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**REPORT**  
**OF**  
**THE AUDITOR-GENERAL**  
**ON**  
**THE FINANCIAL STATEMENTS OF**  
**MINISTRY OF CO-OPERATIVE DEVELOPMENT**  
**AND MARKETING (VOTE 122)**  
**FOR THE YEAR ENDED**  
**30 JUNE 2013**

# REPUBLIC OF KENYA

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## KENYA NATIONAL AUDIT OFFICE

### REPORT OF THE AUDITOR-GENERAL ON THE MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING (VOTE 122) FOR THE YEAR ENDED 30 JUNE 2013

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Ministry of Co-operative Development and Marketing (Vote 122) which comprise the Statement of Assets and Liabilities, Recurrent, Development and Deposits as at 30 June 2013 and the Appropriation Accounts - Recurrent and Development and financial statements of the Management, Supervision and Liquidation 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.

#### **Accounting Officer's Responsibility for the Financial Statements**

The Accounting Officer, Ministry of Co-operative Development and Marketing is responsible for the preparation and fair presentation of these financial statements in accordance with the Government Financial Regulations and Procedures and the Public Finance Management Act, 2012 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 Accounting Officer is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 4 of the Public Audit Act, 2003.

#### **Auditor-General's Responsibility**

My responsibility is to express an opinion on the 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 statement. The procedures selected depend on the auditor's judgment, 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 Ministry'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 qualified audit opinion.

## **A. APPROPRIATION ACCOUNT FOR RECURRENT VOTE 122**

### **Basis for Qualified Opinion**

#### **1. Pending Bills**

Records maintained by the Ministry indicate that bills totalling Kshs.1,414,805 relating to 2012/2013 financial year and chargeable to the recurrent Vote 122 were not settled during the year, but were instead carried forward to 2013/2014. Had the bills been paid and the expenditure charged to the financial statements for 2012/2013, the appropriation account for Vote R.122 for the year ended 30 June 2013 would have reflected a reduced net surplus to be surrendered to the Exchequer of Kshs.9,273,277 instead of the Kshs.10,688,082 now shown.

#### **2. Personal Emolument**

The appropriation account reflects under various heads, basic salaries and personal allowances paid as part of salary totalling Kshs. 665,182,445. However, the Integrated Payroll and Personal Database (IPPD) system and actual salaries payment vouchers for 2012/2013 show expenditure totalling Kshs.675,797,660, resulting to a difference of Kshs.10,615,215 which has not been reconciled or explained.

#### **3. Omitted Expenditure**

The footnotes to the Appropriation Account under Head 00100 Sub Head 98 – Devolved Provincial Cooperative Extension Services under Head 0012 Sub-Head-Cooperative Extension Services attribute the under expenditure totalling Kshs.9,560,181 against various items to non capturing of the data in IFMIS. The omission of Kshs.9,560,181 leads to understatement of expenditure in the

appropriation account and consequently over-statement of net surplus to be surrendered to the Exchequer.

## **B. STATEMENT OF ASSETS AND LIABILITIES RECURRENT VOTE 122**

### **Basis for Qualified Opinion**

#### **4. Exchequer Account Balance**

The statement of assets and liabilities reflects exchequer account balance of Kshs.2,702,976 as at 30 June 2013 which does not include a debit balance of Kshs.37,751,810 in respect of the exchequer account for 2011/2012 as shown in records maintained at the Treasury. The Ministry has not given any satisfactory explanation as to why this balance was omitted in the statement.

#### **5. Uncleared Balances**

The statement also reflects 2011/2012 and earlier years credit balances of Kshs.34,666,021 and Kshs.74,143,256 in respect of General Account of Vote (GAV) for 2011/12 and 2010/11. No satisfactory explanation has been given as to why these long outstanding balances have not been cleared from the books of account.

#### **6. District Suspense Account**

The statement reflects a debit balance of Kshs.114,342,852 against district suspense account which has only been supported with analysed balance of Kshs.11,694,269 leading to an unexplained difference of Kshs.102,648,583. In consequence, the accuracy and completeness of the district suspense account balance could not be ascertained.

#### **7. Imprest Account**

The statement reflects unsurrendered temporary imprest as at 30 June 2013 of Kshs.276,183, contrary to financial regulations and procedures which requires that temporary imprests be surrendered within 48 hours after returning from official duty. This omission has not been explained.

#### **8. Paymaster General Account**

The statement reflects Paymaster General Account balance of Kshs.7,915,897 which tallies with Cashbook balance as at 30 June 2013. However, the bank reconciliation statement for the recurrent cashbook as at 30 June 2013 reflects cheques totalling Kshs.83,360,178 in the cashbook not recorded in the bank statement. Included in this figure are stale cheques amounting to Kshs.1,691,046

for the period between July 2006 and December 2012 and which had not been reversed in the cash book.

The reconciliation statement also reflects payments totalling Kshs.7,456,694 in the bank statement not recorded in the cashbook, out of which Kshs.5,266,911 relates to period between 29 June 2007 and 10 December 2012. The Ministry has not explained why these payments had not been recorded in the cashbook as at 30 June, 2013.

## **C. STATEMENT OF ASSETS AND LIABILITIES FOR DEPOSITS 122**

### **Basis for Qualified Opinion**

9. The statement of assets and liabilities for Deposits 122 as at 30 June 2013 reflects several credit balances relating to 2011/2012 and earlier years of Kshs.5,159,150, Kshs.1,092,408, Kshs.233,900 and Kshs.1,092,408 in respect of Liquidation Fund Account, New KCC Shares Refund Deposit, Total War Against Aids (TOWA) and Retention Monies, respectively. However, management has not given explanation as to why these balances have remained uncleared for several years.

10. The statement does not reflect closing balances of Kshs.5,492,601, Kshs.280,779 and Kshs.1,157,150 in regard to Registration and Miscellaneous Deposits, Returned Salaries and Annual Registration accounts respectively, for 2011/2012 which should have been brought forward to 2012/2013. In addition, the statement reflects a brought forward Inquiry Fees Deposits balance of Kshs.720 which differs with a balance of Kshs.818,508 reflected in the audited statement as at 30 June 2012. Under the circumstances, the accuracy and validity of the balances reflected in the statement could not be ascertained.

11. The statement also reflects account movements during the year of Kshs.1,750,838 in respect of Management and Supervision Fund and Kshs.22,758, Kshs.1,707,298 and Kshs.12,000 in respect of Temporary Imprest, Paymaster General and TOWA accounts respectively, which have not been supported by verifiable documents. In addition, the statement reflects temporary imprest balance of Kshs.415,242 which ought to have been surrendered or accounted for on or before 30 June, 2013. No explanation was provided for not accounting for the imprests as required by Government Financial Regulations and Procedures.

12. The statement reflects Retention Monies balance of Kshs.1,092,408 which relate to the period between June 2006 and June 2011. However, management has not given explanation as to why the money has not been paid to the respective contractors taking into account that Government Financial Regulations and Procedures require that retention money be released upon expiry of the defect liability period and after satisfactory completion of a contract.

**13** (i) The statement further reflects Paymaster General Account balance of Kshs.8,232,564 which differs with the amended cash book balance of Kshs.10,115,000 as at 30 June, 2013. No documents supporting the adjusted cashbook balance was produced for audit confirmation.

(ii) The bank reconciliation statement for deposits cashbook as at 30 June, 2013 reflects payments totalling Kshs.208,463 in the bank statement not recorded in the cashbook which included Kshs.146,363 relating to the period between 25 October 2004 and 21 December 2012. The reconciliation statement also reflects receipts totalling Kshs.1,939,959 in the bank statement but not recorded in the cash book which included Kshs.754,921 relating to the period between 23 March 2012 and 29 August 2012. No reason has been provided for failure to have the payments of Kshs.208,463 and receipts totalling Kshs.1,939,959 recorded in the cashbook as at 30 June, 2013.

#### **D. MANAGEMENT, SUPERVISION AND LIQUIDATION FUND ACCOUNT**

##### **Basis for Qualified Opinion**

##### **14. Non-Current Assets**

The statement of financial position reflects furniture as the only non-current asset with a net book value of Kshs.1,876,313 as at 30 June 2013. However, this figure includes additions of Kshs.589,500 which should have been classified as equipment and computers. Further, the same rate of depreciation was applied instead of different rates had the classification been properly done. Consequently, it has not been possible to confirm that the non-current assets balance of Kshs.1,876,312 as at 30 June 2013 is fairly stated.

##### **15. Receivables**

The statement reflects receivables balance of Kshs.35,296,457 as at 30 June 2013 compared to Kshs.47,178,812 as at 30 June 2012, resulting to a difference of Kshs.11,882,355 attributed to adjustments made to correct errors in the debtors' ledger. However, no documentary evidence was provided to support the adjustments. Further, the Ministry has not provided a plan on how it intends to recover these debts, some of which have been outstanding for a long time.

##### **16. Management and Supervision Fund (Capital)**

The management and supervision fund (capital) balance decreased from Kshs.49,123,534 in the previous year to Kshs.37,048,727 as at 30 June 2013, resulting to an unsupported and unexplained difference of Kshs.12,074,807.

## **17. Travel and Subsistence**

The statement of comprehensive income for the year ended 30 June 2013 reflects an expenditure of Kshs.7,186,548 on travel and subsistence expenses. The amount includes payments of meal allowances of Kshs.2,070,000 for which no explanation has been provided for charging meal allowances to this expenditure item. Consequently, it has not been possible to determine that the travel and subsistence expenses is fairly stated and has been properly incurred.

## **18. Failure to Prepare Statement of Cash Flows**

As previously reported, the Ministry did not prepare a statement of cash flows for the year under review, contrary to the requirements under Treasury Circular No.AG.3/088/VOL.6 (58) of 05 September 2012 on annual preparation of financial statements.

## **E. APPROPRIATION ACCOUNT FOR DEVELOPMENT VOTE (D.122)**

### **Basis for Qualified Opinion**

#### **19. Discrepancy between the Appropriation Account and Trial Balance**

The Appropriation Account reflects total net expenditure of Kshs.152,173,992 while the trial balance as at 30 June 2013 reflects a net expenditure of Kshs.1,196,057. No explanation or reconciliation has been provided for the difference of Kshs.150,977,935 between the two set of records.

#### **20. Unsupported Expenditure**

The Appropriation Account reflects expenditure totalling Kshs.17,000,000 under Head 0009 Item 31113000- Purchase of Certified Seeds, Breeding Stock and Live Animals. No documentary evidence was provided to support the expenditure and consequently, its propriety could not be ascertained.

Further, the Account reflects receipt of Appropriations-In-Aid of Kshs.20,099,434 under the Head 0009, 13220100-Grants from International Organizations - Cash through the Exchequer. The receipt of the Appropriations-In-Aid however could not be confirmed since there were no relevant supporting documents submitted for audit review.

#### **21. Expenditure Omitted from the Appropriation Account**

The Ministry spent a total of Kshs.37,699,174 under Head 0009, Item 3110700 relating to Purchase of Vehicles and Other Transport Equipment during 2012/2013.

However, the Appropriation Account reflects only Kshs.24,137,346 with Kshs.13,561,828 paid in May 2013 not captured in the ledger and therefore, omitted from the Appropriation Account for the year ended 30 June 2013.

In addition, fixed asset register was not maintained to record purchase or disposal of assets.

## **F. STATEMENT OF ASSETS AND LIABILITIES FOR DEVELOPMENT VOTE (D.122)**

### **Basis for Qualified Opinion**

#### **22. Uncleared Balances**

The Statement of Assets and Liabilities for Vote D-122 as at June 2013 reflects brought forward balances relating to the period 2011/ 2012 and earlier years which remained uncleared during the year under review as analysed below:-

<b>Debit Balances</b>	<b>Amount (Kshs.)</b>
Exchequer Account (2011/2012)	3,723,362
Exchequer Account (2011/2012)	803,484
District Suspense Account	<u>3,472,634</u>
	<b><u>10,180,561</u></b>
<b>Credit Balances</b>	
General Account of Vote	8,836,764
Paymaster General	<u>2,367,059</u>
<b>Total</b>	<b><u>11,203,823</u></b>

No explanation has been provided as to why these balances have not been cleared in the books of account.

#### **23. Unanalyzed Balance**

The statement reflects a debit balance of Kshs.12,573,0155 against District Suspense Account which has not been fully analysed since only an amount of Kshs.9,100,381 has been supported with an analysis, leaving a balance of Kshs.3,472,634 brought forward from 2011/2012.

## **24. General Account of Vote**

The statement also reflects General Account of Vote (GAV) credit balance of Kshs.16,168,227 representing net surplus to be surrendered to the Exchequer for 2012/2013 while the Appropriation Account for Vote D.122 for the same period recorded a net surplus of Kshs.29,716,008 resulting to an unreconciled difference of Kshs.13,547,782.

## **25. Paymaster General**

As noted in the previous year, the statement continues to reflect Paymaster General Account credit balance of Kshs.2,367,059 in respect of 2011/2012 financial year and prior years. However, no supporting evidence was available for audit review to grant authority to overdraw the cashbook. Further, the statement reflects Paymaster General Account balance as at 30 June, 2013 of Kshs.9,300,542. However, the bank reconciliation statement for the Development cashbook as at the same date reflects payments totalling Kshs.1,172,139 in the bank statement not recorded in the cashbook and relating to the period between 18 February 2010 and August 2012. No reason has been provided for failure to record the payments in the cashbook.

## **26. Temporary Imprest**

The Statement of Assets and Liabilities as at 30 June 2012 reflected a temporary imprest of Kshs.195,075. However, during the year under review, the Ministry cleared this imprest without supporting documents produced for audit verification.

## **AUDIT OPINION**

In line with my responsibility, I express the following opinion on the financial statements:-

### **Qualified Opinion**

- (i) Recurrent Appropriation Account for Vote R122
- (ii) Development Appropriation Account for Vote D122
- (iii) Statement of Assets and Liabilities for Vote R122
- (iv) Statement of Assets and Liabilities for Vote D122
- (v) Statement of Assets and Liabilities for Deposits 122
- (vi) Management, Supervision and Liquidation Fund

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements for Vote 122 present fairly, the financial position of the Ministry as at 30 June 2013 and of its operations for the year then ended in accordance with Government Financial Regulations and Procedures and the Public Finance Management Act, 2012.



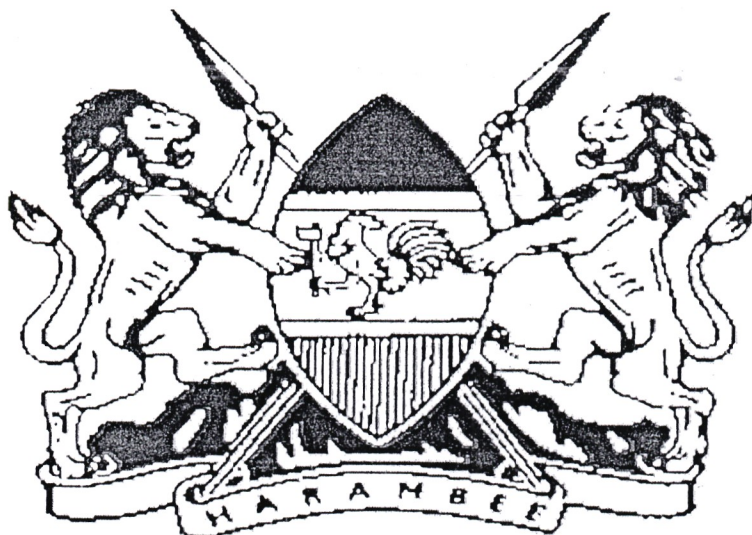
**Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**21 May 2014**

Handwritten text in blue ink, possibly a signature or initials, located in the upper right quadrant of the page.

# REPUBLIC OF KENYA



**MINISTRY OF INDUSTRIALIZATION AND ENTERPRISE DEVELOPMENT**

## **FINANCIAL STATEMENT FOR THE MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2013**

# **FINANCIAL STATEMENT FOR THE MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2013**

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## **INTRODUCTION**

### **MANDATE**

The mandate of the Ministry of Co-operative Development and Marketing as derived from the Presidential Circular No.1/2008 dated 30<sup>th</sup> May 2008 on the organization of the Government is spelled out as:

- 1) Cooperative Policy and Implementation
- 2) Cooperative Legislation and Support Services
- 3) Cooperative Education and Training
- 4) Cooperative Financing Policy
- 5) Cooperative Savings, Credit and other Financial Services Policy
- 6) Cooperative Governance
- 7) Cooperative Tribunal
- 8) Cooperative College
- 9) New Kenya Cooperative Creameries
- 10) Cooperative marketing, including value addition processing
- 11) Promotion of Cooperative Ventures

### **VISION**

To be a leading agent for a globally- competitive Cooperative Sector

### **MISSION**

To promote a vibrant Cooperative Sector through enabling policy and legal framework for sustainable socio- economic development in Kenya

### **VALUES**

The Ministry's values as spelled out in the strategic plan are: Customer focus, integrity, teamwork, creativity and innovation, efficiency and effectiveness, professionalism, impartiality; and gender-equity.

## **KEY STRATEGIC OBJECTIVES**

In order for the Ministry to achieve its mandate it has identified the following as its key strategic objectives:

- 1) To undertake Policy, legal and institutional reforms;
- 2) To enforce compliance with provisions of Co-operative legislation and subsidiary legislation;
- 3) To facilitate capacity building for improved service delivery;
- 4) To promote cooperative marketing and value addition;
- 5) To undertake cooperative sector research; and
- 6) Devolve co-operative functions to the county.

## **STRATEGIC PROGRAMMES**

The Ministry has identified the following core programmes that will enable it to fulfill its mandate and achieve its strategic objectives:

- 1) Cooperative Development and Management; the sub-programmes are:- Cooperative Governance and Accountability, Cooperative Arbitration, Cooperative Advisory and Extension Services, Cooperative Education and Training and Management Capacity of Key Cooperative Organizations/Institutions;
- 2) Cooperative Marketing; the sub-programmes are:- Commodity value addition/Market Access and New Cooperatives Ventures; and
- 3) General Administrative services

## **KEY STRATEGIC PRIORITIES**

In the course of the Ministry implementing its programmes and objectives, it has met some challenges which can only be mitigated if the following strategic priorities are addressed:

- 1) To strengthen the policy, legal and institutional framework for growth of the Cooperative in Kenya.
- 2) To develop and facilitate the implementation of Marketing Strategy for the Cooperative sector.
- 3) To build adequate capacity within the Ministry and the Cooperative movement to provide quality, efficient and effective services to respond to emerging challenges of the sector.

**KEY MANAGEMENT STAFF**

**Adan Mohamed, EBS**  
**Cabinet Secretary**  
**Ministry of Industrialization and Enterprise Development**

**Dr. Wilson A. Songa, MBS**  
**Principal Secretary**  
**Ministry of Industrialization and Enterprise Development**

**Dr Nelson Githinji**  
**Co-operative Secretary**

**Mrs Emily M Gatuguta, OGW**  
**Director of Administration**

**Mrs Stella Kaimenyi, HSC**  
**Secretary, Ethics Commission for Co-operative Societies**

**Mr Andrew B Mbui, HSC**  
**Director of Co-operative Audit**

**Patrick L. M. Musyimi HSC**  
**Ag Commissioner for Co-operative Development**

**Mr George Sirro**  
**Secretary, Co-operative Tribunal**

## PART II

### MANAGEMENT REPORT

#### The Cabinet Secretary's Report

During the Financial Year 2012/2013, the Ministry's main policy changes were geared towards ensuring the success of Cooperatives at the county level. This involved devolution of services to the counties and deepening of governance reforms geared towards improving the management of cooperative institutions and the review of the Co-operative Societies and SACCO Acts to ensure compliance with the constitution and strengthen the Cooperative movement

The Ministry recorded substantive achievements which include:

- Restructuring of the Cooperative Alliance of Kenya (CAK) to be a more effective representative entity to preserve and propagate the co-operative principles and values as well as mobilize investment resources within the movement.
- Registration of more than 300 youth co-operatives under the National Youth Bunge Association together with USAID as a development partner.
- Development of appropriate model by-laws and registration of two (2) diaspora SACCOs in the U.K and U.S.A in a bid to facilitate structured remittances from the diaspora.
- Development of the gender policy to promote the participation of women and youth in co-operative related economic activities.
- Development of Co-operative Development Assistance Protocols with Botswana, Zimbabwe, Malawi and Namibia
- Re-establishment of the co-operative division in the Food and Agriculture (FAO) headquarters.
- Rolling out the process of developing a co-operative revival strategy which has brought back some dormant societies into operation.
- Initiation of the revival strategy for KPCU in line with the Presidential directive and report of Parliamentary committee on Agriculture Rural Development and Cooperatives
- Successfully petitioned the government to waive debts amounting to Kshs.442 Million in respect of money owed to rice farmers.

Nevertheless the Ministry continues to encounter serious challenges in executing its mandate such as:

- Inadequate financial resources.
- Low staffing levels due to the ban on recruitment
- Lack of sufficient transport facilities.
- Inadequate office accommodation for the County Cooperative Officers.

The Year 2012 was declared by the UN as the International Year of Cooperatives. This was marked by various activities by the cooperative movement which were organized both nationally and internationally culminating into the Manchester Exhibition and Conference in November, 2012, which was attended by a delegation from the Ministry and the movement.

The co-operative movement in Kenya continues to play a crucial role in the social economic welfare of Kenyans as it cuts across all sectors. Kenya's more than 14 million member cooperative movements maintained its lead as 1<sup>st</sup> in Africa and 7<sup>th</sup> SACCO sector globally. It is therefore imperative that this sector continues to be supported.

I wish to acknowledge the hard work by the staff of the Ministry and for their contribution that has brought the cooperative sector to its current status. I also recognize all the National Co-operative Organizations, development partners and other stake holders for partnering with us in delivering our services to Kenyans.

A handwritten signature in black ink, consisting of a stylized 'A' followed by a long horizontal stroke and a vertical line, ending in a loop.

**Adan Mohamed, EBS**  
**Cabinet Secretary**  
**Ministry of Industrialization and Enterprise Development**

## ACCOUNTING OFFICER'S STATEMENT

The Ministry, in the first Medium Term Plan committed its self, among other things, to formulate and strengthen the policy, legal and institutional framework for cooperative development, facilitate the implementation of a comprehensive Cooperative Marketing Strategy, build adequate capacity within the Ministry and the Cooperative movement to provide quality, efficient and effective promotional and advisory services. In the last financial year, the Ministry recorded success but also met some challenges in its effort to achieve its targets.

The successes of the Ministry in the implementation of its two programmes, Cooperative Development and Management and Cooperative Marketing can be enumerated as follows:

### **Cooperative Development and Management:**

- The Cooperative Tribunal has now fully decentralized its services with active registries in Nairobi, Kakamega, Nyeri, Embu, Kisumu, Nakuru and Mombasa. This has led to a reduction in backlog of pending disputes lodged in the co-operative tribunal by 50%.
- The Ministry undertook a sensitization and share mobilization drive its target of reviving dormant cooperatives (180 against a target of 100) and registration of new cooperatives (798 registered against a target of 400). This was occasioned by registration of new youth, women and matatu SACCOs.
- The Ministry, through the issuance of Demand notices and agency notices to non-compliant employers has recovered Ksh.213,424,851.60 as outstanding remittances to SACCOs during the financial year.

### **Cooperative Marketing:**

- The Ministry undertook a sensitization and share mobilization drive for the newly registered Cereal Milling Co-operative in the North Rift in four counties namely, Nandi, Uasin Gishu, Trans-Nzoia and West Pokot.
- The Ministry in collaboration with National Cereals & Produce Board procured and distributed 10,000 tons of fertilizer for Co-operatives in Rift Valley and Western regions.

Despite these achievements, there are some areas the Ministry could have performed better. These areas include the Development of Human Resource Policy for cooperatives, Establishment of Cooperative Development Fund and preparation of Cooperative Audit Manual. The main cause of this failure was lack of funds occasioned by the austerity measures instituted by the cabinet at the second half of the Financial Year 2012/2013. The Ministry also experienced some challenges in its operations due to shortage of staff and lack of transport facilities for its field offices.

Therefore, to address these challenges and to ensure the achievement of the Ministry's objectives, it calls for substantial additional funding for the Ministry, in order to build adequate marketing and investments promotion capacity, facilitate revitalization of key cooperative

institutions, effectively enforce the law and contain malpractices in the management of Cooperative societies.



Dr. Wilson A. Songa, MBS  
Accounting Officer

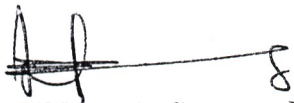
**PART III:**

**STATEMENT OF THE ACCOUNTING OFFICER'S RESPONSIBILITIES**

Following Public Finance Management Act, 2012, various other laws, Government Financial Regulations and Procedures and Treasury Circulars issued from time to time, I accept responsibility for the maintenance of accounting records which may be relied upon in preparation of the financial statements, as well as adequate systems of internal control.

I further accept responsibility for the attached annual accounts, which have been prepared in conformity with Treasury directions and appropriate Government Financial Regulations and Procedures.

I am of the opinion that the attached Appropriations and other Financial Statements present fairly the financial state of affairs of the Ministry of Cooperative Development and Marketing

A handwritten signature in black ink, appearing to be 'Wilson A. Songa', with a horizontal line drawn through it.

**Dr. Wilson A. Songa, MBS**  
**Accounting Officer**

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13**

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0000			<b>Ministry of Cooperative Development and Marketing</b>						
0001			<b>Net Expenditure Head 000000 . . . . .</b>						
			<b>Finance and Procurement Services</b>						
01			<b>Headquarters Finance and Procurement Services</b>						
	2110100		Basic Salaries - Permanent Employees	12,917,526	1,003,764	13,921,290	13,921,280	0	10
	2110300		Personal Allowances paid as part of Salary	6,394,000	759,498	7,153,498	7,164,506	-11,008	0
	2210200		Communication, Supplies and Services	1,683,000	-168,300	1,514,700	1,529,084	-14,384	0
	2210300		Domestic Travel and Subsistence, and Other	1,750,000	-75,000	1,675,000	1,674,168	832	832
	2210500		Transportation Costs						
			Printing, Advertising and Information Supplies and Services	322,000	-32,200	289,800	289,187	613	613
	2210700		Training Expenses (including capacity building)	2,700,000	-540,000	2,160,000	2,159,321	679	679
	2210800		Hospitality Supplies and Services	1,715,000	28,500	1,743,500	1,989,280	-245,780	0
	2211100		Office and General Supplies and Services	3,100,000	-310,000	2,790,000	2,788,485	1,515	1,515
	2211200		Fuel Oil and Lubricants	400,000	0	400,000	399,996	4	4
	2211300		Other Operating Expenses	100,000	-20,000	80,000	79,880	120	120
	2220200		Routine Maintenance - Other Assets	1,500,000	0	1,500,000	1,499,939	61	61
	3111000		Purch. of Office Furn. & General Eqpt.	1,200,000	-240,000	960,000	958,870	1,130	1,130
	3111100		Purch. of Specialised Plant, Equipment & Mach.	1,250,000	-250,000	1,000,000	996,639	3,361	3,361
	3111200		Rehabilitation & Renovation of Plant, Mach. & Eqpt.	650,000	-300,000	350,000	349,640	360	360
			<b>GROSS EXPENDITURE</b>	<b>35,681,526</b>	<b>-143,738</b>	<b>35,537,788</b>	<b>35,800,275</b>	<b>-271,172</b>	<b>8,685</b>
			<b>Appropriations in Aid</b>						
			<b>Total Appropriations in Aid . . . . .</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
			<b>Net Expenditure SubHead 01 . . . . .</b>	<b>35,681,526</b>	<b>-143,738</b>	<b>35,537,788</b>	<b>35,800,275</b>	<b>-271,172</b>	<b>8,685</b>
0002			<b>Net Expenditure Head 000100 . . . . .</b>	<b>35,681,526</b>	<b>-143,738</b>	<b>35,537,788</b>	<b>35,800,275</b>	<b>-271,172</b>	<b>8,685</b>
			<b>General Administration and Planning</b>						
01			<b>Headquarters General Administration and Planning</b>						
	2110100		Basic Salaries - Permanent Employees	38,179,608	7,548,079	45,727,687	45,727,637	50	50
	2110300		Personal Allowances paid as part of Salary	31,366,248	6,163,208	37,529,456	37,527,271	2,185	2,185
	2210200		Communication, Supplies and Services	7,380,000	992,000	8,372,000	8,259,105	1,116,895	1,116,895
	2210300		Domestic Travel and Subsistence, and Other	9,692,900	2,579,683	12,272,583	12,411,338	-138,755	0
			Transportation Costs						
	2210400		Foreign Travel and Subsistence, and Other	3,430,000	314,000	3,744,000	3,623,718	120,282	120,282
			Transportation Costs						
	2210500		Printing, Advertising and Information Supplies and Services	4,991,000	200,900	5,191,900	4,992,897	199,003	199,003
	2210600		Rentals of Produced Assets	61,300,000	3,582,510	64,882,510	65,183,007	-300,497	0
	2210700		Training Expenses (including capacity building)	6,730,000	-1,346,000	5,384,000	5,381,232	2,768	2,768
	2210800		Hospitality Supplies and Services	2,850,750	884,925	3,735,675	3,785,993	-50,318	0
	2211000		Specialised Materials and Supplies	3,700,000	-453,774	3,246,226	3,241,832	4,394	4,394
	2211100		Office and General Supplies and Services	4,080,000	1,010,000	5,090,000	5,234,350	-144,350	0
	2211200		Fuel Oil and Lubricants	6,000,000	1,600,000	7,600,000	7,590,691	9,309	9,309
	2211300		Other Operating Expenses	57,820,000	-17,280,509	40,539,491	41,430,501	-891,010	0
	2220100		Routine Maintenance - Vehicles and Other Transport Equipmt.	5,600,000	0	5,600,000	5,554,677	45,323	45,323

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13**

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0002			<b>General Administration and Planning</b>						
01			<b>Headquarters General Administration and Planning</b>						
	2220200		Routine Maintenance - Other Assets	3,172,000	0	3,172,000	3,170,343	0	1,657
	2620100		Membership Fees and Dues, and Subscriptions to Intrl. Orgns	0	1,090,000	1,090,000	1,090,000	0	0
	2710100		Govt. Pension and Retirement Benefits	3,610,372	-778,000	2,832,372	3,020,028	-187,656	0
	3111000		Purch. of Office Furn. & General Eqpt.	1,200,000	-240,000	960,000	1,093,460	-133,460	0
	3111100		Purch. of Specialised Plant, Equipment & Mach.	1,250,000	-250,000	1,000,000	999,000	0	1,000
	3111200		Rehabilitation & Renovation of Plant, Mach. & Eqpt.	1,150,000	0	1,150,000	1,149,330	0	670
			<b>GROSS EXPENDITURE</b>	<b>253,502,878</b>	<b>5,617,022</b>	<b>259,119,900</b>	<b>260,466,409</b>	<b>-1,846,045</b>	<b>499,536</b>
			Appropriations in Aid						
			Total Appropriations in Aid .....						0
			<b>Net Expenditure SubHead 01 .....</b>	<b>253,502,878</b>	<b>5,617,022</b>	<b>259,119,900</b>	<b>260,466,409</b>	<b>-1,846,045</b>	<b>499,536</b>
02			<b>Aids Control Unit General Administration and Planning</b>						
	2210500		Printing, Advertising and Information Supplies and Services	2,275,000	-227,500	2,047,500	2,046,597	0	903
	2210700		Training Expenses (including capacity building)	2,700,000	-540,000	2,160,000	2,598,120	-438,120	0
			<b>GROSS EXPENDITURE</b>	<b>4,975,000</b>	<b>-767,500</b>	<b>4,207,500</b>	<b>4,644,717</b>	<b>-438,120</b>	<b>903</b>
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			<b>Net Expenditure SubHead 02 .....</b>	<b>4,975,000</b>	<b>-767,500</b>	<b>4,207,500</b>	<b>4,644,717</b>	<b>-438,120</b>	<b>903</b>
03			<b>Information Communication Technology Unit General Administration and Planning</b>						
	3111000		Purch. of Office Furn. & General Eqpt.	4,400,000	-880,000	3,520,000	3,518,520	0	1,480
	3111100		Purch. of Specialised Plant, Equipment & Mach.	1,724,000	-344,800	1,379,200	1,377,970	0	1,230
			<b>GROSS EXPENDITURE</b>	<b>6,124,000</b>	<b>-1,224,800</b>	<b>4,899,200</b>	<b>4,896,490</b>	<b>0</b>	<b>2,710</b>
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			<b>Net Expenditure SubHead 03 .....</b>	<b>6,124,000</b>	<b>-1,224,800</b>	<b>4,899,200</b>	<b>4,896,490</b>	<b>0</b>	<b>2,710</b>
			<b>Net Expenditure Head 000200 .....</b>	<b>264,601,878</b>	<b>3,624,722</b>	<b>268,226,600</b>	<b>270,007,616</b>	<b>-2,284,165</b>	<b>503,149</b>
0003			<b>Cooperative - Ethics and Governance</b>						
01			<b>Headquarters Cooperative - Ethics and Governance</b>						
	2110100		Basic Salaries - Permanent Employees	6,291,960	4,669,272	10,961,232	10,961,232	0	0
	2110300		Personal Allowances paid as part of Salary	4,514,166	1,576,450	6,090,616	6,088,170	0	2,446
	2210200		Communication, Supplies and Services	837,000	-83,700	753,300	752,652	0	648
	2210300		Domestic Travel and Subsistence, and Other Transportation Costs	5,320,000	-332,000	4,988,000	4,997,432	-9,432	0
	2210400		Foreign Travel and Subsistence, and Other Transportation Costs	320,000	-64,000	256,000	254,350	0	1,650
	2210500		Printing, Advertising and Information Supplies and Services	847,000	-584,700	262,300	522,016	-259,716	0
	2210700		Training Expenses (including capacity building)	1,400,000	-280,000	1,120,000	1,119,904	0	96
	2210800		Hospitality Supplies and Services	1,890,000	111,000	2,001,000	1,997,238	0	3,763
	2211100		Office and General Supplies and Services	1,680,000	-168,000	1,512,000	1,750,840	-238,840	0
	2211200		Fuel Oil and Lubricants	1,200,000	0	1,200,000	1,185,559	0	14,441

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13**

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0003			<b>Cooperative - Ethics and Governance</b>						
	01		<b>Headquarters Cooperative - Ethics and Governance</b>						
		2220100	Routine Maintenance - Vehicles and Other Transport Equipmt.	400,000	0	400,000	399,639	0	361
		2220200	Routine Maintenance - Other Assets	200,000	0	200,000	197,350	0	2,650
		3111000	Purch. of Office Furn. & General Eqpt.	448,000	-89,600	358,400	356,600	0	1,800
			<b>GROSS EXPENDITURE</b>	<b>25,348,126</b>	<b>4,754,722</b>	<b>30,102,848</b>	<b>30,582,982</b>	<b>-507,988</b>	<b>27,854</b>
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			Net Expenditure SubHead 01 .....	<b>25,348,126</b>	<b>4,754,722</b>	<b>30,102,848</b>	<b>30,582,982</b>	<b>-507,988</b>	<b>27,854</b>
			Net Expenditure Head 000300 .....	<b>25,348,126</b>	<b>4,754,722</b>	<b>30,102,848</b>	<b>30,582,982</b>	<b>-507,988</b>	<b>27,854</b>
0004			<b>Headquarters Administrative Services</b>						
			Net Expenditure Head 000400 .....						<b>0</b>
0005			<b>Planning and Feasibility Studies</b>						
	01		<b>Headquarters Planning and Feasibility Studies</b>						
		2110100	Basic Salaries - Permanent Employees	5,120,500	129,236	5,249,736	5,249,736	0	0
		2110300	Personal Allowances paid as part of Salary	2,990,000	-274,000	2,716,000	2,716,000	0	0
		2210200	Communication, Supplies and Services	525,600	-52,560	473,040	472,248	0	792
		2210300	Domestic Travel and Subsistence, and Other Transportation Costs	4,200,000	-420,000	3,780,000	3,757,054	0	22,946
		2210400	Foreign Travel and Subsistence, and Other Transportation Costs	980,000	-196,000	784,000	782,105	0	1,895
		2210500	Printing, Advertising and Information Supplies and Services	1,575,000	-157,500	1,417,500	1,662,260	-244,760	0
		2210700	Training Expenses (including capacity building)	1,400,000	-280,000	1,120,000	1,119,710	0	290
		2210800	Hospitality Supplies and Services	140,000	-14,000	126,000	133,954	-7,954	0
		2211000	Specialised Materials and Supplies	200,000	0	200,000	199,960	0	40
		2211100	Office and General Supplies and Services	1,100,000	-110,000	990,000	985,835	0	4,165
		2211200	Fuel Oil and Lubricants	400,000	0	400,000	397,953	0	2,047
		2220100	Routine Maintenance - Vehicles and Other Transport Equipmt.	800,000	0	800,000	799,995	0	5
		2220200	Routine Maintenance - Other Assets	100,000	0	100,000	99,945	0	55
		3111000	Purch. of Office Furn. & General Eqpt.	480,000	-96,000	384,000	382,860	0	1,140
			<b>GROSS EXPENDITURE</b>	<b>20,011,100</b>	<b>-1,470,824</b>	<b>18,540,276</b>	<b>18,759,615</b>	<b>-252,714</b>	<b>33,375</b>
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			Net Expenditure SubHead 01 .....	<b>20,011,100</b>	<b>-1,470,824</b>	<b>18,540,276</b>	<b>18,759,615</b>	<b>-252,714</b>	<b>33,375</b>
			Net Expenditure Head 000500 .....	<b>20,011,100</b>	<b>-1,470,824</b>	<b>18,540,276</b>	<b>18,759,615</b>	<b>-252,714</b>	<b>33,375</b>
0006			<b>Cooperative Tribunal</b>						
	01		<b>Headquarters Cooperative Tribunal</b>						
		2110100	Basic Salaries - Permanent Employees	7,266,756	-747,636	6,519,120	6,519,120	0	0
		2110300	Personal Allowances paid as part of Salary	6,726,596	-1,426,400	5,300,196	5,298,439	0	1,757

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13**

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0006			<b>Cooperative Tribunal</b>						
01			<b>Headquarters Cooperative Tribunal</b>						
	2210200		Communication, Supplies and Services	394,560	-39,456	355,104	351,777	0	3,327
	2210300		Domestic Travel and Subsistence, and Other Transportation Costs	1,386,000	-38,600	1,347,400	1,344,850	0	2,550
	2210500		Printing, Advertising and Information Supplies and Services	1,943,200	-494,320	1,448,880	1,748,371	-299,491	0
	2210600		Rentals of Produced Assets	8,500,000	300,000	8,800,000	8,798,465	0	1,535
	2210700		Training Expenses (including capacity building)	768,000	-153,600	614,400	614,333	0	68
	2210800		Hospitality Supplies and Services	7,342,125	-584,212	6,757,913	6,779,482	-21,569	0
	2211000		Specialised Materials and Supplies	120,000	100,000	220,000	216,600	0	3,400
	2211100		Office and General Supplies and Services	1,360,000	-136,000	1,224,000	1,219,585	0	4,415
	2211200		Fuel Oil and Lubricants	2,000,000	-900,000	1,100,000	1,098,938	0	1,062
	2211300		Other Operating Expenses	0	100,000	100,000	100,000	0	0
	2220100		Routine Maintenance - Vehicles and Other Transport Equipment	800,000	300,000	1,100,000	1,096,591	0	3,409
	2220200		Routine Maintenance - Other Assets	350,000	150,000	500,000	499,990	0	10
	3111000		Purch. of Office Furn. & General Eqpt.	400,000	-80,000	320,000	320,000	0	0
			<b>GROSS EXPENDITURE</b>	<b>39,357,237</b>	<b>-3,650,224</b>	<b>35,707,013</b>	<b>36,006,540</b>	<b>-321,060</b>	<b>21,533</b>
			<b>Appropriations in Aid</b>						
	1420300		Receipts from Administrative Fees and Charges collected as AIA	-2,500,000	0	-2,500,000	-2,479,587	0	-20,413
			<b>Total Appropriations in Aid . . . . .</b>	<b>-2,500,000</b>	<b>0</b>	<b>-2,500,000</b>	<b>-2,479,587</b>	<b>0</b>	<b>-20,413</b>
			<b>Net Expenditure SubHead 01 . . . . .</b>	<b>36,857,237</b>	<b>-3,650,224</b>	<b>33,207,013</b>	<b>33,526,953</b>	<b>-321,060</b>	<b>1,120</b>
			<b>Net Expenditure Head 000600 . . . . .</b>	<b>36,857,237</b>	<b>-3,650,224</b>	<b>33,207,013</b>	<b>33,526,953</b>	<b>-321,060</b>	<b>1,120</b>
0007			<b>Cooperative Registration Services</b>						
01			<b>Headquarters Cooperative Registration Services</b>						
	2110100		Basic Salaries - Permanent Employees	13,241,728	-1,036,588	12,205,140	12,205,139	0	1
	2110300		Personal Allowances paid as part of Salary	9,012,200	-713,200	8,299,000	8,297,222	0	1,778
	2210200		Communication, Supplies and Services	554,760	-55,476	499,284	495,430	0	3,854
	2210300		Domestic Travel and Subsistence, and Other Transportation Costs	5,198,200	-519,820	4,678,380	4,779,822	-101,442	0
	2210500		Printing, Advertising and Information Supplies and Services	567,000	-56,700	510,300	509,807	0	493
	2210700		Training Expenses (including capacity building)	600,000	-120,000	480,000	479,955	0	45
	2210800		Hospitality Supplies and Services	175,000	-17,500	157,500	158,300	-800	0
	2211000		Specialised Materials and Supplies	100,000	0	100,000	99,995	0	5
	2211100		Office and General Supplies and Services	720,000	-72,000	648,000	646,586	0	1,414
	2211200		Fuel Oil and Lubricants	640,000	0	640,000	639,993	0	7
	2211300		Other Operating Expenses	600,000	-120,000	480,000	479,990	0	10
	2220100		Routine Maintenance - Vehicles and Other Transport Equipment	200,000	0	200,000	197,960	0	2,040
			<b>GROSS EXPENDITURE</b>	<b>31,608,888</b>	<b>-2,711,284</b>	<b>28,897,604</b>	<b>28,990,199</b>	<b>-102,242</b>	<b>9,646</b>
			<b>Appropriations in Aid</b>						
	1420300		Receipts from Administrative Fees and Charges collected as AIA	-2,500,000	0	-2,500,000	-2,804,284	304,284	0
			<b>Total Appropriations in Aid . . . . .</b>	<b>-2,500,000</b>	<b>0</b>	<b>-2,500,000</b>	<b>-2,804,284</b>	<b>304,284</b>	<b>0</b>

VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING  
 RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0007			Cooperative Registration Services						
	01		Headquarters Cooperative Registration Services						
			Net Expenditure SubHead 01 . . . . .	KShs		26,397,604	26,185,915	202,043	9,646
			Net Expenditure Head 000700 . . . . .	KShs	-2,711,284	26,397,604	26,185,915	202,043	9,646
0008			Cooperative Marketing						
	01		Headquarters Cooperative Marketing						
		2110100	Basic Salaries - Permanent Employees	4,244,944	-515,580	3,729,364	3,729,364	0	0
		2110300	Personal Allowances paid as part of Salary	2,798,000	-980,000	1,818,000	1,818,000	0	0
		2210200	Communication, Supplies and Services	230,400	-23,040	207,360	207,309	0	51
		2210300	Domestic Travel and Subsistence, and Other	959,000	-95,900	863,100	877,800	-14,700	0
		2210400	Transportation Costs	430,000	-86,000	344,000	343,272	0	728
		2210500	Foreign Travel and Subsistence, and Other	350,000	-35,000	315,000	315,000	0	0
		2210700	Printing, Advertising and Information Supplies and Services	700,000	-140,000	560,000	559,998	0	2
		2210800	Training Expenses (including capacity building)	386,400	-38,640	347,760	360,492	-12,732	0
		2211000	Hospitality Supplies and Services	300,000	0	300,000	299,800	0	200
		2211100	Specialised Materials and Supplies	875,000	-87,500	787,500	786,015	0	1,485
		2211200	Office and General Supplies and Services	200,000	0	200,000	199,990	0	10
		2220200	Fuel Oil and Lubricants	250,000	0	250,000	295,000	-45,000	0
		3111000	Routine Maintenance - Other Assets	80,000	-16,000	64,000	63,955	0	45
			Purch. of Office Furn. & General Eqpt.	11,803,744	-2,017,660	9,786,084	9,855,995	-72,432	2,521
			<b>GROSS EXPENDITURE</b>						
			Appropriations in Aid						
			Total Appropriations in Aid . . . . .	KShs		9,786,084	9,855,995	-72,432	2,521
			Net Expenditure SubHead 01 . . . . .	KShs	-2,017,660	9,786,084	9,855,995	-72,432	2,521
			Net Expenditure Head 000800 . . . . .	KShs	-2,017,660	9,786,084	9,855,995	-72,432	2,521
0009			Office of the Commissioner						
	01		Headquarters Office of the Commissioner						
		2110100	Basic Salaries - Permanent Employees	34,945,220	-513,524	34,431,696	34,431,613	0	83
		2110300	Personal Allowances paid as part of Salary	20,560,794	-4,136,000	16,424,794	16,424,213	0	581
		2210200	Communication, Supplies and Services	2,599,200	-259,920	2,339,280	2,336,693	0	2,587
		2210300	Domestic Travel and Subsistence, and Other	5,600,000	-560,000	5,040,000	4,961,927	0	78,073
		2210400	Transportation Costs	850,000	-170,000	680,000	677,998	0	2,002
		2210500	Foreign Travel and Subsistence, and Other	1,018,500	-101,850	916,650	1,038,952	-122,302	0
		2210700	Printing, Advertising and Information Supplies and Services	2,350,000	-470,000	1,880,000	1,880,000	0	0
		2210800	Training Expenses (including capacity building)	1,163,750	383,625	1,547,375	1,550,875	-3,500	0
		2211000	Hospitality Supplies and Services	2,480,000	2,000	2,482,000	2,023,305	0	458,695
		2211100	Office and General Supplies and Services	1,840,000	0	1,840,000	1,837,818	0	2,182
		2211200	Fuel Oil and Lubricants	4,500,000	-1,400,000	3,100,000	3,099,994	0	6
		3110800	Other Operating Expenses	500,000	-250,000	250,000	289,951	-39,951	0
			Overhaul of Vehicles & Other Transport Equipment						

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13**

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0009			Office of the Commissioner						
	01		Headquarters Office of the Commissioner						
		3111400	Research, Feasibility Studies, Project Preparation and Design, Project Supervision	0	0	0	18,000	-18,000	0
			<b>GROSS EXPENDITURE</b>	<b>78,407,464</b>	<b>-7,475,669</b>	<b>70,931,795</b>	<b>70,571,340</b>	<b>-183,753</b>	<b>544,208</b>
			Appropriations in Aid						
			<b>Total Appropriations in Aid . . . . .</b>	<b>78,407,464</b>	<b>-7,475,669</b>	<b>70,931,795</b>	<b>70,571,340</b>	<b>-183,753</b>	<b>544,208</b>
	05		SACCO Societies Regulatory Authority Office of the Commissioner						
		2630200	Capital grants to Govt. Agencies and other levels of Govt.	76,992,000	0	76,992,000	76,992,000	0	0
			<b>GROSS EXPENDITURE</b>	<b>76,992,000</b>	<b>0</b>	<b>76,992,000</b>	<b>76,992,000</b>	<b>0</b>	<b>0</b>
			Appropriations in Aid						
			<b>Total Appropriations in Aid . . . . .</b>	<b>76,992,000</b>	<b>0</b>	<b>76,992,000</b>	<b>76,992,000</b>	<b>0</b>	<b>0</b>
			<b>Net Expenditure SubHead 05 . . . . .</b>	<b>76,992,000</b>	<b>0</b>	<b>76,992,000</b>	<b>76,992,000</b>	<b>0</b>	<b>0</b>
			<b>Net Expenditure Head 000900 . . . . .</b>	<b>155,399,464</b>	<b>-7,475,669</b>	<b>147,923,795</b>	<b>147,563,340</b>	<b>-183,753</b>	<b>544,208</b>
0010			Provincial Cooperative Extension Services						
	01		Headquarters Provincial Cooperative Extension Services						
		2110100	Basic Salaries - Permanent Employees	51,832,468	7,374,200	59,206,668	59,206,667	0	1
		2110300	Personal Allowances paid as part of Salary	31,096,800	-1,693,200	29,403,600	29,401,389	0	2,211
			<b>GROSS EXPENDITURE</b>	<b>82,929,268</b>	<b>5,681,000</b>	<b>88,610,268</b>	<b>88,608,056</b>	<b>0</b>	<b>2,212</b>
			Appropriations in Aid						
			<b>Total Appropriations in Aid . . . . .</b>	<b>82,929,268</b>	<b>5,681,000</b>	<b>88,610,268</b>	<b>88,608,056</b>	<b>0</b>	<b>2,212</b>
			<b>Net Expenditure SubHead 01 . . . . .</b>	<b>82,929,268</b>	<b>5,681,000</b>	<b>88,610,268</b>	<b>88,608,056</b>	<b>0</b>	<b>2,212</b>
	98		Devolved Functions Provincial Cooperative Extension Services						
		2210100	Utilities, Supplies and Services	3,470,000	-147,080	3,322,920	3,236,282	0	86,639
		2210200	Communication, Supplies and Services	4,372,920	266,810	4,639,730	3,533,903	0	1,105,827
		2210300	Domestic Travel and Subsistence, and Other Transportation Costs	2,419,200	4,155,670	6,574,870	5,954,270	0	620,600
		2210500	Printing, Advertising and Information Supplies and Services	3,819,200	-515,000	3,304,200	3,184,815	0	119,385
		2210700	Training Expenses (including capacity building)	4,864,000	0	4,864,000	4,836,875	0	27,125
		2210800	Hospitality Supplies and Services	2,030,000	-243,130	1,786,870	1,431,175	0	355,695
		2211000	Specialised Materials and Supplies	180,000	-107,800	72,200	48,140	0	24,060
		2211100	Office and General Supplies and Services	3,192,000	-164,350	3,027,650	2,512,358	0	515,292
		2211200	Fuel Oil and Lubricants	3,200,000	-599,500	2,600,500	2,066,843	0	513,657
		2211300	Other Operating Expenses	0	100,000	100,000	29,750	0	70,250
		2220100	Routine Maintenance - Vehicles and Other Transport Equipmt.	0	1,730,818	1,730,818	1,721,453	0	9,365
			<b>GROSS EXPENDITURE</b>	<b>27,547,320</b>	<b>4,476,438</b>	<b>32,023,758</b>	<b>28,575,863</b>	<b>0</b>	<b>3,447,895</b>
			Appropriations in Aid						
			<b>Total Appropriations in Aid . . . . .</b>	<b>27,547,320</b>	<b>4,476,438</b>	<b>32,023,758</b>	<b>28,575,863</b>	<b>0</b>	<b>3,447,895</b>
			<b>Net Expenditure SubHead 98 . . . . .</b>	<b>110,476,588</b>	<b>10,157,438</b>	<b>120,634,026</b>	<b>117,183,919</b>	<b>0</b>	<b>3,450,107</b>

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13**

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0012			District Cooperative Extension Services						
	01		Headquarters District Cooperative Extension Services						
		2110100	Basic Salaries - Permanent Employees	153,158,299	27,565,614	180,723,913	180,723,913	0	0
		2110300	Personal Allowances paid as part of Salary	80,030,456	1,729,144	81,759,600	81,758,491	0	1,109
			<b>GROSS EXPENDITURE</b>	<b>233,188,755</b>	<b>29,294,758</b>	<b>262,483,513</b>	<b>262,482,404</b>	<b>0</b>	<b>1,109</b>
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			<b>Net Expenditure SubHead 01 .....</b>	<b>233,188,755</b>	<b>29,294,758</b>	<b>262,483,513</b>	<b>262,482,404</b>	<b>0</b>	<b>1,109</b>
	98		Devolved Functions District Cooperative Extension Services						
		2210100	Utilities, Supplies and Services	8,000,000	87,600	8,087,600	6,645,149	0	1,442,451
		2210200	Communication, Supplies and Services	16,920,000	365,800	17,285,800	15,951,099	0	1,334,701
		2210300	Domestic Travel and Subsistence, and Other Transportation Costs	35,164,294	-105,600	35,058,694	33,441,013	0	1,617,681
		2210500	Printing, Advertising and Information Supplies and Services	4,410,000	-1,446,200	2,963,800	2,891,352	0	72,448
		2210600	Rentals of Produced Assets	3,000,000	18,000	3,018,000	2,562,867	0	455,133
		2210800	Hospitality Supplies and Services	8,540,000	753,580	9,293,580	8,165,077	0	1,108,503
		2211000	Specialised Materials and Supplies	1,800,000	-114,000	1,686,000	1,429,903	0	256,097
		2211100	Office and General Supplies and Services	15,728,000	-17,000	15,711,000	13,936,857	0	1,774,143
		2211200	Fuel Oil and Lubricants	11,200,000	451,950	11,651,950	10,475,075	0	1,176,875
		2211300	Other Operating Expenses	864,000	-50,950	813,050	574,685	0	238,365
		2220100	Routine Maintenance - Vehicles and Other Transport Equipment	9,360,000	-1,790,818	7,569,182	7,318,884	0	250,299
		2220200	Routine Maintenance - Other Assets	4,100,000	-45,000	4,055,000	4,043,780	0	11,220
		3110800	Overhaul of Vehicles & Other Transport Equipment	500,000	0	500,000	499,730	0	270
		3111000	Purch. of Office Furn. & General Eqpt.	2,560,000	45,000	2,605,000	2,719,008	-114,008	0
			<b>GROSS EXPENDITURE</b>	<b>122,146,294</b>	<b>-1,847,638</b>	<b>120,298,656</b>	<b>110,674,478</b>	<b>-114,008</b>	<b>9,738,186</b>
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			<b>Net Expenditure SubHead 98 .....</b>	<b>122,146,294</b>	<b>-1,847,638</b>	<b>120,298,656</b>	<b>110,674,478</b>	<b>-114,008</b>	<b>9,738,186</b>
			<b>Net Expenditure Head 001200 .....</b>	<b>355,335,049</b>	<b>27,447,120</b>	<b>382,782,169</b>	<b>373,156,882</b>	<b>-114,008</b>	<b>9,739,295</b>
0013			Headquarters Cooperative Audit Services						
	01		Headquarters Cooperative Audit Services						
		2110100	Basic Salaries - Permanent Employees	9,165,888	1,641,420	10,807,308	10,807,308	0	0
		2110300	Personal Allowances paid as part of Salary	6,196,000	27,242	6,223,242	6,222,880	0	362
		2210200	Communication, Supplies and Services	351,720	-35,172	316,548	313,382	0	3,166
		2210300	Domestic Travel and Subsistence, and Other Transportation Costs	2,370,900	-237,090	2,133,810	2,229,567	-95,757	0
		2210400	Foreign Travel and Subsistence, and Other Transportation Costs	350,000	-70,000	280,000	278,882	0	1,118
		2210500	Printing, Advertising and Information Supplies and Services	413,000	-41,300	371,700	370,820	0	880
		2210700	Training Expenses (including capacity building)	2,150,000	-430,000	1,720,000	1,719,176	0	824
		2210800	Hospitality Supplies and Services	612,150	138,765	750,915	745,797	0	5,138
		2211000	Specialised Materials and Supplies	500,000	-300,000	200,000	392,922	-192,922	0

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13**

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0013			<b>Headquarters Cooperative Audit Services</b>						
01			<b>Headquarters Cooperative Audit Services</b>						
	2211100		Office and General Supplies and Services	4,215,000	-321,500	3,893,500	3,930,136	-36,636	0
	2211200		Fuel Oil and Lubricants	400,000	0	400,000	337,678	0	62,322
	2211300		Other Operating Expenses	0	0	0	2,000	-2,000	0
	2220100		Routine Maintenance - Vehicles and Other Transport Equipmt.	560,000	0	560,000	558,682	0	1,318
	2220200		Routine Maintenance - Other Assets	1,300,000	0	1,300,000	1,298,689	0	1,312
	3111000		Purch. of Office Furn. & General Eqpt.	128,000	-25,600	102,400	100,460	0	1,940
			<b>GROSS EXPENDITURE</b>	<b>28,712,658</b>	<b>346,785</b>	<b>29,059,443</b>	<b>29,308,379</b>	<b>-327,315</b>	<b>78,379</b>
	1420300		Appropriations in Aid	-8,000,000	0	-8,000,000	-15,378,732	7,378,732	0
			Receipts from Administrative Fees and Charges collected as A/A	-8,000,000	0	-8,000,000	-15,378,732	7,378,732	0
			<b>Total Appropriations in Aid . . . . .</b>	<b>-8,000,000</b>	<b>0</b>	<b>-8,000,000</b>	<b>-15,378,732</b>	<b>7,378,732</b>	<b>0</b>
			<b>Net Expenditure SubHead 01 . . . . .</b>	<b>20,712,658</b>	<b>346,785</b>	<b>21,059,443</b>	<b>13,929,647</b>	<b>7,051,417</b>	<b>78,379</b>
			<b>Net Expenditure Head 001300 . . . . .</b>	<b>20,712,658</b>	<b>346,785</b>	<b>21,059,443</b>	<b>13,929,647</b>	<b>7,051,417</b>	<b>78,379</b>
0014			<b>Provincial Cooperative Audit Services</b>						
01			<b>Headquarters Provincial Cooperative Audit Services</b>						
	2110100		Basic Salaries - Permanent Employees	16,409,907	1,417,257	17,827,164	17,827,164	0	0
	2110300		Personal Allowances paid as part of Salary	10,329,900	-1,907,000	8,422,900	8,422,893	0	7
			<b>GROSS EXPENDITURE</b>	<b>26,739,807</b>	<b>-489,743</b>	<b>26,250,064</b>	<b>26,250,057</b>	<b>0</b>	<b>7</b>
			Appropriations in Aid						
			Total Appropriations in Aid . . . . .						0
			<b>Net Expenditure SubHead 01 . . . . .</b>	<b>26,739,807</b>	<b>-489,743</b>	<b>26,250,064</b>	<b>26,250,057</b>	<b>0</b>	<b>7</b>
98			<b>Devolved Functions Provincial Cooperative Audit Services</b>						
	2210100		Utilities, Supplies and Services	864,000	-184,650	679,350	703,520	-24,170	0
	2210200		Communication, Supplies and Services	836,352	248,069	1,084,421	1,098,992	-14,571	0
	2210300		Domestic Travel and Subsistence, and Other Transportation Costs	3,046,050	108,900	3,154,950	3,049,940	0	105,010
	2210400		Foreign Travel and Subsistence, and Other Transportation Costs	200,000	0	200,000	200,000	0	0
	2210500		Printing, Advertising and Information Supplies and Services	91,000	54,515	145,515	139,317	0	6,198
	2210700		Training Expenses (including capacity building)	1,072,000	0	1,072,000	1,071,960	0	40
	2210800		Hospitality Supplies and Services	445,200	-29,750	415,450	417,625	-2,175	0
	2211000		Specialised Materials and Supplies	126,000	0	126,000	125,400	0	600
	2211100		Office and General Supplies and Services	1,804,000	1,344,661	3,148,661	3,168,598	-19,937	0
	2211200		Fuel Oil and Lubricants	960,000	964,040	1,924,040	2,015,193	-91,153	0
	2211300		Other Operating Expenses	30,000	45,550	75,550	62,535	0	13,015
	2220100		Routine Maintenance - Vehicles and Other Transport Equipmt.	1,200,000	-330,000	870,000	859,887	0	10,113
	2220200		Routine Maintenance - Other Assets	760,000	540,000	1,300,000	1,282,902	0	17,098
	3111000		Purch. of Office Furn. & General Eqpt.	160,000	0	160,000	156,940	0	3,060
			<b>GROSS EXPENDITURE</b>	<b>11,594,602</b>	<b>2,761,335</b>	<b>14,355,937</b>	<b>14,352,808</b>	<b>-152,005</b>	<b>155,134</b>
			Appropriations in Aid						

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13**

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0014			Provincial Cooperative Audit Services						
98			Devolved Functions Provincial Cooperative Audit Services						
			Appropriations in Aid						
			Total Appropriations in Aid						
			Net Expenditure SubHead 98	11,594,602	2,761,335	14,355,937	14,352,808	-152,005	155,134
			Net Expenditure Head 001400	38,334,409	2,271,592	40,606,001	40,602,866	-152,005	155,141
0015			District Cooperative Audit Services						
01			Headquarters District Cooperative Audit Services						
	2110100		Basic Salaries - Permanent Employees	30,718,128	6,642,736	37,360,864	37,360,864	0	0
	2110300		Personal Allowances paid as part of Salary	15,252,400	118,800	15,371,200	15,371,194	0	6
			GROSS EXPENDITURE	45,970,528	6,761,536	52,732,064	52,732,058	0	6
			Appropriations in Aid						
			Total Appropriations in Aid						
			Net Expenditure SubHead 01	45,970,528	6,761,536	52,732,064	52,732,058	0	6
98			Devolved Functions District Cooperative Audit Services						
	2210100		Utilities, Supplies and Services	1,440,000	187,000	1,627,000	1,411,720	0	215,280
	2210200		Communication, Supplies and Services	3,873,600	-174,569	3,699,031	2,926,230	0	772,801
	2210300		Domestic Travel and Subsistence, and Other Transportation Costs	8,085,000	-108,900	7,976,100	8,207,784	-231,684	0
	2210500		Printing, Advertising and Information Supplies and Services	420,000	-54,515	365,485	269,760	0	95,725
	2210800		Hospitality Supplies and Services	630,000	29,750	659,750	533,876	0	125,874
	2211100		Office and General Supplies and Services	8,130,000	-1,420,511	6,709,489	6,843,741	-134,252	0
	2211200		Fuel Oil and Lubricants	5,600,000	-964,040	4,635,960	4,765,501	-129,541	0
	2211300		Other Operating Expenses	270,000	-45,550	224,450	128,100	0	96,350
	2220100		Routine Maintenance - Vehicles and Other Transport Equipment	1,600,000	550,000	2,150,000	2,145,608	0	4,392
	2220200		Routine Maintenance - Other Assets	2,480,000	-760,000	1,720,000	1,831,910	-111,910	0
			GROSS EXPENDITURE	32,528,600	-2,761,335	29,767,265	29,064,230	-607,387	1,310,422
			Appropriations in Aid						
			Total Appropriations in Aid						
			Net Expenditure SubHead 98	32,528,600	-2,761,335	29,767,265	29,064,230	-607,387	1,310,422
			Net Expenditure Head 001500	78,499,128	4,000,201	82,499,329	81,796,288	-607,387	1,310,428
0016			Cooperatives Education and Training Programmes						
01			Co-operative College Cooperatives Education and Training Programmes						
	2630100		Current grants to Govt. Agencies and other levels of Govt.	28,800,000	-14,400,000	14,400,000	14,400,000	0	0
			GROSS EXPENDITURE	28,800,000	-14,400,000	14,400,000	14,400,000	0	0
			Appropriations in Aid						
			Total Appropriations in Aid						
			Net Expenditure SubHead 01	28,800,000	-14,400,000	14,400,000	14,400,000	0	0
			Net Expenditure Head 001600	28,800,000	-14,400,000	14,400,000	14,400,000	0	0

VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING  
 RECURRENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0801			Net Expenditure Head 080100 . . . . .						
			Total Net Expenditure vote R122	1,210,969,795	20,733,181	1,231,702,976	1,213,352,292	2,486,776	15,863,909
			Ministry of Cooperative Development.						
									0

**VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING**  
**RECURRENT APPROPRIATION ACCOUNT SUMMARY FOR THE PERIOD FROM JUL-12 TO JUN-13**

ADMINISTRATIVE	Approved Estimates	Actual Expenditure
<b>GROSS EXPENDITURE</b>		
122000100 Finance and Procurement Services	35,537,788.00	35,800,275.15
122000200 General Administration and Planning	268,226,600.00	270,007,615.75
122000300 Cooperative - Ethics and Governance	30,102,848.00	30,582,981.55
122000500 Planning and Feasibility Studies	18,540,276.00	18,759,614.95
122000600 Cooperative Tribunal	35,707,013.00	36,006,540.05
122000700 Cooperative Registration Services	28,897,604.00	28,990,199.30
122000800 Cooperative Marketing	9,786,084.00	9,855,995.15
122000900 Office of the Commissioner	147,923,795.00	147,563,339.80
122001000 Provincial Cooperative Extension Services	120,634,026.00	117,183,918.90
122001200 District Cooperative Extension Services	382,782,169.00	373,156,882.00
122001300 Headquarters Cooperative Audit Services	29,059,443.00	29,308,378.60
122001400 Provincial Cooperative Audit Services	40,606,001.00	40,602,865.60
122001500 District Cooperative Audit Services	82,499,329.00	81,796,287.65
122001600 Cooperatives Education and Training Programmes	14,400,000.00	14,400,000.00
<b>Gross Total Expenditure.....</b>	<b>1,244,702,976.00</b>	<b>1,234,014,894.45</b>
		<b>Surplus of Gross Estimates Over Expenditure Kshs. 10,688,081.55</b>
Appropriation in Aid ... ..	Approved Estimates	Applied Receipts
	13,000,000.00	13,000,000.00
		Surplus/Deficiency in Appropriation in Aid Kshs 0.00
<b>NET TOTAL VOTE R122</b>	<b>1,231,702,976.00</b>	<b>1,221,014,894.45</b>
Ministry of Cooperative Development and		Net Surplus to be surrendered to Exchequer Kshs 10,688,081.55

VOTE R122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING

RECURRENT APPROPRIATION ACCOUNT SUMMARY- FOR THE PERIOD FROM JUL-12 TO JUN-13

DETAILS OF APPROPRIATION IN AID

ADMINISTRATIVE		Approved Estimates	Actual Receipts
		KShs	KShs
122000600	Cooperative Tribunal	(2,500,000.00)	(2,479,587.00)
122000700	Cooperative Registration Services	(2,500,000.00)	(2,804,284.00)
122001300	Headquarters Cooperative Audit Services	(8,000,000.00)	(15,378,731.50)
	Total Appropriations in Aid ... ..	KShs (13,000,000.00)	(20,662,602.50)
	Applied Appropriation in Aid ... ..	KShs	(13,000,000.00)
	Excess Appropriation in Aid ... ..	KShs	(7,662,602.50)
			Payable seperately to the Exchequer Kshs (7,662,602.50)

**MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING  
RECURRENT VOTE 122 – FOOTNOTES TO THE APPROPRIATION  
ACCOUNTS FOR THE PERIOD ENDING 30<sup>TH</sup> JUNE, 2013**

**HEAD 0010 DEVOLVED PROVINCIAL CO-OPERATIVE EXTENSION  
SERVICES**

**UNDER- EXPENDITURE**

**HEAD 0010**

**Sub head 98**

Item No.2210200 – Communication Supplies and Services 1,105,827.00

**HEAD 0012- DEVOLVED DISTRICT CO-OPERATIVE EXTENSION SERVICES**

**Sub head 98**

Item No.2210100-Utilities, Supplies and Services 1,442,451.00

Item No.2210200-Communication, Supplies and Services 1,334,701.00

Item No.2210300 – Domestic Travel and Subsistence, and Other  
Transportation Costs 1,617,681.00

Item No.2210800 – Hospitality Supplies and Services 1,108,503.00

Item No.2211100-Office and General Supplies and Services 1,774,143.00

Item No.2211200 –Fuel Oil and Lubricants 1,176,875.00

**The above under-expenditures occurred due to non-capture of some districts' and provincial  
data in the IFMIS System**

**HEAD 0013 Headquarters Co-operative Audit services**

**Sub-Head 01**

Item 1420300 - Receipts from administrative fees (A in A) 7,378,732.00

The over- collection was as a result of non-adjustment of the estimated Appropriation In Aid during the revised estimates.

SIGNATURE..........

DATE.....30/09/2013.....

Dr WILSON SONGA, MBS  
ACCOUNTING OFFICER

**STATEMENT OF PENDING BILLS - 2013**

**AMOUNT**

**KSHS**

Board Allowance 1,086,205.00

MERCHANTS 328,600.00

**GRANT TOTAL 1,414,805.00**

**MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING  
STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2013  
RECURRENT VOTE- 22**

DESCRIPTION	PREVIOUS PERIODS	CURRENT YEAR	TOTAL TO DATE 2012/2013
<b>ASSETS</b>			
EXCHEQUER BAL 2012-2013	-	2,702,976.00	2,702,976.00
IMPREST	529,426.60	(253,243.80)	276,182.80
DISTRICT SUSPENSE	107,825,674.05	8,291,857.30	116,117,531.35
SALARY ADVANCE	14,064.00	133,310.80	147,374.80
PAYMASTER GENERAL 2011-2012	1,472,748.75	6,443,147.80	7,915,896.55
PAYMASTER GENERAL 2010-2011	(1,032,635.95)	1,032,635.95	-
<b>TOTALS</b>	<b>108,809,277.45</b>	<b>18,350,684.05</b>	<b>127,159,961.50</b>
<b>LIABILITES</b>			
GAV 2012/2013	-	10,688,081.55	10,688,081.55
GAV 2011/2012	34,666,021.45	-	34,666,021.45
GAV 2010/2011	74,143,256.00	-	74,143,256.00
EXCESS A.I.A	-	7,662,602.50	7,662,602.50
<b>TOTALS</b>	<b>108,809,277.45</b>	<b>18,350,684.05</b>	<b>127,159,961.50</b>

SIGN.....

**THOMAS. G. NJOGU**  
PRINCIPAL ACCOUNTS CONTROLLER

DATE.....  
*12/3/2013*

VOTE D122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING  
DEVELOPMENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original KShs	Add/Less Supplementary KShs	Approved Estimates KShs	Actual Expenditure KShs	Over KShs	Under KShs
0000			Ministry of Cooperative Development and Marketing KShs						
0001			Finance and Procurement Services KShs						
0002			Net Expenditure Head 000100 . . . . . KShs						
			General Administration and Planning						
	01		Headquarters General Administration and Planning						
		2630200	Capital grants to Govt. Agencies and other levels of Govt.	40,000,000	-4,000,000	36,000,000	36,000,000	0	0
		3111100	Purch. of Specialised Plant, Equipment & Mach.	3,200,000	0	3,200,000	3,181,542	0	18,458
		3111400	Research, Feasibility Studies, Project Preparation and Design, Project Supervision	12,500,000	-3,750,000	8,750,000	9,118,615	-368,615	0
			GROSS EXPENDITURE	55,700,000	-7,750,000	47,950,000	48,300,157	-368,615	18,458
			Appropriations in Aid						
			Total Appropriations in Aid . . . . .						
			Net Expenditure SubHead 01 . . . . .	55,700,000	-7,750,000	47,950,000	48,300,157	-368,615	18,458
			Net Expenditure Head 000200 . . . . .	55,700,000	-7,750,000	47,950,000	48,300,157	-368,615	18,458
0003			Cooperative - Ethics and Governance						
0004			Net Expenditure Head 000300 . . . . .						
			Headquarters Administrative Services						
0005			Net Expenditure Head 000400 . . . . .						
			Planning and Feasibility Studies						
0006			Net Expenditure Head 000500 . . . . .						
			Cooperative Tribunal						
0007			Net Expenditure Head 000600 . . . . .						
			Cooperative Registration Services						
0008			Net Expenditure Head 000700 . . . . .						
			Cooperative Marketing						
	01		Headquarters Cooperative Marketing						
		3111100	Purch. of Specialised Plant, Equipment & Mach.	10,000,000	-10,000,000	0	0	0	0
		3111400	Research, Feasibility Studies, Project Preparation and Design, Project Supervision	2,000,000	-600,000	1,400,000	1,368,270	0	31,730
			GROSS EXPENDITURE	12,000,000	-10,600,000	1,400,000	1,368,270	0	31,730
			Appropriations in Aid						
			Total Appropriations in Aid . . . . .						
			Net Expenditure SubHead 01 . . . . .	12,000,000	-10,600,000	1,400,000	1,368,270	0	31,730
			Net Expenditure Head 000800 . . . . .	12,000,000	-10,600,000	1,400,000	1,368,270	0	31,730

VOTE D122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING  
DEVELOPMENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0009	01		Office of the Commissioner						
		3110700	Headquarters Office of the Commissioner						
		3111300	Purchase of Vehicles & Other Transport Equipment	53,950,000	-16,185,000	37,765,000	24,137,346	0	13,627,654
			Purch. of Certified Seeds, Breeding Stock & Live Animals	0	17,000,000	17,000,000	17,000,000	0	0
			GROSS EXPENDITURE	53,950,000	815,000	54,765,000	41,137,346	0	13,627,654
		1320100	Appropriations in Aid						
			Grants from International Orgns. - Cash thro' Exchequer	0	-17,000,000	-17,000,000	-20,099,434	3,099,434	0
			Total Appropriations in Aid .....	0	-17,000,000	-17,000,000	-20,099,434	3,099,434	0
			Net Expenditure SubHead 01 .....	53,950,000	17,815,000	37,765,000	21,037,912	3,099,434	13,627,654
	04		Capacity Building Office of the Commissioner						
		3111400	Research, Feasibility Studies, Project Preparation and Design, Project Supervision	12,250,000	-3,675,000	8,575,000	8,598,000	-23,000	0
			GROSS EXPENDITURE	12,250,000	-3,675,000	8,575,000	8,598,000	-23,000	0
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			Net Expenditure SubHead 04 .....	12,250,000	-3,675,000	8,575,000	8,598,000	-23,000	0
	05		SACCO Societies Regulatory Authority Office of the Commissioner						
		2630200	Capital grants to Govt. Agencies and other levels of Govt.	16,000,000	10,400,000	26,400,000	26,400,000	0	0
			GROSS EXPENDITURE	16,000,000	10,400,000	26,400,000	26,400,000	0	0
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			Net Expenditure SubHead 05 .....	16,000,000	10,400,000	26,400,000	26,400,000	0	0
			Net Expenditure Head 000900 .....	82,200,000	24,540,000	72,740,000	56,035,912	3,076,434	13,627,654
0010			Provincial Cooperative Extension Services						
	98		Devolved Functions Provincial Cooperative Extension Services						
		3110300	Refurbishment of Buildings	500,000	-500,000	0	0	0	0
			GROSS EXPENDITURE	500,000	-500,000	0	0	0	0
			Appropriations in Aid						
			Total Appropriations in Aid .....						
			Net Expenditure SubHead 98 .....	500,000	-500,000	0	0	0	0
			Net Expenditure Head 001000 .....	500,000	-500,000	0	0	0	0
	112		District Cooperative Extension Services						
	98		Devolved Functions District Cooperative Extension Services						
		3110200	Construction of Buildings	11,000,000	1,761,014	12,761,014	8,474,592	0	4,286,422
		3110300	Refurbishment of Buildings	12,900,000	-1,261,014	11,638,986	5,102,830	0	6,536,162
		3111100	Purch. of Specialised Plant, Equipment & Mach.	16,999,994	0	16,999,994	10,767,917	0	6,232,077
			GROSS EXPENDITURE	40,900,000	500,000	41,400,000	24,345,339	0	17,054,661
			Appropriations in Aid						

VOTE D122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING  
DEVELOPMENT APPROPRIATION ACCOUNT ON SUMMARY ITEM - FOR THE PERIOD FROM JUL-12 TO JUN-13

HEAD	SUB HEAD	ITEM	TITLE AND DETAILS	Original	Add/Less Supplementary	Approved Estimates	Actual Expenditure	Over	Under
				KShs	KShs	KShs	KShs	KShs	KShs
0012			District Cooperative Extension Services						
	98		Devoled Functions District Cooperative Extension Services						
			Appropriations in Aid						
			Total Appropriations in Aid . . . . .	KShs					
			Net Expenditure SubHead 98 . . . . .	KShs	500,000	41,400,000	24,345,339	-859,000	17,054,661
			Net Expenditure Head 001200 . . . . .	KShs	500,000	41,400,000	24,345,339	0	17,054,661
0013			Headquarters Cooperative Audit Services						
	02		Computerization Programme Headquarters Cooperative Audit Services						
			Purch. of Specialised Plant, Equipment & Mach.	5,000,000	0	5,000,000	5,859,000	-859,000	0
			Research, Feasibility Studies, Project Preparation and Design, Project Supervision	2,000,000	-600,000	1,400,000	1,165,880	0	234,120
			GROSS EXPENDITURE	7,000,000	-600,000	6,400,000	7,024,880	-859,000	234,120
			Appropriations in Aid						
			Total Appropriations in Aid . . . . .	KShs					
			Net Expenditure SubHead 02 . . . . .	KShs	-600,000	6,400,000	7,024,880	-859,000	234,120
			Net Expenditure Head 001300 . . . . .	KShs	-600,000	6,400,000	7,024,880	-859,000	234,120
0014			Provincial Cooperative Audit Services						
			Net Expenditure Head 001400 . . . . .	KShs					
0016			Cooperatives Education and Training Programmes						
	01		Co-operative College Cooperatives Education and Training Programmes						
			Capital grants to Govt. Agencies and other levels of Govt.	24,000,000	-12,000,000	12,000,000	12,000,000	0	0
			GROSS EXPENDITURE	24,000,000	-12,000,000	12,000,000	12,000,000	0	0
			Appropriations in Aid						
			Total Appropriations in Aid . . . . .	KShs					
			Net Expenditure SubHead 01 . . . . .	KShs	-12,000,000	12,000,000	12,000,000	0	0
			Net Expenditure Head 001600 . . . . .	KShs	-12,000,000	12,000,000	12,000,000	0	0
0801			Net Expenditure Head 080100 . . . . .	KShs					
0804			Net Expenditure Head 080400 . . . . .	KShs					
			Total Net Expenditure vote D122 Ministry of Cooperative Development	KShs	222,300,000	181,890,000	149,074,558	1,848,819	30,966,623

VOTE D122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING

DEVELOPMENT APPROPRIATION ACCOUNT SUMMARY- FOR THE PERIOD FROM JUL-12 TO JUN-13

ADMINISTRATIVE		Approved Estimates	Actual Expenditure
GROSS EXPENDITURE		KShs	KShs
122000200	General Administration and Planning	47,950,000.00	48,300,157.00
122000800	Cooperative Marketing	1,400,000.00	1,368,270.00
122000900	Office of the Commissioner	89,740,000.00	76,135,346.00
122001200	District Cooperative Extension Services	41,400,000.00	24,345,338.80
122001300	Headquarters Cooperative Audit Services	6,400,000.00	7,024,880.00
122001600	Cooperatives Education and Training Programmes	12,000,000.00	12,000,000.00
<b>Gross Total Expenditure ... ..</b>		<b>198,890,000</b>	<b>169,173,991.80</b>
		<b>Surplus of Gross Estimates Over Expenditure Kshs</b>	
			<b>29,716,008.20</b>
Appropriation in Aid ... ..		Approved Estimates	Applied Receipts
		(17,000,000.00)	(17,000,000.00)
<b>NET TOTAL VOTE D122 Ministry of Cooperative Development and</b>		<b>181,890,000.00</b>	<b>152,173,991.80</b>
		<b>Surplus/Deficiency in Appropriation in Aid Kshs</b>	
			<b>0.00</b>
		<b>Net Surplus to be surrendered to Exchequer Kshs</b>	
			<b>29,716,008.20</b>

VOTE D122 MINISTRY OF COOPERATIVE DEVELOPMENT AND MARKETING

DEVELOPMENT APPROPRIATION ACCOUNT SUMMARY- FOR THE PERIOD FROM JUL-12 TO JUN-13

DETAILS OF APPROPRIATION IN AID

ADMINISTRATIVE		Approved Estimates	Actual Receipts
		KShs	KShs
122000900	Office of the Commissioner	(17,000,000.00)	(20,099,434.00)
	Total Appropriations in Aid ... ..	KShs (17,000,000.00)	(20,099,434.00)
	Applied Appropriation in Aid ... ..	KShs	(17,000,000.00)
	Excess Appropriation in Aid ... ..	KShs	(3,099,434.00)
			Payable seperately to the Exchequer Kshs (3,099,434.00)

# MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING

## DEVELOPMENT VOTE 22 – FOOTNOTES TO THE APPROPRIATION ACCOUNTS FOR THE PERIOD ENDING 30<sup>TH</sup> JUNE, 2013

### HEAD 0009 – OFFICE OF THE COMMISSIONER

#### Item no.3110700– Purchase of motor Vehicles

There was an under-expenditure of Kshs.13, 627,654.00 which occurred as a result of system error which failed to capture the expenditure though the payment for the vehicles was made DT Dobie. The vote book however showed the correct position.

#### Item No.1320100 Grants from International Organization – cash through exchequer

There was an over- collection of Kshs 3,099,434.00 which occurred as a result of exchange rate, treasury captured Kshs 17,000,000.00 while the grant of EU 180,000 was amounting to Kshs 19,800,000.00

### HEAD 0012 – DEVOLVED FUNCTIONS DISTRICT CO-OPERATIVE EXTENSION SERVICES

#### Item No.3110200 – Construction of Buildings

There was an under expenditure of Kshs 4,286,422.00 due to non submission of adequate supporting documents hence no AIE had been issued

#### Item No.3110300 – Refurbishment of Buildings.

There was an under expenditure of Kshs 6,536,162 which was due to non issuance of AIEs as a result of lack of updated Bill of Quantities from the Districts

#### Item No 3111100 Purchase of Specialised Plant, Equipment & Machinery

There was an under expenditure of Kshs 6,232,077.00 which was non receipt of data from the district offices

SIGNATURE.....

DATE.....30/09/2013

Dr WILSON SONGA, MBS

**MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING**  
**STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2013**  
**DEVELOPMENT VOTE- 22**

DESCRIPTION	PREV. PERIODS	CURRENT YEAR	TOTAL
<b>ASSETS</b>			
EXCHEQUER			
2012/13		1,890,000.00	1,890,000.00
2011/12	3,723,362.00	-	3,723,362.00
2010/11	803,483.90	-	803,483.90
<b>IMPREST</b>			
TEMPORARY	195,074.70	(195,074.70)	-
DISTRICT ACCOUNTS	3,472,634.45	9,100,380.70	12,573,015.15
P.M.G	828,187.70	8,472,354.50	9,300,542.20
<b>TOTALS</b>	<b>9,022,742.75</b>	<b>19,267,660.50</b>	<b>28,290,403.25</b>
<b>LIABILITES</b>			
G.A.V			
2012/13	-	16,168,226.50	16,168,226.50
2011/12	8,836,764.00	-	8,836,764.00
2010/11	(2,181,080.65)	-	(2,181,080.65)
A.I.A			
P.M.G	2,367,059.40	3,099,434.00	3,099,434.00
<b>TOTALS</b>	<b>9,022,742.75</b>	<b>19,267,660.50</b>	<b>28,290,403.25</b>

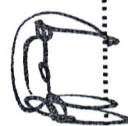
SIGN.......... DATE.....11/3/2014.....

T.NJOGU

PRINCIPAL ACCOUNTS CONTROLLER

**MINISTRY OF CO-OPERATIVE DEVELOPMENT & MARKETING  
STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE, 2013  
DEPOSIT VOTE -22**

DESCRIPTION	2011-2012	CURRENT YEAR	TOTAL TO DATE 2012-13
	AND EARLIER YEARS KSHS.	2012-2013 KSHS.	KSHS.
<b>ASSETS</b>			
TEMPORARY IMPREST	438,000.00	(22,757.80)	415,242.20
PAYMASTER GENERAL	9,939,862.35	(1,707,298.30)	8,232,564.05
<b>TOTALS</b>	<b>10,377,862.35</b>	<b>(1,730,056.10)</b>	<b>8,647,806.25</b>
<b>LIABILITIES</b>			
MGT & SUPERVISION FUND-PMG	2,290,524.65	(1,750,838.40)	539,686.25
LIQUIDATION FUND ACCOUNT	5,159,150.00	-	5,159,150.00
NEW KCC SHARES REFUND DEPOSIT	1,581,051.65	-	1,581,051.65
DEBT WAIVER (COFFEE AND RICE)	-	8,782.30	8,782.30
TOWA	233,900.00	12,000.00	245,900.00
INQUIRY FEES DEPOSIT	720.00	-	720.00
RETENTION MONIES	1,092,408.10	-	1,092,408.10
PROVIDENT FUND REFUNDS	20,107.95	-	20,107.95
<b>TOTALS</b>	<b>10,377,862.35</b>	<b>(1,730,056.10)</b>	<b>8,647,806.25</b>



SIGNATURE.....DATE.....

20/9/13

B.M. MWANGI

PRINCIPAL ACCOUNTANT

**MINISTRY OF CO-OPERATIVE DEVELOPMENT & MARKETING  
MANAGEMENT, SUPERVISION & LIQUIDATION FUNDS**

**STATEMENT OF FINANCIAL POSITION FOR THE ENDED 30TH JUNE 2013**

	2012/2013 KSHS.	Notes	2011/2012 KSHS.
<b><u>NON CURRENT ASSETS</u></b>			
Furniture	2,536,150.00		
Depreciation	659,845.00	(8)	
<b><u>CURRENT ASSETS</u></b>			
Receivables	35,296,457.00		47,178,812.00
PMG:			
MGT FUND: BANK	539,686.00		2,290,525.00
Liquidation Fund	5,159,150.00		5,159,150.00
	<b>42,871,606.00</b>		<b>54,628,487.00</b>
<b><u>FINANCED BY</u></b>			
Management & Supervision Fund (capital)	37,048,727.00		49,123,534.00
Excess of income over expenditure	663,729.00		345,803.00
Liquidation Fees	532,278.00		532,278.00
Co-operative Societies Liquidation control Acct	4,626,872.00		4,626,872.00
	<b>42,871,606.00</b>		<b>54,628,487.00</b>

SIGNATURE.....

DATE..... 30-9-2013

THOMAS NJOGU

PRINCIPAL ACCOUNTANT

**MINISTRY OF CO-OPERATIVE DEVELOPMENT & MARKETING  
MANAGEMENT SUPERVISION FUND & LIQUIDATION FUND**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 30/06/2013**

	2012/2013	Notes	2011/2012
<b><u>INCOMES</u></b>			<b>KSHS</b>
Audit & Supervision fees	25,918,901.00		27,629,274.00
Bal Bfwd 2010-2011	-		7,259,072.00
<b>TOTAL INCOME</b>	<b>25,918,901.00</b>		<b>34,888,346.00</b>
<b><u>EXPENDITURE</u></b>			
Appropriation In Aid (AIA)	12,959,451.00	(4)	13,814,887.00
Travel & Subsistence	7,186,548.00	(5)	13,330,169.00
Purchase of uniforms	-		581,000.00
Repairs & Maintenance	176,111.00	(6)	184,337.00
Purchase of Furniture & Equipments			208,885.00
Stationery & Printing	4,273,216.00	(7)	6,411,265.00
Exchequer Audit Fees	-		12,000.00
Depreciation	659,847.00	(8)	-
<b>TOTAL EXPENDITURE</b>	<b>25,255,173.00</b>		<b>34,542,543.00</b>
<b>Excess of income over expenditure</b>	<b>663,729.00</b>		<b>345,803.00</b>

**MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING  
MANAGEMENT AND SUPERVISION FUND  
FOR THE YEAR ENDED 30 JUNE 2013.**

**CASH FLOW STATEMENT FOR THE MANAGEMENT AND SUPERVISION  
FUND FOR THE YEAR ENDED 30 JUNE 2013.**

<u>PARTICULERS</u>	<u>AMOUNT</u> KSHS.
Cash received as at 30-06-2013	25,918,901.00
<b>TOTAL RECEIPTS</b>	<b>25,918,901.00</b>
Transfer to recurrent as A.I.A	(12,959,450.50)
less Payments( Expenses)	(12,827,288.90)
Opening cas balance	2,290,524.65
<b>Closing Cash Balance</b>	<b>2,422,686.25</b>

**MINISTRY OF CO OPERATIVE DEVELOPMENT AND  
MARKETING  
MANAGEMENT AND SUPERVISION FUND  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2013  
NOTES TO THE ACCOUNTS**

**ACCOUNTING POLICIES:**

**1. Basis of Accounts Preparation.**

The financial statements of Management And Supervision Fund are prepared on accrual basis and in accordance with section 11(10)(3) of Government Financial Regulations.

**2. Recognition of Income:**

Management and Supervision Fund income includes receipts from the sale of co operative audit services and annual registration of auditors. They are recognized when received.

**3. Recognition of Expenses**

Expenses are recognized when payments are made.

**4. Furniture's and equipment**

They are reflected in the balance sheet at book value net of wear and tear at the rate of 12.5% p.a using straight line basis.

