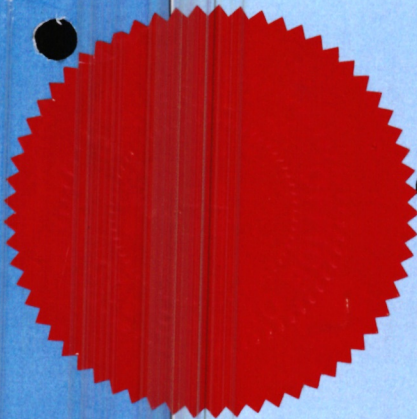
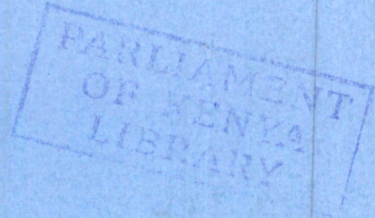




OFFICE OF THE AUDITOR-GENERAL



REPORT



 THE NATIONAL ASSEMBLY PAPERS LAID	
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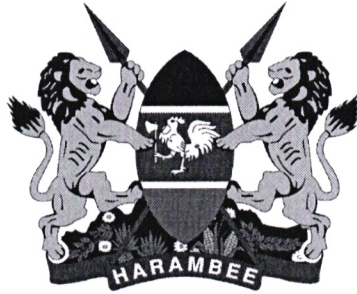
THE FINANCIAL STATEMENTS OF  
KENYA YOUTH EMPLOYMENT  
OPPORTUNITIES PROJECT  
CREDIT NO. 58120 KE

FOR THE YEAR ENDED  
30 JUNE 2018

STATE DEPARTMENT OF LABOUR







**Project Name KENYA YOUTH EMPLOYMENT AND OPPORTUNITIES PROJECT**

**Implementing Entity STATE DEPARTMENT FOR LABOUR**

**PROJECT GRANT/CREDIT NUMBER 58120-KE**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2018**

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

**CONTENTS**

**PAGE**

1. PROJECT INFORMATION AND OVERALL PERFORMANCE.....	ii
2. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES.....	vii
3. REPORT OF THE INDEPENDENT AUDITORS ON THE KENYA YOUTH EMPLOYMENT OPPORTUNITIES PROJECT.....	viii
4. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED 30TH JUNE 2018.....	1
5. STATEMENT OF FINANCIAL ASSETS AS AT 30TH JUNE 2018.....	2
6. STATEMENT OF CASHFLOW FOR THE PERIOD ENDED 30TH JUNE 2018.....	3
7. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS.....	4
8. NOTES TO THE FINANCIAL STATEMENTS.....	5
9. OTHER IMPORTANT DISCLOSURES.....	13
10. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS.....	14

## 1. PROJECT INFORMATION AND OVERALL PERFORMANCE

### 1.1 Name and registered office

**Name:** The project's official name is Kenya Youth Employment and Opportunities Project

**Objective:** The key objective of the project is to increase employment and earnings opportunities for the targeted youths.

**Address:** The project headquarters offices are:

Ministry of Labour and Social Protection

State Department of Labour

Social Security House

P O Box 40326 -00100,

Block "B", 15th Floor

Nairobi, Kenya.

Email: [ps@labour.go.ke](mailto:ps@labour.go.ke)

Website: <http://www.labour.go.ke/>

The address of its registered office is in Nairobi County, Kenya

The project also has offices/branches as follows:

- The Project does not have other offices/branches

**Contacts:** The following are the project contacts

Telephone: 0202729800/EXT4410/4403

E-mail: [ps@labour.go.ke](mailto:ps@labour.go.ke)

Website: [www.go.ke](http://www.go.ke)

### 1.2 Project Information

Project Start Date:	The project start date is 20 – May -2016
Project End Date:	The project end date is 31 - Dec 2021
Project Manager:	The project manager is Mr James Maru
Project Sponsor:	The project sponsor is GoK through a credit from World Bank IDA

### 1.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the State Department for Labour
Project number	P151831
Strategic goals of the project	The strategic goals of the project are as follows: (i) Enhancing access to labour market information

<p>Achievement of strategic goals</p>	<p>The project management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> <li>(i) Identification of Labour Market Information system users and specifying their needs.</li> <li>(ii) Production of LMIS content.</li> <li>(iii) Dissemination of LMIS content and Awareness creation</li> </ul>
<p>Other important background information of the project</p>	<p>The Kenya Youth Employment opportunities Project (KYEOP) is a five-year <b>Safety net</b> project for <b>vulnerable</b> youth funded with a USD150million credit from the World Bank Group and whose development objective (PDO) is "to increase employment and earnings opportunities for targeted youths". The KYEOP is implemented through four government agencies under four components as follows:</p> <p>Component 1: <b>Training and Work Experience</b> – to be <b>jointly</b> implemented by the National Industrial Training Authority (NITA) and the Ministry of Public Service, Youth and Gender Affairs (MPYG) – USD75Million.</p> <ul style="list-style-type: none"> <li>○ This component aims to address the issue of skills mismatch by providing targeted youth with trainings and internships in the Private Sector. The objective is to enhance youth employability.</li> <li>○ The target is to reach over 70,000 youth</li> </ul> <p>1. Component 2: <b>Job Creation</b> – to be <b>jointly</b> implemented by the Micro and Small Enterprises Authority (MSEA) and the MPYG) – USD41.5 million.</p> <ul style="list-style-type: none"> <li>○ This component aims to address the issue of <b>lack of employment opportunities</b>. The objective is to <b>create jobs</b> and <b>expand</b> existing ones thus <b>increasing earnings</b> for youth interested in self-employment or wage employment.</li> <li>○ The target is to reach over 30,000 youth</li> </ul> <p>2. Component 3: Improving Labour Market Information – to be implemented by the Ministry of East African Community Affairs, Labour and Social protection (MEACLSP) – USD 13.5 million</p> <ul style="list-style-type: none"> <li>○ This component aims to address the issue of lack of labour market information (LMI). The objective is to enhance access to LMI and ensure availability of quality information in a timely manner.</li> </ul> <p>3. Component 4: Strengthening Youth Policy Development and Project Management – to be implemented by the MPYG – USD 20million.</p> <ul style="list-style-type: none"> <li>○ This component aims to enhance the MPYG's capacity for youth policy formulation, development and monitoring and evaluation as well as support the establishment and operationalization of a project coordination unit.</li> </ul> <p>The MPYG is the overall coordinator, even though each implementing agency receives and accounts for funds for the KYEOP part under them separately; with the NITA and MSEA receiving/reporting through their respective line ministries i.e. Ministry of Industry, Trade and Cooperatives and the MEACLSP respectively.</p> <p>The KYEOP is at the stage of implementation readiness where each implementing agency is in the process of setting up systems and capacity building the implementing teams.</p>

Current situation that the project was formed to intervene	The project was formed to intervene in the following areas: (i) Unemployment amongst out-of-school youth (ii) Lack of quality and up-to-date labour market information (iii) Inadequate Institutional Capacity for Youth Policy Planning, Implementation and Monitoring and Evaluation
Project duration	The project started on 20th May 2016 with the Financing Agreement being signed on 4 <sup>th</sup> July 2017. The Project became effective on 15 <sup>th</sup> December 2016.

#### **1.4 Bankers**

The following are the bankers for the current year:

- (i) Central Bank of Kenya..P.O Box 60000 Nairobi

#### **1.5 Auditors**

The project is audited by the -KENYA NATIONAL AUDIT OFFICE (KENAO)

#### **1.6 Roles and Responsibilities**

List the different people who will be working on the project. This list would include the project manager and all the key stakeholders who will be involved with the project. Also, record their role, their positions, and their contact information.

<b>Names</b>	<b>Title designation</b>	<b>Key qualification</b>	<b>Responsibilities</b>
Mr James Maru	KYEOP Coordinator	Assistant Director NHRPD	Project manager
Mr Peter Angonga	Project Officer LMI content	Assistant Director NHRPD	In charge of LMI content production
Ms Meldah Angir	Project Officer KNOCS revision	Assistant Director NHRPD	In charge of KNOCS update and occupation classification standards

### 1.7 Funding summary

The Project is for duration of 5 years from 2016 to 2021 with an approved budget of US\$ 150million (use donor currency) equivalent to Kshs15 Billion as highlighted in the table below:

Below is the funding summary:

Source of funds	Donor Commitment-		Amount received to date - (30 June 2018)		Undrawn balance to date (30 - June- 2018)	
	Donor currency	Kshs	Donor currency	Kshs	Donor currency	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan	USD	KSH	USD	KSH	USD	KSH
World Bank	13.5Million	1.35Billion	1,693,874	171,397,262	11,806,126	1,178,602,738
<b>Total</b>	<b>13.5million</b>	<b>1.35Billion</b>	<b>1,693,874</b>	<b>171,397,262</b>	<b>11,806,126</b>	<b>1,178,602,738</b>

### 1.8 Summary of Overall Project Performance:

Designated Accounts (DAs) for the Project were opened after the signing of the Financing Agreement in July, 2016. The Ministry was granted Authority by the Director, Banking Services Department of the Central Bank of Kenya to open a Kenya Shillings bank account named 'Kenya Youth Employment and Opportunities Project Account "A" vide a letter no. AC: 3//086 Vol. 34/(34) dated 20<sup>th</sup> December, 2016.

The Project Implementation Unit was established and is fully functional. ML&SP developed a Budget, Training plan and procurement plan for the FY 2017/18, which has been implemented between July 2017 and July 2018 and a total of seventeen (17) officers have been trained.

**Informal Sector Survey:** The Informal Sector survey study, which is one of the activities aimed at gathering the required information on skills and occupations in the sector was designed in collaboration with the Kenya National Bureau. A pilot phase of the survey was undertaken in May 2108 and the experiences shared with the Bank. A report detailing the findings and recommendations for the main survey was finalized and submitted to WB on 4th June 2018. A revised budget informed by the pilot was submitted on 4th June 2018. Blocking of CBDs in six major towns was done between 21st and 30th June for purposes of Listing of Households and Enterprises for eventual sampling. A No Objection to undertake the main survey was granted on 1<sup>st</sup> August 2018 and a ToT is underway with the Training of survey personnel scheduled for 26<sup>th</sup> August 2018.

**Revision of the Kenya National Occupational Classification(KNOCS)** is another activity of the project. A workshop to prepare the Roadmap to Update the Kenya National Occupational Classification and the Domestication of The International Standard Industrial Classification has been undertaken and KNOCS 200 mapped to ISCO 08. Initial comments from stakeholders have been received and further engagements with the public sector players is being solicited as they are administrators of various schemes of service. The Ministry of Public Service has asked that all Ministries /Departments and Agencies be requested to provide more information on occupations.

**Domestication of International Standard for Industrial Classification(ISIC):-** A consultative forum for the Agriculture, Forestry, and Fishing sector was held between 26th May to 3rd June 2018 and a domesticated version of Section A of ISIC Rev. 4 prepared and Correspondence Tables produced. The Domesticated Draft

and the Conversion Tables have been circulated to the stakeholders in the sector for feedback and eventual validation. The forum for the Mining, Quarrying and Construction sector was held from 5th to 11th June 2018. The Manufacturing Sector forum took place from 12th to 19th June 2018. After each of these consultative meetings, drafts of the domesticated documents including conversion tables were circulated to the stakeholders for critique and value addition.

#### **L MIS Design:**

A technical Advisor has been contracted to guide the Ministry in the development of a world class LMI System and develop a roadmap and a sustainability strategy. An Inception Report has been prepared and is to be shared with the KLMIS Technical Working Group.

#### **Procurement of Goods**

40 Desks and 37 chairs have been delivered (Purchase requirement was 50 of each). The balance will be purchased during the next Financial Year because the balances were inadequate. 45 Desktop Computers and their accessories and 10 Laptop Computers have been delivered.

Procurement of Tablets, power banks, cloud server:- Clearance of the specifications given by the Ministry of ICT. It is now a requirement by the Government that any procurement of ICT and ICT related goods and services be cleared by the Ministry of ICT.

#### **Challenges**

The Project Implementation Unit (PIU) has not been able to procure the two (2) project vehicles meant for the project. This was as a result of omission of funds under the line item by the National Treasury in the previous Financial Year. The two Supplementary budgets under FY 2017/18 have also not addressed the omission though request had been made, further disadvantaging the PIU.

The Budget Printed Estimates for the Financial Year 2018/19 has provided for only Kshs. 210 Million against the requested 400 Million. This means that there will be need to write to the Treasury for additional funds, subject to absorption which the department is committed to meeting the target once activities start.

#### **1.9 Summary of Project Compliance:**

The project has not encountered any case of non-compliance as it is operating in line with the existing government regulations and financing agreement. The project has formed a project implementation unit which will help in ensuring that the project is managed in compliance to enhance efficiency and effectiveness. We also request for no objection from the World Bank and use the approved work plan before under taking the activities.

## 2. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

The *Principal Secretary* for the Ministry of State Department for Labour and the *Project Coordinator* for Kenya Youth Employment and Opportunities project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year (period) ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Project; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Project; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

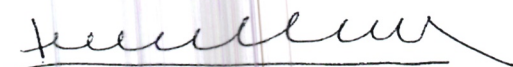
The *Principal Secretary* for the Ministry of State Department for Labour and the *Project Coordinator* for Kenya Youth Employment and Opportunities project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The *Principal Secretary* for the Ministry of State Department for Labour and the *Project Coordinator* for Kenya Youth Employment and Opportunities project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2018, and of the Project's financial position as at that date. The *Principal Secretary* for Ministry of State Department for Labour and the *Project Coordinator* for Kenya Youth Employment and Opportunities project further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The *Principal Secretary* for the Ministry of State Department for Labour and the *Project Coordinator* for Kenya Youth Employment and Opportunities project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

### Approval of the Project financial statements

The Project financial statements were approved by the *Principal Secretary* for the Ministry of State Department for Labour and the *Project Coordinator* for Kenya Youth Employment and Opportunities project on 27<sup>th</sup> Sept 2018 and signed by them.



Principal Secretary  
Name: Dr. Ibrahim M. Mohamed.CBS



Project Coordinator  
Name: James Maru



Project Accountant:  
Name: Winnyrose Moraa  
ICPAK Member Number: 11431

# REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI



## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON KENYA YOUTH EMPLOYMENT OPPORTUNITIES PROJECT CREDIT NO. 58120 KE - FOR THE YEAR ENDED 30 JUNE 2018 - STATE DEPARTMENT OF LABOUR

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#### REPORT ON THE FINANCIAL STATEMENTS

##### **Opinion**

I have audited the accompanying financial statements of Kenya Youth Employment and Opportunities Project (KYEOP) Credit No. 58120 KE - State Department of Labour set out on pages 1 to 17, which comprise the statement of financial assets as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and statement of comparative budget and actual amounts 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, Section 35 of the Public Audit Act, 2015 and Credit Agreement No. 58120 KE dated 04 July 2016 between the International Development Association (IDA) and the Government of Kenya. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Kenya Youth Employment and Opportunities Project – State Department of Labour as at 30 June 2018 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Credit Agreement dated 04 July 2016.

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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Kenya Youth Employment Opportunities Project in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no Key Audit Matters to report in the year under review.

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*Report of the Auditor-General on the Financial Statements of Kenya Youth Employment Opportunities Project Credit No. 58120 KE - for the year ended 30 June 2018 - State Department of Labour*

## Other Matters

### Budget and Budgetary Performance

#### 1. Receipts

The Project had budgeted to receive Kshs.146,000,000 from external development partners but actual receipts amounted to Kshs.129,990,741 resulting to a shortfall of Kshs.16,009,259 or 11%. The shortfall was attributed to the underutilization in the various activities by the project management and hence the non-reimbursement by the financiers. This trend may impact negatively the achievement of project objectives and goals.

#### 2. Payments

The project had budgeted to spend Kshs.146,000,000 but actual payments for the year amounted to Kshs.58,557,680 resulting to a underutilization of Kshs.87,442,320 or 60% as follows:

Item	Final Budget Kshs.	Actual Payments Kshs.	Utilization Difference Kshs.	Under Utilization %
Purchase of goods & services	132,500,000	50,068,630	82,431,370	62
Acquisition of non-financial assets	13,500,000	8,489,050	5,010,950	37
<b>Total</b>	<b>146,000,000</b>	<b>58,557,680</b>	<b>87,442,320</b>	<b>60</b>

The low absorption of funds was attributed largely to delay in the kickoff of the informal sector survey which is stated as the main activity of the project. Management was advised to speed up project activities to enhance absorption of project funds.

### REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

#### Conclusion

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

#### Basis for conclusion

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

### **Conclusion**

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

### **Basis for conclusion**

My responsibility is to express a conclusion based on the review. The review was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standard requires that I plan and perform the audit so as to obtain assurance about whether effective processes and systems of internal control, risk management and governance was maintained in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the International Development Association and financing agreement for Kenya Youth Employment Opportunities Project, I report based on my audit, that:

- i. 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;
- ii. In my opinion, adequate accounting records have been kept by the Project so far as appears from the examination of those records; and,

The Project financial statements are in agreement with the accounting records and returns.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, management is responsible for assessing the Project's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the National Government either intends to liquidate the Project or to cease operations, or have no realistic alternative but to do so.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public money is applied in an effective manner.

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

### **Auditor-General's Responsibilities for the Audit**

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

In addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be

material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to continue as a going concern or to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

**Nairobi**

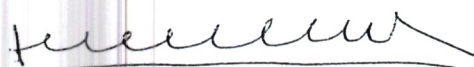
**27 December 2018**

Kenya Youth Employment Opportunity Project  
 Reports and Financial Statements  
 For the financial year ended June 30, 2018

4. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED 30TH JUNE 2018

	Note	2017/18		2016/17		Cumulative to-date
		Receipts and payments controlled by the entity	Payments made by third parties	Receipts and payment controlled by the entity	Payments made by third parties	
		KShs	KShs	KShs	KShs	KShs
<b>RECEIPTS</b>						
Loan from external development partners	8.3	129,990,741	-	41,406,521	-	171,397,262
<b>TOTAL RECEIPTS</b>		<b>129,990,741</b>	<b>-</b>	<b>41,406,521</b>	<b>-</b>	<b>171,397,262</b>
<b>PAYMENTS</b>						
Purchase of goods and services	8.4	50,068,630	-	19,962,819	-	70,031,449
Acquisition of non-financial assets	8.5	8,489,050	-	-	-	8,489,050
<b>TOTAL PAYMENTS</b>		<b>58,557,680</b>	<b>-</b>	<b>19,962,819</b>	<b>-</b>	<b>78,520,499</b>
<b>SURPLUS</b>		<b>71,433,061</b>	<b>-</b>	<b>21,443,702</b>	<b>-</b>	<b>92,876,763</b>

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



Principal Secretary  
 Name: Dr. Ibrahim M. Mohamed, CBS



Project Coordinator  
 Name: James Maru



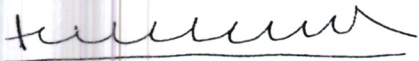
Project Accountant:  
 Name: Winnyrose Moraa  
 ICPAK Member Number: 11431

Kenya Youth Employment Opportunity Project  
 Reports and Financial Statements  
 For the financial year ended June 30, 2018

5. STATEMENT OF FINANCIAL ASSETS AS AT 30TH JUNE 2018

	Note	2017/18	2016/17
		KShs	KShs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances	8.6.A	92,876,763	21,443,702
<b>TOTAL FINANCIAL ASSETS</b>		<b>92,876,763</b>	<b>21,443,702</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	8.7	21,443,702	-
Surplus for the year		71,433,061	21,443,702
<b>NET FINANCIAL POSITION</b>		<b>92,876,763</b>	<b>21,443,702</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 27<sup>th</sup> sept 2018 and signed by:



Principal Secretary  
 Name: Dr. Ibrahim M. Mohamed, CBS



Project Coordinator  
 Name: James Maru

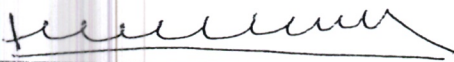



Project Accountant:  
 Name: Winnyrose Moraa  
 ICPAK Member Number: 11431


6. STATEMENT OF CASHFLOW FOR THE PERIOD ENDED 30TH JUNE 2018

	Note	2017/18 KShs	2016/17 KShs
<b>Payments for operating activities</b>			
Purchase of goods and services	8.4	50,068,630	19,962,819
<b>Net cash flow from operating activities</b>		<b>(50,068,630)</b>	<b>(19,962,819)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	8.5	8,489,050	-
<b>Net cash flows from Investing Activities</b>		<b>(8,489,050)</b>	<b>-</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Loan from external development partners	8.3	129,990,741	41,406,521
<b>Net cash flow from financing activities</b>		<b>129,990,741</b>	<b>41,406,521</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>71,433,061</b>	<b>21,443,702</b>
Cash and cash equivalent at BEGINNING of the year		21,443,702	-
Cash and cash equivalent at END of the year		92,876,763	21,443,702

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 27<sup>th</sup> Sept 2018 and signed by:

  
 Principal Secretary  
 Name: Dr. Ibrahim M. Mohamed, CBS

  
 Project Coordinator  
 Name: James Maru


  
 Project Accountant:  
 Name: Winnyrose Moraa  
 ICPAK Member Number: 11431


*Kenya Youth Employment Opportunity Project  
Reports and Financial Statements  
For the financial year ended June 30, 2018*

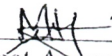
7. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>Receipts</b>						
Proceeds from borrowings	246,000,000	(100,000,000)	146,000,000	129,990,741	16,009,259	89%
<b>Total Receipts</b>	<b>246,000,000</b>	<b>(100,000,000)</b>	<b>146,000,000</b>	<b>129,990,741</b>	<b>16,009,259</b>	<b>89%</b>
<b>Payments</b>						
Purchase of goods and services	232,500,000	(100,000,000)	132,500,000	50,068,630	82,431,370	38%
Acquisition of non-financial assets	13,500,000		13,500,000	8,489,050	5,010,950	63%
<b>Total Payments</b>	<b>246,000,000</b>	<b>(100,000,000)</b>	<b>146,000,000</b>	<b>58,557,680</b>	<b>87,442,320</b>	<b>40%</b>

Note: The significant budget utilisation/performance differences in the last column are explained in Annex 1 to these financial statements.

  
Principal Secretary  
Name: Dr. Ibrahim M. Mohamed, CBS

  
Project Coordinator  
Name: James Maru

  
Project Accountant  
Name: Winnyrose Moraa  
ICPAK Member No: 11431

## **8. NOTES TO THE FINANCIAL STATEMENTS**

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

### **8.1. Basis of Preparation**

#### **8.1.1. Statement of compliance and basis of preparation**

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

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted have been consistently applied to all the years presented.

#### **8.1.2. Reporting entity**

The financial statements are for the Kenya Youth Employment Opportunity Project under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

#### **8.1.3. Reporting currency**

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Project and all values are rounded to the nearest Kenya Shilling.

### **8.2. Significant Accounting Policies**

#### **a) Recognition of receipts**

The Project recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Government.

##### **• Transfers from the Exchequer**

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

##### **• External Assistance**

External assistance is received through grants and loans from multilateral and bilateral development partners.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Donations and grants**

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

**Proceeds from borrowing**

Borrowing includes Treasury bill, treasury bonds, corporate bonds, sovereign bonds and external loans acquired by the Project or any other debt the Project may take on will be treated on cash basis and recognized as a receipt during the year they were received.

**Undrawn external assistance**

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for the Project currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. An analysis of the Project's undrawn external assistance is shown in the funding summary

• **Other receipts**

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

b) **Recognition of payments**

The Project recognises all payments when the event occurs and the related cash has actually been paid out by the Project.

• **Compensation of employees**

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

• **Use of goods and services**

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

• **Interest on borrowing**

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- **Repayment of borrowing (principal amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements.

- **Acquisition of fixed assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

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

**c) In-kind donations**

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

**d) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**Restriction on cash**

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third part deposits

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e) Accounts receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**f) Pending bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Project at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

**g) Budget**

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation.

A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

**h) Third party payments**

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties column in the statement of receipts and payments.

During the year Kshs nil billion being loan disbursements were received in form of direct payments from third parties.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Exchange rate differences**

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates, Kenya Shillings. Transactions in foreign currencies during the year/period are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of receipts and payments.

**j) Comparative figures**

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

**k) Subsequent events**

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2018.

**l) Errors**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8.3. LOAN FROM EXTERNAL DEVELOPMENT PARTNERS

During the 12 months to 30 June 2018 we received funding from development partners in form of loans negotiated by National Treasury donors as detailed in the table below:

Name of Donor	Date received	Amount in loan currency	Loans received in cash	Loans received as direct payment	Total amount in KShs	
		USD	KShs	KShs	FY17/18	FY16/17
<b>Loans Received from Bilateral Donors (Foreign Governments)</b>						
World Bank (IDA)						41,406,521
	29.08.2017	110,700	11,409,849	-	11,409,849	
	03.04.2018	191,849.80	19,329,467	-	19,329,467	
	08.05.2018	991,324.65	99,251,424	-	99,251,424	
<b>Total</b>		<b>1,293,874.45</b>	<b>129,990,741</b>		<b>129,990,741</b>	<b>41,406,521</b>

8.4. PURCHASE OF GOODS AND SERVICES

	FY 2017/18			FY 2017/16	Cumulative to date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Domestic travel and subsistence	30,218,969	-	30,218,969	11,774,733	41,993,702
Foreign travel and subsistence	4,397,235	-	4,397,235	4,510,000	8,907,235
Printing, advertising and information supplies & services	43,000	-	43,000	-	43,000
Training expenses	8,167,371	-	8,167,371	1,554,584	9,721,955
Hospitality supplies and services	4,714,770	-	4,714,770	1,622,502	6,337,272
Specialised materials and services	1,504,185	-	1,504,185	-	1,504,185
Fuel oil and lubricants	1,023,100	-	1,023,100	-	1,023,100
Other operating expenses	-	-	-	501,000	501,000
<b>Total</b>	<b>50,068,630</b>	<b>-</b>	<b>50,068,630</b>	<b>19,962,819</b>	<b>70,031,449</b>

[Provide explanation as necessary]

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8.5. ACQUISITION OF NON-FINANCIAL ASSETS

	FY 2017/18			FY 2016/17	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Purchase of ICT Networking and communication equipments	8,489,050		8,489,050		8,489,050
<b>Total</b>	<b>8,489,050</b>	<b>-</b>	<b>8,489,050</b>	<b>-</b>	<b>8,489,050</b>

8.6. CASH AND CASH EQUIVALENTS CARRIED FORWARD

	2017/18	2016/17
	KShs	KShs
Bank accounts (Note 8.6A)	92,876,763	21,443,702
<b>Total</b>	<b>92,876,763</b>	<b>21,443,702</b>

The project has one number of project accounts spread within the project implementation area and one number of foreign currency designated accounts managed by the National Treasury as listed below:

8.6. A Bank Account

Project Bank Account

	2017/18	2016/17
	KShs	KShs
<b>Local Currency Accounts</b>		
Central Bank of Kenya [A/c No:1000320467]	92,876,763	21,443,702
<b>Total bank account balances</b>	<b>92,876,763</b>	<b>21,443,702</b>

Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as at 30<sup>th</sup> June 2018 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule which shows the flow of funds that were voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Special Deposit Accounts (Continued)

Special Deposit Accounts Movement Schedule

	2017/18	2016/17
	USD	USD
(i) A/C Name [A/c No:1000308656]		
Opening balance	110,728	-
Total amount deposited in the account	3,309,196	-
Total amount withdrawn by KYEOP Labour (as per Statement of Receipts & Payments)	(1,293,874)	-
Total amount withdrawn KYEOP NITA	(1,526,079)	
Total amount at National Treasury	(255,500)	
Closing balance (as per SDA bank account reconciliation attached)	<u>344,471</u>	<u>110,728</u>

The Special Deposit Account(s) reconciliation statement(s) has (have) been attached as *Appendix iv* to support these closing balances.

8.7. FUND BALANCE BROUGHT FORWARD

	2017/18	2016/17
	KShs	KShs
Bank accounts	21,443,702	-
<b>Total</b>	<u>21,443,702</u>	-

*Kenya Youth Employment Opportunity Project  
Reports and Financial Statements  
For the financial year ended June 30, 2018*

9. OTHER IMPORTANT DISCLOSURES

9.1 PENDING ACCOUNTS PAYABLE (See Annex 2A)

	2017/18	2016/17
	KShs	KShs
Supply of goods	275,554	-
Supply of services	1,399,500	-
	<u>1,675,054</u>	=

*Kenya Youth Employment Opportunity Project  
Reports and Financial Statements  
For the financial year ended June 30, 2018*

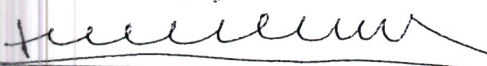
**10. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**


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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal person resolve issue and designation	Point to the (Name)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
N/A	The Project had no audit issues.					

*Guidance Notes:*

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

  
Principal Secretary

  
Project Coordinator

28/9/2018  
Date

27/09/2018  
Date

ANNEX 1 - VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS

	a	b	c=a-b	d=b/a %
<b>Receipts</b>				
Proceeds from borrowings	146,000,000	129,990,741	16,009,259	89%
<b>Total Receipts</b>	<b>146,000,000</b>	<b>129,990,741</b>	<b>16,009,259</b>	<b>89%</b>
<b>Payments</b>				
Purchase of goods and services	132,500,000	50,068,630	82,431,370	38%
Acquisition of non-financial assets	13,500,000	8,489,050	5,010,950	63%
<b>Total payments</b>	<b>146,000,000</b>	<b>58,557,680</b>	<b>87,442,320</b>	<b>40%</b>

**REASON FOR LOW ABSORPTION**

The project uses the statement of expenditure (SOE) as a method of reimbursement. The remaining proceeds which were not received was as a result of underutilisation in the various activities hence not reimbursing. Also the budget was slashed leading to treasury not submitting us some money as reflected in the special deposit movement.

There was also a delay in the kick off the informal sector survey which is the main activity of the project. However, during the period the pilot phase of the survey was undertaken between May/April to inform the main survey. The Project Implementing Unit (PIU) received a NO objection on 1<sup>st</sup> August 2018 to undertake the main phase of the survey. With the granting of the NO, the project will be able to absorb two-thirds of the funding provided this financial year. Three consultancies have also come on board as envisaged and this will improve on the absorption rate alongside the revision of the Kenya National Occupational Classification and the Domestication of the International Standard for Industrial Classification.

The project also had pending bills totalling to Kshs.1, 675,054 which could have increased our absorption. The pending bills was as a result of unavoidable circumstances. The payments failed to cross to internet banking module which is the final stage of payment and treasury was not able to resolve the problem then. One of the suppliers name differed with the name in the IFMIS system a case to be resolved by the supplier.

**ANNEX 2A - ANALYSIS OF PENDING BILLS**

Supplier Name	Amount	Date	Amount Paid	Amount Pending	Comments
	a	b	c	d=a-c	
<b>Supply of goods</b>					
1.Fidesol Enterprises	275,554	30-05-2018	-	275,554	Failed to Cross to Internet Banking. Paid on 19th September 2018
<b>Sub-Total</b>	<b>275,554</b>			<b>275,554</b>	
<b>Supply of services</b>					
1.Bontana Hotel	255,000	30-06-218	-	255,000	Failed to Cross to Internet Banking. Paid on 19th September 2018
2.Prideinn Hotel	1,144,500	30-06-218	-	1,144,500	Name in IFMIS differs with the suppliers name.
<b>Sub-Total</b>	<b>1,399,500</b>			<b>1,399,500</b>	
<b>Grand Total</b>	<b>1,675,054</b>			<b>1,675,054</b>	

Kenya Youth Employment Opportunity Project  
 Statement of Budget Performance  
 For the year ended June 30, 2018

ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Opening Cost (KShs) 2017/18 (a)	Purchases/Additions in the Year (KShs) 2017/18 (b)	Disposals in the Year (KShs) 2017/18 (c)	Closing Cost (KShs) 2018 (d) = (a) + (b) - (c)
ICT Equipment, Software and Other ICT Assets	-	8,489,050	-	8,489,050
Total	-	8,489,050	-	8,489,050

APPENDICES

- i. Certificate of balance.
- ii. Bank Reconciliations
- iii. Board of survey report
- iv. Special Deposit Account(s) reconciliation statement(s)

BAHATI  
KUU YA  
KENYA



CENTRAL  
BANK OF  
KENYA

Halle Selassie Avenue  
P.O. Box 60000 - 00200 Nairobi, Kenya  
Telephone: 2360000, Fax: 340192

5th September, 2018

## CERTIFICATE OF BALANCES

Customer : 131180

STATE DEPT FOR LABOUR

Balance Date: 29-Jun-18

Account No	Account Name	Currency	Balance
1000303166	REC-STATE DEPT FOR LABOUR	KES	11,144,280.05
1000303174	DEV-STATE DEPT FOR LABOUR	KES	557,879.05
1000303198	DEP-STATE DEPT FOR LABOUR	KES	49,106,777.30
1000303204	CBK165-STATE DEPT FOR LABOUR	KES	0.00
1000320467	KENYA YOUTH EMP OPP PROJ ACCOUNT A	KES	105,934,867.95

L. K. RWERIA  
AUTHORISED SIGNATORY  
BANKING SERVICES

M. R. K. KIPTPKUT  
AUTHORISED SIGNATORY  
BANKING SERVICES

REPUBLIC OF KENYA

F.O. 30

STATE DEPARTMENT FOR LABOUR

KENYA YOUTH EMPLOYMENT & OPPORTUNITIES PROJECT

PROJECT 1184-BANK RECONCILIATION REPORT AS AT 30TH JUNE 2018

		KSH.	CTS	KSH.	CTS
BANK BALANCE AS PER BANK STATEMENT				105,934,867.95	
Less 1&2					
	1 Payment in cashbook not in bank.		13,058,105.00		
	2 Receipts in bank not in Cashbook		-		
	<i>Sub-total</i>		13,058,105.00		13,058,105.00
Add: 3 & 4					
	3 Payment in Bank not in Cashbook		-		
	4 Receipts in Cashbook not in bank		-		
	<i>Sub-total</i>		-		-
BANK BALANCE AS PER CASHBOOK				92,876,762.95	

"I certify that I have verified the Bank Balance in the cash book with the bank statement and that the above reconciliation is correct".

Signature



Designation

Acct J

Date

03/07/2018

	PROJECT 1184			
	STATE DEPARTMENT FOR LABOUR			
	KENYA YOUTH EMPLOYMENT & OPPORTUNITIES PROJECT			
	PAYMENT IN CASHBOOK NOT IN BANK			
	AS AT 30TH JUNE 2018			
DATE	VOUCHER NO	PARTICULARS	AMOUNT	REMARKS
30/6/2018	62132	Intermass Technologies	8,049,961.20	
30/6/2018	"	VAT "	439,088.80	
30/6/2018	2422	S Irungu	30,000.00	
30/6/2018	2131	Freesteem	40,055.00	
30/6/2018	2130	Freesteem	122,100.00	
30/6/2018	2128	NITA	135,000.00	
30/6/2018	2167	NITA	270,000.00	
30/6/2018	2168	NITA	292,500.00	
30/6/2018	2745	P Nyariwo	4,500.00	
30/6/2018	2745	M Angir	9,000.00	
30/6/2018	2619	S Gathoronjo	22,400.00	
30/6/2018	2013	E Ngugi	43,000.00	
30/6/2018	2296	T Oloo	56,000.00	
30/6/2018	2744	KNLS	635,344.85	
30/6/2018	"	VAT"	34,655.15	
30/6/2018	2072	Bontana	2,068,663.80	
30/6/2018	"	VAT"	112,836.20	
30/6/2018	2619	Sarova Pan Afric	657,155.15	
30/6/2018	"	VAT"	35,844.85	
TOTAL UNCLEARED EFFECTS			13,058,105.00	

*[Handwritten signature]*

050718


	PROJECT 1184			
	STATE DEPARTMENT FOR LABOUR			
	KENYA YOUTH EMPLOYMENT & OPPORTUNITIES PROJECT			
	RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASHBOOK			
	AS AT 30TH JUNE 2018			
DATE	CREDIT NO.	PARTICULARS	AMOUNT	REMARKS
		TOTAL UNCLEARED EFFECTS	0.00	
	PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASHBOOK			
DATE	CHEQUE NO.	PARTICULARS	AMOUNT	REMARKS
			-	
		TOTAL UNCLEARED EFFECTS	-	
	PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASHBOOK			
DATE	CHEQUE NO.	PARTICULARS	AMOUNT	REMARKS
			0.00	
		TOTAL UNCLEARED EFFECTS	0.00	
	RECEIPTS IN CASHBOOK NOT YET RECORDED IN BANK STATEMENT			
DATE	RECEIPT NO.	PARTICULARS	AMOUNT	REMARKS
		TOTAL UNCLEARED EFFECTS	-	

050718

STATEMENT OF ACCOUNT  
CENTRAL BANK OF KENYA  
BANKI KUU YA KENYA,  
P.O.BOX 60000-0200,  
NAIROBI.

STATEMENT PERIOD : From 30 JUN 2018 To 31 JUL 2018

No.	Value Date	Reference	Transaction Details	Dr. Amount	Cr. Amount	Balance
1	2-Jul-18	FT18183MF	TRFS Payments 8000466 Withholding Tax	439,088.80	0	105,495,779.15
2	3-Jul-18	FT18184WF	Outward RTGS Paymen 8000464 STATE DEPT FOR LABOUR:999999 SIMON IRUNGU MAINA 8000464 STD002422	30,000.00	0	105,465,779.15
3	3-Jul-18	FT18184KSI	Outward RTGS Paymen 8000468 STATE DEPT FOR LABOUR:CBK FRESTEEM AGENCY /REC/0008000468 STD002131	40,055.00	0	105,425,724.15
4	3-Jul-18	FT18184HSI	Outward RTGS Paymen 8000467 STATE DEPT FOR LABOUR:CBK FRESTEEM AGENCY /REC/0008000467 STD002132	122,100.00	0	105,303,624.15
5	3-Jul-18	FT18184MC	Outward RTGS Paymen 8000469 STATE DEPT FOR LABOUR:CBK NATIONAL INDUSTRIAL TRAINING AUTHOR /REC/0008000469 STD002128	135,000.00	0	105,168,624.15
6	3-Jul-18	FT18184VLI	Outward RTGS Paymen 8000471 STATE DEPT FOR LABOUR:CBK NATIONAL INDUSTRIAL TRAINING AUTHOR /REC/0008000471 STD002167	270,000.00	0	104,898,624.15
7	3-Jul-18	FT18184J8N	Outward RTGS Paymen 8000472 STATE DEPT FOR LABOUR:CBK NATIONAL INDUSTRIAL TRAINING AUTHOR /REC/0008000472 STD002168	292,500.00	0	104,606,124.15
8	3-Jul-18	FT18184WM	Outward RTGS Paymen 8000470 STATE DEPT FOR LABOUR:999999 INTERMASS TECHNOLOGIES EA LIMITED 8000470 STD002132	8,049,961.20	0	96,556,162.95
9	4-Jul-18	FT18185ST	TRFS Payments	34,655.15	0	96,521,507.80

  
050718

		8000486			
		Withholding Tax			
10	4-Jul-18	FT1818558: TRFS Payments	112,836.20	0	96,408,671.60
		8000487			
		Withholding Tax			
11	5-Jul-18	FT1818608: Outward RTGS Paymen	4,500.00	0	96,404,171.60
		8000484			
		STATE DEPT FOR LABOUR:999999			
		PETER NYARIWO ANGONG'A			
		8000484			
		STD002745			
12	5-Jul-18	FT181867M: Outward RTGS Paymen	9,000.00	0	96,395,171.60
		8000485			
		STATE DEPT FOR LABOUR:CBK			
		MELDAH ANGIR			
		/REC/0008000485			
		STD002745			
13	5-Jul-18	FT18186LQ: Outward RTGS Paymen	22,400.00	0	96,372,771.60
		8000474			
		STATE DEPT FOR LABOUR:CBK			
		SAMUEL NDUNGU GATHORONJO			
		/REC/0008000474			
		STD002619			
14	5-Jul-18	FT18186DK: Outward RTGS Paymen	43,000.00	0	96,329,771.60
		8000475			
		STATE DEPT FOR LABOUR:CBK			
		ESTHER WANJIKU NGUGI			
		/REC/0008000475			
		STD002013			
15	5-Jul-18	FT18186DC: Outward RTGS Paymen	56,000.00	0	96,273,771.60
		8000473			
		STATE DEPT FOR LABOUR:CBK			
		TOM OTIENO OLOO			
		/REC/0008000473			
		STD002296			
16	5-Jul-18	FT18186Q1: Outward RTGS Paymen	635,344.85	0	95,638,426.75
		8000488			
		STATE DEPT FOR LABOUR:999999			
		KENYA NATIONAL LIBRARY SERVICES			
		8000488			
		STD002744/1			
17	5-Jul-18	FT1818671: Outward RTGS Paymen	2,068,663.80	0	93,569,762.95
		8000489			
		STATE DEPT FOR LABOUR:999999			
		BONTANA HOTEL			
		8000489			
		STD002672/1			
18	9-Jul-18	FT18190X0: TRFS Payments	35,844.85	0	93,533,918.10
		8000498			
		Withholding Tax			
19	10-Jul-18	FT181914H: Outward RTGS Paymen	657,155.15	0	92,876,762.95
		8000497			
		STATE DEPT FOR LABOUR:999999			

AMM

050712

SAROVA PANAFRIC

8000497

STD002619

Totals

13,058,105.00

0

Closing Balance

92,876,762.95



050718

PROJECT IMPLEMENTING ENTITY:	STATE DEPARTMENT FOR LABOUR								
PROJECT NAME:	KENYA YOUTH EMPLOYMENT AND OPPORTUNITIES PROJECT								
IBRD CREDIT/GRANT NO.	58,120								
REPORT:	INTERIM FINANCIAL REPORT (IFR)								
THIS SCHEDULE:	BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 2018								
PERIOD OF REPORT:	AS AT 30TH JUNE 2018								
REPORTING CURRENCY:	US DOLLARS								
Activity Statement									
IDA Designated ACCOUNT	AA								
CBK bank									
Balance as at 1st-07-17									
<u>Add</u>	Disbursement received during the quarter								
Sub -Total									3,309,195.83
<u>Less</u>	Disbursement to the project account- NI								
									1,526,079.00
	Disbursement to the project account- SD								
									1,293,874.45
	Amount at the National Treasury								
									255,500.00
Closing Balance at end of quarter									3,075,453.45
									344,470.38

10/7/2018  
4815

REPUBLIC OF KENYA

KYEOP PROJECT 1184

Date.....10/07/2018.....

Report of the Board of Survey on the Cash and Bank Balances of .....MEACL AND SP.....

.....as at the close of

Business on .....30/06/2018.....

The Board, consisting of (Names and Official titles) ----

WINNIE KARINGITHI.....CHIEF ECONOMIST.....

RISPER NYONGESA.....SPFO.....

SAUROKI GLORIA NAISOI.....FINANCE OFFICER III.....

TOM O. OLOO.....ACCOUNTANT I.....

Assembled at the office of -----

at ----- (time) on the -----

And the following cash was produced: **Not Available**

Notes	-----	Sh. -----N/A-----
Silver	-----	Sh. -----N/A-----
Copper	-----	Sh. -----N/A-----
Cheques (as per details on reverse)	-----	Sh. -----N/A-----
		Sh. -----N/A-----
		-----Cts. -----

It was observed that Cheques amounting to Sh. --- had been on hand for more than 14 days prior to the date of the survey.

The Cash consists of East African currency and does not contain any demonetized coin or notes.

The Cash Book reflected the following balances as at the close if business on the -----

Cash on hand	Sh. N/A - -----
Bank Balance	Sh. 92,,876,762.95-----
	Sh <u>92,876,762.95</u> -----

The Bank Certificate of Balance showed a sum of Sh.105,934,867.95.....

----- cts. ----- cts. -----

Standing to the credit of the account on -----

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Stated (F.O. 30) attached

Chairman

Members of the Board

Secretary of the Board

Date: -----

Results 1 - 15 of 15

Run Date: 18/07/2018  
 CENTRAL BANK OF KENYA  
 BANKI KUU YA KENYA  
 P.O. BOX 60000-0200  
 NAIROBI

Run Time: 09:11:17

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000308656

ACCOUNT TITLE : Y.E.O.P-MIN OF LABOUR CR 5812-KE A  
 30/06/2013

STATEMENT PERIOD: From 01/07/2017 To

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
OPENING BAL :				110,728.00	
NO.	Value Date	Reference.No	Details	Debit	Credit
1	23/08/2017	FT17235DKJ43	PA 115338	-110,700.00	0.00
2	29/11/2017	FT17333MQRWG	FUNDING	0.00	353,607.95
3	29/11/2017	FT17333S71GJ	FUNDING	0.00	178,130.30
4	31/01/2018	FT18031Y3R26	PA 116120	-531,750.00	0.00
5	14/03/2018	FT180738PQ7R	FUNDING	0.00	191,849.80
6	20/03/2018	FT18079SMLTR	FUNDING	0.00	82,431.70
7	26/03/2018	FT180856G2QK	PA117375	-82,446.70	0.00
8	26/03/2018	FT18085R95Y2	FUNDING	0.00	98,881.93
9	29/03/2018	FT18088CDW83	PA117380	-191,874.80	0.00
10	18/04/2018	FT18108KSQNR	PA117390	-98,858.18	0.00
11	25/04/2018	FT18115Y0K5Y	FUNDING	0.00	190,900.15
12	26/04/2018	FT181160BCYZ	FUNDING	0.00	1,613,424.00
13	02/05/2018	FT181228G3KV	FUNDING	0.00	599,970.00
14	04/05/2018	FT1812400CSN	PA 117400	-1,804,324.00	0.00
15	18/05/2018	FT181381G8K4	PA117413	-255,500.00	0.00
					CLOSING BALANCE : 344470.15

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM

More Options

Clear Selection Find

Account  1000308656  
 Statement From  20170701  
 Statement To  20180630

TAM.E.STMT.OF.ACCT.EPRM

18/07/2018

