonathan K. Too | Member |
| 3. Mr. Jonathan S Kirorei | Member |

Ewaso Ng'iro South Development Authority

4. Lt Gen (Rtd) Leshan Ole Letoluo	Member
5. Mr. David K Kitasho	Member
6. Mr. Jeremiah R Nakaya	Member
7. Dr Stasia J Konongoi	Member
8. Mr. Wilfred M Pere	Member
9. Mr. Lemarron Kaanto	Rep. Managing Director , Magadi Soda Co. Ltd
10. Ms Justina Miriti	Alt. Director, Ministry of Regional Development Authorities
11. Mr. Simon Korir	Alt. Director, Ministry of Planning & National Development
12. Mr. Living stone Bumbe	Alt. Director, Ministry of Finance
13. Eng. Shiribwa Mwanzali	Alt . Director, Ministry of Agriculture
14. Mr. A .O Esmail	Alt. Director, Ministry of Livestock & Fisheries Development
15. Mr. Kepha M Ombacho	Alt .Director, Ministry of Health
16. Mr. Gideon Gathaara	Alt. Director, Ministry of Environment & Mineral Resources
17. Mr. James Yatich	Alt. Director, Ministry of Water & Irrigation
18. Mr. Nelson Manyeki	Alt. Director, Ministry of Energy
19. Provincial Commissioner	Rift Valley province

Senior management:

1.	Dika Bilala Guyo	- Ag. Managing Director
2.	Kerika Ole Ndere	- Finance Manager
3.	Simel Sankei	- Human Resource Manager
4.	Charles T. Sunkuli	- Planning Manager
5.	Peter Bwogero	- Natural Resource
6.	Silas Parsitau	- Agri- business Manager
7.	Peter Maasay	- Tea project Manager.

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E-mail: cag@kenao.go.ke
Website: www.kenao.go.ke



P.O Box 30084-00100

NAIROBI

Date _____

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF EWASO NGIRO SOUTH DEVELOPMENT AUTHORITY FOR THE YEAR ENDED 30 JUNE 2009

I have audited the accompanying financial statements of Ewaso Ng'iro South Development Authority set out pages 4 to 14 which comprise the Balance sheet as at 30 June 2009, the Recurrent and Development Income Statements, the Statement of changes in Equity and the cash Flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information 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.

Management's Responsibility for the Financial Statements

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

Responsibility of the controller and Auditor General

My responsibility is to express an independent opinion on the financial statements based on the audit. The audit was conducted in accordance with the International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed with a view to obtaining 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 auditors judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the final statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

1. Board Meetings

As in the previous, the Board of the Authority met only three times during the year under review, contrary to section 8(1)(a) of the state corporation Act, which requires that the Board of every State corporation meets not less than four times in every financial year and not more than four months elapses between the date of one meeting and the next. According to the management, the Board was unable to hold the minimum number of meetings as required by law due to budget constraints.t

2. Creditors

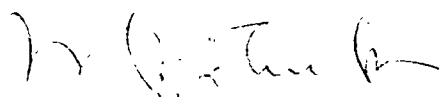
The balance sheet as at 30 June 2009 reflects a creditors balance of Kshs.4,245,087 which includes an amount of Kshs.2,345,440 in respect of audit fee payable to the Kenya National Audit Office .This fee has been outstanding since 1997/98.

3. Budgetary Control

During the year under review, the Authority operated without an approved budget, contrary to Section 11 of the States Corporations Act which requires that the budget be approved by the Board of Directors, parent Ministry and the Treasury. No satisfactory reason has been provided by the Authority for the anomaly.

Opinion

Expect for the foregoing reservations, in my opinion, the financial statements present fairly, in all material respects, the financial position of the Authority as at 30 June 2009, and its financial performance and its cash Flows for the year then ended, in accordance with the International Financial Reporting Standards and comply with the Ewaso Ng'iro South Basin Development Authority Act, (Cap 340 of the laws of Kenya).



A.S.M Gatumbu

CONTROLLER AND AUDITOR GENERAL

Nairobi

15 March 2010

STATEMENT OF DIRECTORS RESPONSIBILITIES

The ENSDA Act Cap 447 requires the Directors to prepare financial statements for each financial Year which gives a true and fair view of the states of affairs of the Authority as at the end of financial year and group's profit or loss for that period. It also requires the Directors to ensure the Authority keeps proper accounting records, which disclose with reasonable for safeguarding the assets of the Authority

The Directors accept responsibility for the annual financial statement, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgement and estimates, in conformity with International Financial Standards and the requirement of ENSDA Act.

The Directors are of opinion that the financial statements give a true fair view of state of financial affairs and of the Authority's/ deficit.

The Directors further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statement, as well as adequate systems of internal control.

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

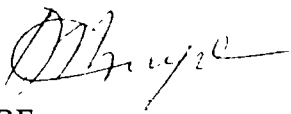
MS. JUSTINA MIRITI

DIRECTOR (PARENT MINISTRY)

SIGNATURE.....

DIKA BILALA GUYO

AG . MANAGING DIRECTOR

SIGNATURE.....

BALANCE SHEET AS AT 30TH JUNE 2009

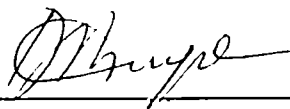
<u>ASSETS</u>	<u>Notes</u>	<u>JUNE 2009</u>	<u>JUNE 2008</u>
<u>NON-CURRENT ASSETS</u>		<u>KSHS.</u>	<u>KSHS.</u>
PROPERTY, PLANT & EQUIPMENT	2	21,182,536.00	23,756,310.00
BIOLOGICAL ASSET	3	<u>15,341,000.00</u>	<u>14,337,600.00</u>
TOTAL FIXED ASSETS		36,523,536.00	38,093,910.00
SUSPENSE ACCOUNT		<u>83,433.00</u>	
<u>CURRENT ASSETS</u>			
STOCKS/ INVENTORY	4	4,136,995.00	4,094,770.00
TRADE & OTHER RECEIVABLES	5	2,403,019.00	761,214.00
PREPAYMENTS	6	35,500.00	288,486.00
CASH IN HAND & BANK	7	15,467,314.00	6,945,491.00
CASH IN TRANSIT		-----	<u>600,000.00</u>
TOTAL CURRENT ASSETS		<u>22,042,828.00</u>	<u>12,689,961.00</u>
TOTAL ASSETS		<u>58,749,797.00</u>	<u>50,783,871.00</u>
<u>EQUITY & LIABILITIES</u>			
CAPITAL RESERVE	8	4,122,300.00	4,122,300.00
ACCUMILATED DEVELOPMENT FUND ⁹		82,003,703.00	68,330,708.00
EXCESS OF INCOME OVER EXPEN.	10	(46,962,293.00)	(41,640,237.00)
ASSETS VALUATION	11	<u>15,341,000.00</u>	<u>14,337,600.00</u>
TOTAL EQUITY		54,504,710.00	45,150,371.00
<u>CURRENT LIABILITIES</u>			
CREDITORS	12	<u>4,245,087.00</u>	<u>5,633,500.00</u>
TOTAL EQUITY & LIABILITIES		<u>58,749,797.00</u>	<u>50,783,871.00</u>

SIGNATURE

MS. JUSTINA MIRITI
DIRECTOR (PARENT MINISTRY)



DIKA BILALA
AG. MANAGING DIRECTOR



INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30TH JUNE 2009 (RECURRENT)

<u>A/C NO.</u>	<u>DESCRIPTION</u>	<u>Notes</u>	<u>JUNE 2009</u> KSHS.	<u>JUNE 2008</u> KSHS.
	Government Grants		35,475,236.00	35,445,236.00
	Gain from Sales of Fixed Assets		-----	220,000.00
	Other Income		<u>1,397,239.00</u>	<u>1,832,155.00</u>
	TOTAL INCOME	(A)	36,872,475.00	37,497,391.00
A/C	EXPENSES			
2110101	Basic Salary		15,762,847.00	15,577,690.00
2110201	Contractual Employees		4,796,000.00	5,586,000.00
2110202	Casual Labour		618,796.00	736,199.00
2110702	Other Allowances		827,385.00	308,529.00
2110301	House Allowances		3,633,500.00	3,714,000.00
2110302	Honoraria		0.00	804,000.00
2111012	Telephone Allowances		1,068,500.00	539,000.00
2110308	Medical Allowances		1,047,250.00	1,052,500.00
2110402	Refund of Medical expenses		92,969.00	15,070.00
2111102	Gratuity		446,400.00	613,439.00
2110404	Leave expenses		465,989.00	549,486.00
2120101	Contribution to NSSF		224,400.00	229,379.00
2120301	Employer Contribution to Pension Sche.		3,835,683.00	3,828,521.00
2210101	Electricity		283,927.00	78,894.00
2210102	Water and Sewerage charges		10,860.00	3,310.00
2210202	Telephone, Telex & Fax		274,500.00	60,695.00
2210203	Courier and Postal Services		64,463.00	105,203.00
2210301	Travel costs (Airlines, bus, railway mill. etc)		0.00	192,083.00
2210302	Accomodation		0.00	224,739.00
2210502	Publishing and Printing Services		0.00	11,029.00
2210503	Subscription to Newspapers, Mag. & periodicals		89,293.00	82,600.00
2210504	Advertising and Publicity		0.00	93,497.00
2210701	Travel Accom., Tuition Fees & Training Allowances		0.00	107,555.00
2210801	Catering Services, Accom., Gifts, Donations		100,000.00	454,891.00
2210802	Boards, Committees, Conference & Seminars		4,613,561.00	3,030,523.00
2210901	Group Personal Insurance		181,253.00	0.00
2210902	Building Insurance		14,083.00	0.00
2210904	Motor Vehicle Insurance		31,301.00	0.00
211016	Purchase of Uniforms & Clothing		0.00	57,600.00
2211017	Funeral Expenses		63,160.00	0.00
221101	Gen. Office Sup. (Paper, Froms, Small Off. Equip)		0.00	105,679.00
221103	Sanitary & Cleaning Materials		143,862.00	0.00
2212201	Fuel & Lubricants		300,000.00	3,540.00
2211301	Bank Services, Commissions & Charges		227,840.00	45,027.00
2211308	Legal Dues, Arbitration, & Compensation Payments		0.00	310,451.00
2211310	Contracted professional services		280,720.00	0.00
2220202	Maintenance of Office Furniture & Equipment		0.00	3,760.00
2220204	Maintenance of Building - Residential		0.00	47,670.00
2220210	Maintenance of Comp., Software, Network & Comp E		0.00	60,890.00
	Depreciation for the year (1)		2,695,990.00	3,198,664.00
	TOTAL EXPENSES	B	42,194,532.00	41,832,113.00
	EXCESS OF INCOME OVER EXP.	(A-B)	(5,322,057.00)	(4,334,722.00)

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30TH JUNE 2009 (DEVELOPMENT)

<u>A/C NO.</u>	<u>DESCRIPTION</u>	<u>Notes</u>	<u>JUNE 2009</u> KSHS.	<u>JUNE 2008</u> KSHS.
	Government Grants		30,075,000.00	30,861,000.00
	Kazi kwa Vijana Grant		16,007,928.00	0.00
	UNEP Grant		<u>9,002,278.00</u>	<u>6,858,229.00</u>
	TOTAL INCOME	(A)	<u>55,085,206.00</u>	<u>37,719,229.00</u>
EXPENDITURE				
3110502	Water Supplies studies and development		0.00	4,125,624.00
3110503	Comiform Project		9,361,817.00	2,860,689.00
3110504	Project Prefeasibility, Feasibilities, Planning and Appraisals		1,056,632.00	1,417,295.00
3111401	Regional Master Plan		3,828,390.00	7,946,179.00
	T T F Project		0.00	123,700.00
311403	Monitoring & Evaluation		2,388,515.00	3,817,608.00
3111402	Mara Tourism Development		766,947.00	0.00
3111400	Policy Consultative Process		0.00	2,481,439.00
3111404	Lower Ewaso Ng'iro Multipurpose projects		2,144,706.00	0.00
3111405	Concept Paper Proposal		836,205.00	0.00
3.1E+07	ICT Expenditures		590,442.00	756,018.00
2211023	Intergrated Tea Project		8,054,606.00	6,068,254.00
	Livestock Improvement		0.00	589,173.00
2211023	HIV/AIDS Management		49,775.00	91,015.00
2211024	Safety Measures		554,172.00	0.00
3110600	Rehabilitation & Conservation of Catchment Areas		4,355,041.00	0.00
2211024	Skills Development		3,164,016.00	0.00
3110601	ISO Certification		1,080,712.00	0.00
2211025	Kazi Kwa Vijana Programme		<u>3,180,235.00</u>	<u>0.00</u>
	TOTAL EXPENDITURE	(B)	<u>41,412,211.00</u>	<u>33,421,559.00</u>
	Surplus/ Deficit	(A-B) (1)	<u>13,672,995.00</u>	<u>4,297,670.00</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2009

	<u>2009</u>	<u>2008</u>
	KSHS.	KSHS.
Cash Flow Operating Activities	8,350,938.00	(37,052.00)
Adjusted for;		
Depreciation	<u>2,695,990.00</u>	<u>3,198,564.00</u>
	11,046,928.00	3,161,512.00
Charges in Working Capital		
Decrease/ Increase in trade & Other receivables	(1,641,805.00)	445,285.00
Cash-in Transit	0.00	600,000.00
Decrease / Increase in Inventory	(42,225.00)	391,781.00
Increase / Decrease in Prepayments	254,986.00	1,898,588.00
Increase / Decrease in Trade and other payables	<u>(1,388,413.00)</u>	<u>(707,178.00)</u>
Cash Generated from operations	8,227,471.00	5,789,988.00
Net Cash from Investing activities	(137,584.00)	(409,240.00)
Net Increase in Cash Equivalent	22,412,865.00	11,419,875.00
Cash & Cash Equivalent at beginning of period	<u>6,945,491.00</u>	<u>4,474,384.00</u>
Cash & Cash Equivalent at the end of period	<u>15,467,314.00</u>	<u>6,945,491.00</u>

STATEMENT FOR CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2008

	Revaluation Surplus	Accumulated Dev. Fund	Accumulated Deficit	Capital Reserve	Total
At July 2007		64,033,038.00	(37,305,513.00)	4,122,300.00	44,291,325.00
Asset Valuation (Tea bushes & Livestock)	896,100.00				896,100.00
Surplus/Deficit for the Year		4,297,670.00	(4,334,722.00)		(37,052.00)
At 30th June 2008	896,100.00	68,330,708.00	41,640,235.00	4,122,300.00	45,150,371.00

STATEMENT FOR CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2009

	Revaluation Surplus	Accumulated Dev. Fund	Accumulated Deficit	Capital Reserve	Total
At July 2008	14,337,600.00	68,330,708.00	(41,640,237.00)	4,122,300.00	45,150,371.00
Asset Valuation (Tea bushes & Livestock)	1,003,400.00				1,003,400.00
Surplus/Deficit for the Year		13,672,995.00	(5,322,057.00)		(8,350,938.00)
At 30th June 2008	15,341,000.00	82,003,703.00	(46,962,294.00)	4,122,300.00	54,504,709.00

NOTES TO ACCOUNTS

1. ACCOUNTING POLICIES

The accounts had been prepared in accordance with International Accounting Standards (IAS) as set out below:

Basis of preparation

The financial statements have been prepared under historical cost convention as modified to include the revaluation of certain properties.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on reducing balance basis. The annual depreciation rates in use are;

Motor vehicle	25%
Furniture, Fittings and Equipment	12.5%
Buildings Permanent Non-residential	2%
Buildings Semi Permanent Non-residential	12.5%
Buildings permanent Residential	2%
Computers and related accessories	30%
Loose Tools	33.3%

Biological Assets

The Biological assets (Tea Bushes) are valued at fair value over an economic life of 15 year (duration of lease of the land under tea bushes) less the initial cost of buying the tea seedlings in line with IAS No. 41.

Livestock's are valued at historical cost for those purchased and at estimated realizable marked value for those born and breed in our farm.

Revenue recognition

The Authority recognized revenue and expense on accrual basis

Inventory Valuation

Inventory and livestock are valued at the lower of cost and realized marked value.

Depreciation

Freehold land is not depreciated as it is deemed to have an indefinite life.

Basis of Measurement

The unit of measure for all transactions is the Kenya Shilling. Hence all the figures in the financial statements are in the same currency.

2. PROPERTY, PLANT EQUIPMENT

FIXED ASSETS SCHEDULE MOVEMENT FOR THE YEAR ENDED 30TH JUNE 2009

	LAND	M/V 25%	FURNITURE, FITTING & EQUIP. 12.5%	BUILDINGS PERMANENT NRS 2.0%	BUILDINGS SEMI-PERMANENT NRS 12.5%	BUILDINGS PERMANENT RESIDENTIAL 2.0%	COMPUTERS & RELATED ACCESSORIES 30.0%	LOOSE TOOLS 33.3%	TOTAL KSHS.
TOTAL ASSETS	4,097,500.00	10,660,780.00	5,527,507.00	10,994,310.00	9,712,074.00	270,952.00	2,674,059.00	1,118,706.00	45,055,888.00
LOSS ON REVALUATION									-
ADDITIONS 2008/2009			14,995.00				77,400.00		
DISPOSALS								45,189.00	137,584.00
TOTAL ASSETS AT AT 30 TH JUNE 2008	4,097,500.00	10,660,780.00	5,542,502.00	10,994,310.00	9,712,074.00	270,952.00	2,751,459.00	1,163,895.00	45,193,472.00
DEPRECIATION B/F	-	4,638,764.00	3,921,320.00	2,126,988.00	8,039,476.00	39,880.00	1,484,996.00	1,063,522.00	21,314,946.00
DEP. ON DISPOSAL									-
DEP FOR THE YEAR	-	1,597,220.50	294,364.25	177,346.44	209,074.75	4,621.44	379,938.90	33,424.21	2,695,990.49
TOTAL DEP. (2)	-	6,235,984.50	4,215,684.25	2,304,334.44	8,248,550.75	44,501.44	1,864,934.90	1,096,946.21	24,010,936.49
NET BOOK VALUE 2008/2009	4,097,500.00	4,424,795.50	1,326,817.75	8,689,975.56	1,463,523.25	226,450.56	886,524.10	66,948.79	21,182,535.51
NET BOOK VALUE 2007/2008	4,097,500.00	6,022,016.00	1,606,187.00	8,867,322.00	1,672,598.00	231,072.00	1,189,063.00	70,552.00	23,756,310.00

N/B:

1. Values are stated at cost

2. Depreciation is accumulated over a number of years since the date of purchase.

3. BIOLOGICAL ASSETS

(a) TEA BUSHES

The Authority acquired 50 acres of land under lease from Keyian ranch for a period of 15 years. Out of this 50 acres are under tea. Since the Authority will benefit from the tea grown on the land over the lease period, the tea bushes are the property of the Authority for that period. The fair value of this Biological assets in line with IAS No 41

	June 2009	June 2008
Tea Bushes	14,935,000.00	14,337,600.00

(b) LIVESTOCK

	June 2009	June 2008
	Kshs.	Kshs
Dairy cows	320,000.00	192,020.00
Dairy Goats	86,000.00	122,800.00
TOTAL	406,000.00	314,800.00

Total = (a + b) =15,341,000.00

4. STOCK AND INVENTORIES

The stock is valued at the lower of cost or net realizable value.

	June 2009	June 2008
	Kshs.	Kshs
Tree Seedlings	1,038,165.00	369,020.00
Tea Seedlings	2,931,330.00	3,410,950.00
Stores & Inventory	167,500.00	-
Tea potting Tubes-Enoosaen	-	-
TOTAL	4,136,995.00	4,094,770.00

5. DEBTORS & OTHER RECEIVABLES

The debtors and other receivables figure at close of the period under review stands at Ksh 2,387,073.00 broken down as follows:

	June 2009	June 2008
	Kshs.	Kshs
i. Imprest Outstanding	192,412.00	124,942.00
ii. Salary advances	844,107.00	530,641.00
iii. Special housing outstanding	4,500.00	102,000.00
iv. Erato Builders	1,000,000.00	-
v. Consky Consultants	262,000.00	-
vi. Nasaruni Sacco	100,000.00	3,631.00
TOTAL	2,403,019.00	761,214.00

6. PREPAYMENTS

	June 2009	June 2008
	Kshs.	Kshs
Power Deposit	13,000.00	18,000.00
Telephone& Fax Prepaid	22,500.00	-
Insurance	-	270,846.40
Total	35,500.00	288,486.40

7. CASH IN HAND AND IN BANK

The breakdown of cash in hand and bank at the close of business on 30th June 2009 was as follows:

	June 2009	June 2008
	Kshs.	Kshs
Cash in Hand	1,490.00	27,208.00
Farm A/C No. 0100341548102 NBK Narok	88,275.00	32,451.00
Dev A/C No. 0100341548101 NBK Narok	11,605,594.00	1,816,669.00
Rec A/C No. 0100341548100 NBK Narok	(46,835.00)	391,692.00
Coop Bank- Kisii	171,158.00	695,271.00
Coop Bank- Kilgoris	38,127.00	208,803.00
COMIFORM A/C NBK Narok	3,609,505.00	3769,058.00
TTF A/C NBK Narok	-	4,309.00
TOTAL	15,467,314.00	6,945,491.00

8. (a) CAPITAL RESEVE (LAND)

This amount represents the value of land and furniture donated to the Authority by the government

	<u>June 2009</u>	<u>June 2008</u>
Capital reserve-land Kshs	4,097,500.00	4,097,500.00

(b) CAPITAL RESERVE (FURNITURE)

This amount represents the value of furniture donated by the government

	<u>June 2009</u>	<u>June 2008</u>
Capital reserve- Furniture Kshs.	24,800.00	24,800.00

9. DEVELOPMENT FUND

This is an accumulated amount since inception of the Authority. The amount was used to finance some of the Authority's assets.

	<u>June 2009</u>	<u>June 2008</u>
Development Fund	82,003,703.00	68,330,708.00

10. EXCESS OF INCOME OVER EXPENDITURE

The amount shown above is the accumulated excess of expenditure over income (recurrent vote) since inception of the Authority to 30th June 2009

	<u>June 2009</u>	<u>June 2008</u>
Excess of Income over Expenditure	(46,962,293.00)	(41,640,237.00)

11. ASSETS VALUATION

The value of tea Bushes at the Authority demonstration farm at Keyian stands at Kshs. 14,935,000.00 and Livestock at Hqs at Ksh 406,000.00

	<u>June 2009</u>	<u>June 2008</u>
Assets Valuation	14,935,000.00	14,337,600.00
Livestock	<u>406,000.00</u>	
	15,341,000.00	

12. CREDITORS

The amount of creditors was Kshs 4,245,087.00 at the close of business on 30th June 2009 Most of the Creditors relate to commitments on ongoing projects.

	<u>June 2009</u>	<u>June 2008</u>
Creditors	4,245,087.00	5,633,500.00

