

REPUBLIC OF KENYA




Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

 THE NATIONAL ASSEMBLY	
DATE: 11 MAR 2025	
DAY: Tuesday	
TABLED BY:	hon. Owen Bayar MP
ON	Deputy Majority Leader
CLERK-AT THE-TABLE:	Rehinde chebet

STATE DEPARTMENT FOR DEVOLUTION

**FOR THE YEAR ENDED
30 JUNE, 2024**



STATE DEPARTMENT FOR DEVOLUTION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2024

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

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1. Acronyms and Glossary of Terms

AIE	Authority to Incur Expenditure
CFO	Chief Finance Officer
HAU	Head of Accounting Unit
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PFM	Public Finance Management
FY	Financial Year
SDD	State Department for Devolution
KCPF	Kenya Cooperation and Partnership Facility
IGRTC	Intergovernmental Relations Technical Committee
COG	Council of Governors
SAGA	Semiautonomous Government Agency
CAS	Chief Administrative Secretary
IDEAS	Instrument for Devolution Advice and Support
SC	State Cooperation

2. Key Entity Information and Management

(a) Background information

The State Department for Devolution was established under Executive Order No. 2 of 2023 to Coordinate Inter-Governmental relations between the National Government. It draws its mandate from the Constitution of Kenya 2010, the County Government Act 2012, the Intergovernmental Relations Act 2012, Urban Areas and Cities Act 2011 and the Public Finance Management Act 2012.

The functions of the State Department include; Devolution Policy, Coordination of Intergovernmental Relations; Capacity Building and Technical Assistance to County Governments; The State Department is structured into three technical departments, namely; Capacity Development and Technical Support; Devolution and Intergovernmental Relations and Devolution Sector Liaison in addition to Administration and support services. National and County Government Coordinating Summit,

Mandate

The mandate of the State Department for Devolution is drawn from the Constitution of Kenya, 2010; Intergovernmental Relations Act, 2012; County Governments Act, 2012; and Executive Order No. 2/2023.

The mandate of State Department is to provide policy direction for the devolved system of Government, promote harmonious Intergovernmental relations, Build Capacity and provide Technical Assistance to County Governments for effective service delivery in a Devolved System of Government.

The functions of the State Department for Devolutions as per the Executive Order No. 2/2023 is to co-ordinate Inter-Governmental relations between the National Government and County Governments including Chairing the Inter-Governmental Budget and Economic Council.

Specifically, the functions of the State Department entail:

- i. Management of Devolution Affairs and Policy on Devolved System of Government
- ii. Coordination of Inter-governmental relations
- iii. Provision of support to County Governments to perform their functions
- iv. Assess the performance of County Governments for continuous improvement of service delivery
- v. Provision of capacity building and technical assistance to County Governments in all devolved functions
- vi. National civic education and public participation policy
- vii. Monitoring, evaluation and reporting on devolution

Vision Statement

Accountable Devolution; Accountable Service Delivery

Mission Statement

Enhance service delivery to citizens through effective management of devolution, coordination of intergovernmental relations, capacity building and technical support to county government

Strategic goals/objectives

The sub-sector's strategic objectives are:

- a) To harmonize the existing Policies and Laws with the devolved system of government
- b) To enhance partnerships, collaborations and linkages on Devolution
- c) To strengthen Intergovernmental relations
- d) To enhance Capacity of counties to deliver quality services
- e) To enhance public participation on decision making and accountability
- f) To improve human productivity
- g) To strengthen the institutional capacity

Autonomous and Semi- Autonomous Government Agencies

The following are the institutions under the State Department:

- a) Intergovernmental Relations Technical Committee (IGRTC)
- b) Council of Governors (CoG)
- c) Nairobi Rivers Commission
- d) World Scouts Parliamentary Union (Kenya Chapter)

Key Management

- The State Department's day-to-day management is under the following key organs:
- Budget implementation committee-BIC
- Ministerial Human Resources Advisory Committee

(b) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief of staff	Ms. Wanjiku Wakogi, CBS
2.	Accounting Officer	Ms. Teresia Mbaika
3.	Senior Chief Finance Officer	CPA Paul Masinde
4.	Deputy Accountant General.	CPA Stanley Mwaura

5.	Ag. Secretary Devolution	Mr. Alphonso Munyali
6.	Director Administration	Ms. Justine Nelima
7.	Director Human Resource Management and Development	Ms. Jane Asuma
8.	Director Partnership and Inter Governmental Relations	Ms. Lesley Khayadi
9.	Director Capacity Building and Technical Assistance	Mr. Kennedy Nyambati
10.	Head Supply Chain Management	Ms. Beatrice Kahiu

(c) Fiduciary Oversight Arrangements

The State Department of Devolution was over sighted by Human Resources Management Advisory Committee, and Budget Implementation Committee.

Audit Committee

The State Department has an Internal Audit Department that is charged with oversight and review of management systems and procedures. The Internal Audit Department reports to the National Treasury on its functions and reports and also to the accounting officer. The State Department is in the process of constituting the Internal Audit Committee.

Budget Implementation Committee (BIC)

The State Department has a Budget Implementation Committee. The Committee is charged with the responsibility of implementation of the budget and its prudent management. The duties of the Committee include:

- (i) To review and consider the cash flow plan.
- (ii) To review the utilization of the cash limits and consider any changes as may be required.
- (iii) To review the utilization of the donor funds voted for the Departments
- (iv) To advice the Accounting Officers on the challenges related to the budget implementation.
- (v) To review and recommend the reallocation of expenditures.

The Members of the Budget Implementation Committee were:

No	Name	Designation
1.	Ms. Teresia Mbaika	Accounting Officer
2.	Mr. Alphonso Munyali	Ag Secretary Devolution Affairs
3.	CPA Paul Masinde	Senior Chief Finance Officer
4.	Ms. Justine Nelima	Director Administration
5.	Ms. Jane Asuma	D/HRM&D

6.	Dr. Jackson Otieno	Director Planning
7.	CPA Stanley Mwaura	Deputy Acc. General
8.	Mr. Kennedy Nyambati	Director CB/TA

Ministerial Human Resources Advisory Committee

This committee is composed of the following members drawn from various departments

No	Name	Designation
1.	Ms. Teresia Mbaika	P.S Devolution-Chairperson
2.	Mr. Alphonso Munyali	Ag Secretary Devolution
3.	Ms. Justine Nelima	Director Administration
4.	Ms. Jane Asuma	D/HRM&D-Secretary
5.	Dr. Jackson Otieno	Director of Planning
6.	Ms. Beatrice Kahiu	Head supply chain management
7.	Mr. Maurice Ogolla	Director Policy Research
8.	Mr. Kennedy Nyambati	Director Capacity Building and Technical Assistance
9.	Mr. Pauline Murithia	Chief State Counsel
10	Ms. Lesley Khayadi	Director Partnership and Inter Governmental Relations

This is the Committee charged with the responsibilities of Human Resource needs. Its duties include but not limited to:

- Review of promotions of officers in Job Group A-P
- Review of confirmations in appointment
- Review of disciplinary matters
- Review of re-designation of officers from one cadre to another and
- Confirmation of surcharge of officers found to have misused Government resources.
- Training and development of officers.
- Promotion of values and principles of public service

(d) Entity Headquarters

P.O. Box 30004

Teleposta Building

Kenyatta Avenue

NAIROBI, KENYA

Entity Contacts

Telephone:(254) 020 2252299 Fax:2218475

E-mail: info@Devolution.go.ke

Website: www.Devolution.go.ke

(e) Entity Bankers (all banks)

1. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

2. Kenya Commercial Bank (KCB)

Kipande House Branch

NAIROBI, KENYA

(f) Independent Auditors

Auditor-General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

Principal Legal Adviser

The Attorney General

State Law Office & Department for Justice.

Harambee Avenue

P.O. Box 40112

City Square 00200

NAIROBI, KENYA

3. Statement of Governance

Leadership structure

The State Department is currently being led by the Principal Secretary Devolution. The State Department is domiciled under the Office of the Deputy President.

Management Committees

Under the State Department, there are various management committees charged with various activities.

Budget Implementation Committee

This committee is responsible for budget review and monitoring implementation of the budget. It also advises the accounting officer on the implementation of activities and programs within the State Department budget.

Human Resource Advisory Committee

This committee is responsible for advising the Accounting Officer on all human resource issues in consultation with the public service commission. The roles include recommendation for promotions, disciplinary issues, performance management, and staffing levels within the State Department.

Risk management, compliance and conflict of interest management

The State Department has an elaborate conflict of interest and risk management. The State Department ensures that all procurements and disposals are done in compliance with the procurement act 2015, where conflict of interest is well elaborated.

The State Department also ensures that all financial transactions comply with PFM act and regulations. There is clear separation of roles in the State Department to ensure that checks and balances are enhanced.

Compliance with laws and regulations

The State Department operations are in compliance with all relevant laws and regulations. The State Department has a functioning internal audit department that monitors compliance with laws and regulations. The State Department also has a legal department with officers seconded by the Office of the Attorney General who advises on all transactions and activities to ensure they comply with all laws and regulations.

Public participation activities

The State Department is responsible for development of Policy and Regulatory Guidelines for Devolution. During all the process of development of any Policy or Law the State Department ensures that there is public participation.

The State Department ensures that there is involvement of all the key stakeholders in any program these include Council of Governors, County Assembly Forum, County Governments, MDAs and Donors and Development Partners.

4. Statement by the Chief of Staff

The State Department of Devolution was established under Executive Order No. 2 of 2023 to Coordinate Intergovernmental Relations between National Government and County Government.

Intergovernmental Relations Act 2012, Urban Areas and Cities Act 2011 and the Public Finance Management Act 2012.

The National Government established the State Department responsible for Devolution matters in order to manage the process of implementation of the devolved system of Government. The National Government thereafter provided administrative support through secondment of critical staff to assist in setting up County structures before Counties acquired capacities to do so.

Through the State Department for Devolution, the Government has been facilitating implementation of the devolved system of governance by developing the requisite policies, laws, guidelines and regulations in collaboration with the relevant institutions. Considerable progress has been registered in the implementation of the devolved system of government since 2013.

The functions of the State Department include; Devolution Policy, Coordination of Intergovernmental Relations; Capacity Building and Technical Assistance to County Governments; The State Department is structured into two technical departments, namely: County Capacity Building and Technical Assistance and Partnership and Intergovernmental Relations

Directorate in addition to Administration and support services.

In the discharge of its mandate the State Department has carried out several activities of which the key achievements include the following:

- a) Valuation of Unmovable Assets of Defunct Local Authorities and devolved functions were done in Thirty (30) counties.
- b) Transfer of movable assets for forty-seven (47) Counties
- c) Alternative Dispute Resolution (ADR) regulations to handle intergovernmental disputes were developed and approved by parliament and 6 Intergovernmental disputes were resolved using ADR mechanism.
- d) Reviewed policy on devolved system of government
- e) Intergovernmental Resolutions Act (IGRA), 2012 Amendment Bill to Cabinet for approval
- f) Developed and implemented Second Kenya Devolution Support Programme, to strengthen County performance in the financing, management, coordination, and accountability for resources
- g) Developed Public Participation Policy, to guide public participation
- h) Sensitize forty-seven (47) Counties on Alternative Dispute Resolutions
- i) The Locally-Led Economic Developments Framework was developed

- j) National civic education framework to guide civic education on devolution
- k) Developed Devolution Results Framework to provide standardized approach in the assessment of devolved functions in order to determine support required.
- l) Transfer of outstanding devolved functions in twelve (12) sectors were further unbundled to ensure improved service delivery by the two levels of government in the implementation of their functions through provision of functional clarity, identification of attendant resources and transfer of the functions.
- m) Convened Health sector forum for close consultation between the two levels of government to promote harmonious intergovernmental relations.
- n) Convened one (1) summit do deal with Intergovernmental issues
- o) Transfer of National Metropolitan Services (NMS) to Nairobi County after lapse of tenure.
- p) Transfer of Library function and its attendant resources to county governments.
- q) Transfer of museum function to County Governments
- r) Unbundling, costing and transfer of devolved functions by finalizing the process for unbundling and delineation of functions where 13 legal notices relating to the 14 constitutionally assigned functions to the County Governments were developed and submitted to the Office of Attorney General for publication.
- s) Developed and published 3rd and 4th Compendium on best practices
- t) Developed and published induction manuals for 18 Sectors
- u) Four peer learning forums held with County Governments adopting good practices in Health sector.
- v) County Executive Committee Members held for the 18 Sectors and resolutions implemented
- w) Intergovernmental sector forums regulations developed and submitted to the Summit for approval.

The State Department is positioned to play a critical role in the deepening of devolution as we move forward in the second phase of devolution by ensuring that all the remaining devolved functions are transferred to the County Government and to act a link between the national and county governments for enhanced collaboration.

Wanjiku Wakogi
CHIEF OF STAFF
OFFICE OF DEPUTY PRESIDENT

5. Statement by the Principal Secretary

a) Budget Allocation

In the financial year 2023/24, the State Department had a gross allocation of **Ksh. 2,351,544,605** which was made

up of **Ksh. 2,147,544,605** for Recurrent vote and **Ksh. 204,000,000** for Development vote.

The Recurrent budget for the year was 97% utilized while the development budget utilization was 48%.

Key Performance Highlights

Below is an overview of the financial performance for the year ended 30th June, 2024 as reported in the detailed financial statements together with the commentary and comparative analysis against the budget for the key items in the financial statements.

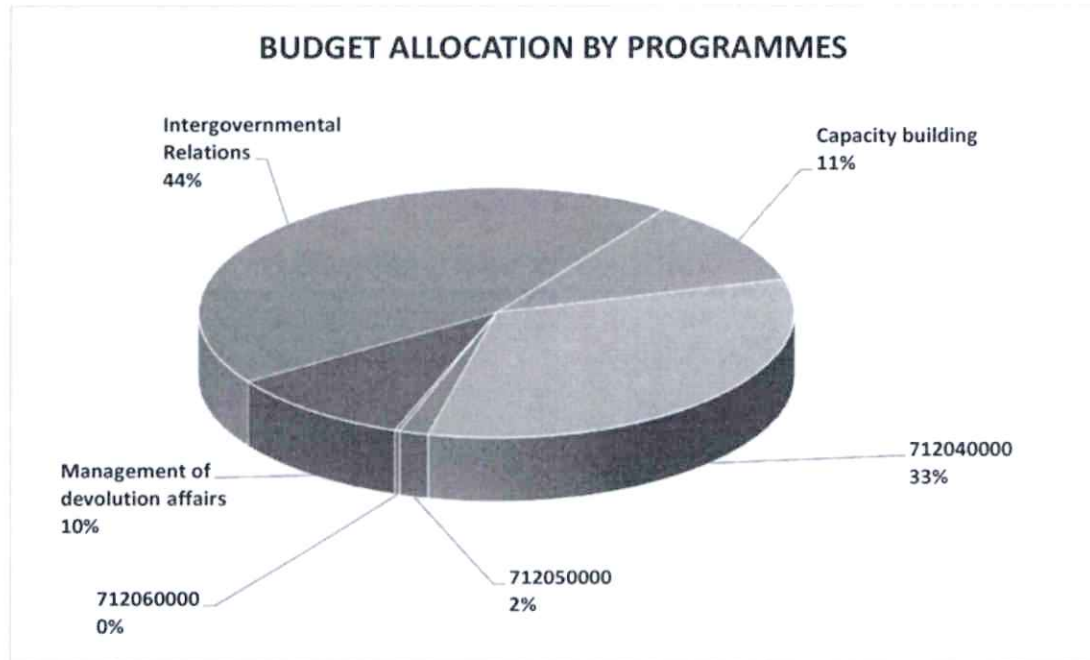
Financial Performance	Approved Estimates	Actual/Exp Kshs.	Variance Kshs.	Utilisation Variance %
Recurrent	2,173,961,984	2,010,751,093	163,210,891	92%
Development	204,000,000	57,749,817	146,250,184	28%
TOTAL	2,377,961,984	2,068,500,909	309,461,075	87%

Budget Utilisation

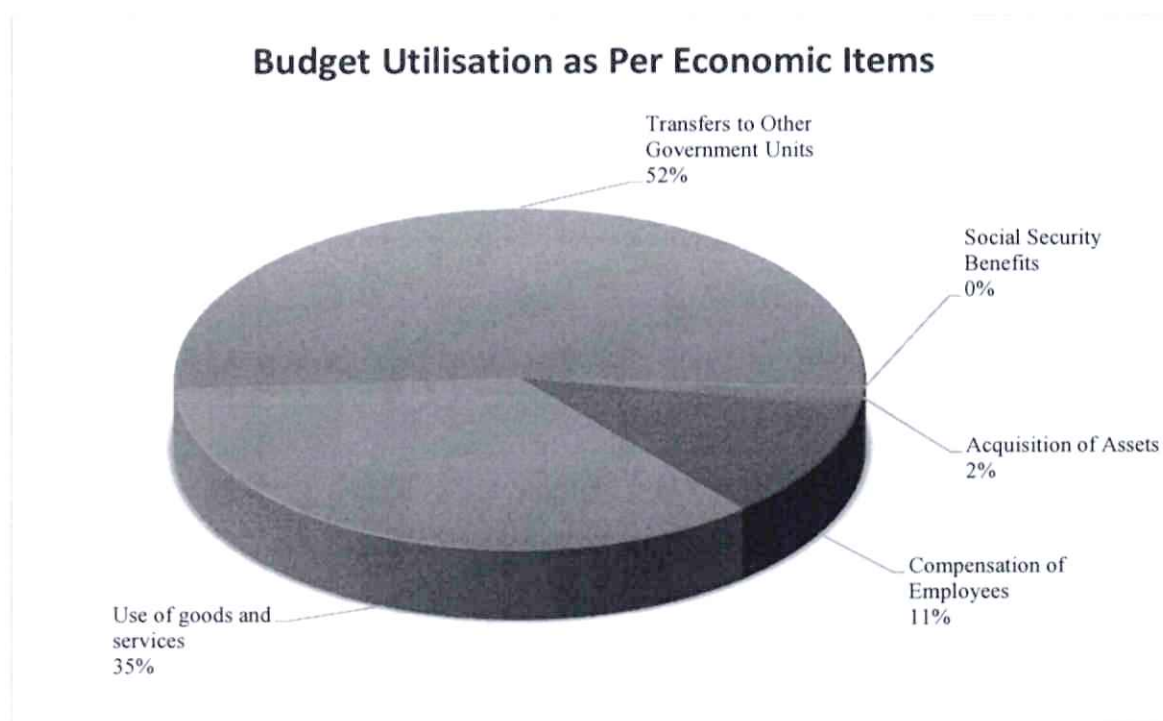
The State Department spent **Ksh. 2,068,500,909** as total payments. Utilisation of budget was carried out through various activities (economic) as shown below:

BUDGET ALLOCATION BY PROGRAMMES

Programmes	Approved Budget Allocation Kshs.	Actual Payments Kshs.	Variance Kshs.
Management of Devolution at	240,678,492	228,130,671	12,547,821
Intergovernmental Relation	1,042,720,656	1,039,867,463	2,853,194
Capacity Building	267,944,503	120,113,763	147,830,740
712040000	782,390,847	648,858,887	133,531,960
712050000	37,705,686	25,408,636	12,297,050
712060000	6,521,800	6,121,490	400,310
TOTAL	2,377,961,984	2,068,500,909	309,461,075



Payments	Approved budget	Actual payments	Variance
Compensation of employees	231,656,640	227,864,638	3,792,002
Use of goods and services	902,736,478	724,330,406	178,406,072
Transfer to other Government	1,201,438,816	1,078,233,413	123,205,403
Social Security Benefits	2,075,417	2,075,417	-
Acquisition of Assets	40,054,633	35,997,035	4,057,598
Total payments	2,377,961,984	2,068,500,909	309,461,075



Receipts

The State Department's total receipts summed up to **Kshs. 2,068,585,264** to comprised of Exchequer releases and other revenues from Africities conference registration.

Total Receipts Breakdown

	Year to 30th June 2024	Year to 30th June 2023	Change
	Kshs.	Kshs.	Kshs.
Transfers from National Treasury (exchequers)	2,049,079,463	1,561,500,317	487,579,146
Proceeds from Sale of Assets	1,505,800	-	1,505,800
Miscellaneous Receipts	18,000,000	74,417,380	(56,417,380)
TOTAL RECEIPTS	2,068,585,264	1,635,917,697	432,667,567

6. Environmental and Sustainability Reporting

The state department of Devolution exists to transform lives. This is our purpose; the driving force behind everything we do by putting the Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of the sustainability activities conducted in the year:

a) Sustainability strategy and profile

The state department of is working and training county governments on various program in order to ensure that the programs are sustained by the county governments. the state department has also developed policies and guidelines to support county government in projects and program implementation.

b) Environmental performance /climate change/ mitigation of natural disasters

The state department is working with counties in developing and implementing environmental and social safeguard programs. has trained a number of county officers in implementing projects taking into account environmental and social safeguards'

c) Employee welfare

The state department hiring process is guided by the public service commission policies and guidelines. In terms of training the state department always ensures that at least all employees are taken through training within the year.

d) Operational practices/ Market place practices

i. Responsible Supply chain and supplier relations

The state department procurement process is guided by the public procurement and disposal act 2015 and public procurement and disposal regulations 2016. The procurement laws and regulations provided for all procurements done within the procurement laws.

e) Community Engagements-

The state department does not engage directly in community engagements but works with counties in providing projects beneficial to the community. The state department is supporting counties in implementing local economic development projects.

PRINCIPAL SECRETARY



**Teresia Mbaika, CBS
Accounting Officer**

7. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the *State Department for Devolution* is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements 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 entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the *State Department for Devolution* accepts responsibility for the entity'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 (IPSAS). The Accounting Officer is of the opinion that the *State Department for Devolution* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer in charge of the *State Department for Devolution* further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the *State Department for Devolution* confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The *State Department for Devolution* financial statements were approved and signed by the Accounting Officer on 17/12 2024.



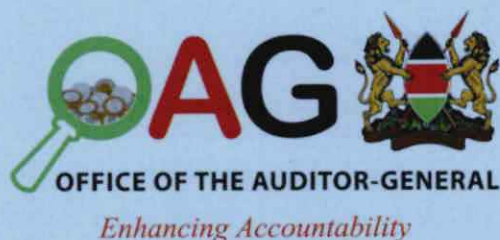
.....
Teresia Mbaika, CBS
Accounting Officer



.....
Stanley Mwaura
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REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR DEVOLUTION FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of State Department for Devolution set out on pages 17 to 48, which comprise the statement of financial assets and financial

liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows, and the statement of comparison of 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 and Section 35 of the Public Audit Act, 2015. 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the State Department for Devolution as at 30 June, 2024 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 Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents Balances

The statement of financial assets and financial liabilities reflects a balance of Kshs.18,951,304 under cash and cash equivalents which, as disclosed in Note 9A to the financial statements, include amounts of Kshs.209,196 and Kshs.6,535 held in two separate bank accounts in a local bank. However, the balances of Kshs.209,196 and Kshs.6,535 were not supported with cashbooks and bank reconciliation statements. Further, one of the account reflects a comparative balance of Kshs.22,626,576 instead of the prior year audited amount of Kshs.209,196 and no explanation was provided for the variance of Kshs.22,417,380.

In the circumstances, the accuracy of cash and cash equivalents balance of Kshs.18,951,304 could not be confirmed.

2. Unsupported Prior Year Adjustments

The statement of financial assets and financial liabilities reflects prior year adjustments totalling Kshs.212,667,901 which, as disclosed in Note 13 to the financial statements, include bank account balances adjustments of Kshs.32,667,870. Although Management explained that the adjustments related to recovered unspent bank balances, only recoveries amounting to Kshs.10,041,294 were supported leaving an unsupported balance of Kshs.22,626,576.

In the circumstances, the accuracy and completeness of the prior year adjustments could not be confirmed.

3. Unsupported and Long Outstanding Pending Accounts Payable

Note 16.2 to the financial statements reflects pending accounts payable of Kshs.2,709,240,026 which had not been settled as at 30 June, 2024. However, a detailed analysis of the pending accounts payable was not provided or disclosed in an Annex to the financial statements as required by the Public Accounting Standards Board reporting template. Further, Note 16.2 to the financial statements reflects pending accounts

payable comparative balance of Kshs.2,824,133,581 which differs with the balance of Kshs.2,845,999,360 reflected in the prior year audited financial statements, resulting in an unreconciled variance of Kshs.21,865,779.

In the circumstances, the accuracy and completeness of the pending accounts payable balance of Kshs.2,709,240,026 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Devolution Management in accordance with ISSAI 130 on the 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 qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.2,377,961,984 and Kshs.2,068,585,264 respectively, resulting to an underfunding of Kshs.309,376,721 or 13% of the approved final budget.

The underfunding affected the planned activities and programmes of the State Department, which may have impacted negatively on effective service delivery to the public.

My opinion is not qualified in respect to this matter.

Other Information

The Management is responsible for the Other Information set out on page 1 to 15 which comprise of Key Entity Information and Management, Statement of Governance, Statement by the Chief of Staff, Statement by the Principal Secretary, and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the State Department for Devolution financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. In my opinion, except for the matter described below, I confirm that the other information is not materially inconsistent with the financial statements.

Non-Compliance with the Public Sector Accounting Standards Board Reporting Template

The annual report and financial statements submitted for audit did not include the Statement of Performance Against Predetermined Objectives, Management Discussions and Analysis, and Environmental and Sustainability Reporting under Other Information as required by the Public Sector Accounting Standards Board reporting template. Further, the Statement by Chief of Staff was not signed.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance thereon.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else 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

1 Non-Compliance with One-Third of Basic Salary Rule

Review of the State Department's payroll revealed that twenty-six (26) members of staff received a net salary less than one-third ($\frac{1}{3}$) of their basic salary during various months of the year. This was contrary to Section 19(3) of the Employment Act, 2007 which states that all deductions made by an employer from the wages or salaries of his employees at any one time shall not exceed two-thirds of such wages or salaries.

In the circumstances, Management was in breach of the law.

2. Failure to Provide Recommendations Implementation Status Report

The Public Accounts Committee of the National Assembly upon examination of the Auditor-General's Report for 2020/2021 financial year made several recommendations. However, a progress report on the status of implementation of the Committee's recommendations was not provided. This was contrary to Section 68 (4) of the Public Finance Management Act, 2012 which requires an Accounting Officer of a national

government entity to prepare a report on actions taken by the entity to implement recommendations made in the Committee's report.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply 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, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of an Audit Committee

During the year under review, the State Department did not have an active Audit Committee. This was contrary to Section 73 (5) of the Public Finance Management Act, 2012 which states that every national government public entity shall establish an Audit Committee whose composition and functions shall be as prescribed by the regulations. The State Department, therefore, did not benefit from the oversight of an Audit Committee.

In the circumstances, the existence of an effective oversight mechanism to ensure efficient system of internal controls could not be confirmed.

2. Lack of IT Strategy Committee and IT Steering Committee

The State Department did not have an IT Strategy Committee and an IT Steering Committee as set out in Section 6.2 of the Government ICT Standards by the ICT Authority. Further, the State Department did not have an approved ICT Policy for governance and management of its ICT resources. Lack of an approved ICT Policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the Department's ICT assets. Further, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.

In the circumstances, the strength of governance systems around the ICT could not be confirmed.

3. Unclear Engagement of Commissioners of Nairobi Rivers Commission

During the year, the State Department transferred a total of Kshs 258,401,503 to Nairobi Rivers Commission for its operations. An additional amount of Kshs.36,538,883 was incurred at the State Department on behalf of the Commission including paying for the Commissioners' remuneration.

Review of records revealed that the gazette notice appointing the Commissioners and the Commissioners appointment letters did not specify whether their engagement was full time or part-time. The Salaries and Remuneration Commission (SRC), through a letter (Ref. SRC/TS/20(50)) dated 26 May, 2023, provided remuneration guidance based on whether Commissioners were full-time or part-time and Commissioners were individually allowed to determine whether they would serve on a full-time or part-time basis. This arrangement resulted in Commissioners with identical responsibilities and roles being engaged under varying terms, leading to operational inconsistencies. Some Commissioners performed duties daily, while others only attended meetings, hence undermining the spirit of collective responsibility.

In the circumstance, effectiveness of the governance structure could not be confirmed.

4. Stalled Proposed Africities Convention Center Project in Kisumu County

As previously reported, the State Department awarded a contract for the construction of the proposed Africities Convention Centre in Kisumu at a contract sum of Kshs.890,829,345 for a duration of thirty-eight (38) weeks commencing on 16 July, 2021. The completion period has been extended four times, with the latest completion date set for 13 January, 2025. Review of the project status report as at 30 April, 2024 revealed that, a total of one forty-five (145) weeks had lapsed and that the project was at 60% completion level. In addition, the certified works were valued at Kshs.448,337,137 out of which an advance payment of Kshs.250,000,000 had been made.

Physical verification of the site in December, 2024 revealed that there was no progress of works since the last extension due to non-payment to the contractor

Further, the contractor in a letter dated 19 October, 2023 to the Works Secretary, State Department for Public Works tabulated a sum of Kshs.1,385,980,479 being claim for loss and expenses due to suspension of works since May, 2022 and a further claim for extended preliminaries, interest on delayed payments idle plant and labour of Kshs.190, 000,000 due to the extended contract period

In the circumstances, value for money from the expenditure of Kshs.250,000,000 incurred on the project could not be confirmed. Further, the State Department risks incurring additional costs in form of claims and interest on delayed payments.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the State Department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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 comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the State Department's financial reporting process, reviewing the effectiveness of how Management 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


My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I

consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 December, 2024

9. Statement of Receipts and Payments for the Year ended 30th June 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
RECEIPTS			
Exchequer releases	1	2,049,079,464	1,561,500,317
Proceeds From Sale of Assets	2	1,505,800	-
Miscellaneous Receipts	3	18,000,000	74,417,380
TOTAL REVENUES		2,068,585,264	1,635,917,697
PAYMENTS			
Compensation of Employees	4	227,864,638	266,774,836
Use of goods and services	5	724,330,407	549,811,883
Grants and Transfers to Other Government Entities	6	1,078,233,413	604,944,414
Social Security Benefits	7	2,075,417	21,395,772
Acquisition of Assets	8	35,997,035	306,140
TOTAL PAYMENTS		2,068,500,910	1,443,233,046
SURPLUS/DEFICIT		84,354	192,684,652

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 _____ 2024 and signed by:



Name: Teresia Mbaika,
CBS
Accounting Officer



Name: CPA Stanley
Mwaura
Head of Accounting Unit
ICPAK M/No 7121


10. Statement Of Financial Assets And Financial Liabilities As At 30th June 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	9A	18,951,304	132,002,684
Cash Balances	9B	-	31
Total Cash and Cash Equivalents		18,951,304	132,002,715
Imprests and advances	10	-	180,000,000
TOTAL FINANCIAL ASSETS		18,951,304	312,002,715
LESS: FINANCIAL LIABILITIES			
Third party deposits and retention	11	17,121,885	97,589,749
NET FINANCIAL ASSETS		1,829,419	214,412,966
REPRESENTED BY			
Fund balance b/fwd	12	214,412,966	162,492,130
Prior year adjustments	13	(212,667,901)	(140,763,817)
Surplus/Deficit for the year		84,354	192,684,653
NET FINANCIAL POSITION		1,829,419	214,412,966

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 _____ 2024 and signed by:


.....

Name: Teresia Mbaika,
CBS
Accounting Officer


.....

Name: CPA Stanley
Mwaura
Head of Accounting Unit
ICPAK M/No 7121

11. Statement of Cash Flows For The Year Ended 30th June 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Exchequer releases	1	2,049,079,464	1,561,500,317
Miscellaneous Receipts	3	18,000,000	74,417,380
		2,067,079,464	1,635,917,697
Payments for operating expenses			
Compensation of Employees	4	227,864,638	266,774,836
Use of goods and services	5	724,330,406	549,811,883
Grants and Transfers to Other Government Entities	6	1,078,233,413	604,944,414
Social Security Benefits	7	2,075,417	21,395,772
		2,032,503,874	1,442,926,906
Adjusted for:			
Prior Year Adjustments	13	(212,667,901)	(140,763,817)
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	14	180,000,000	(94,217,707)
Increase/(Decrease) in Accounts Payable: (deposits and retention)	15	(80,467,864)	26,545,385
CASHFLOW FROM OPERATING ACTIVITIES		(78,560,176)	(15,445,347)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	1,505,800	
Acquisition of Assets	8	(35,997,035)	(306,140)
Net cash flows from Investing Activities		(34,491,235)	(306,140)
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(113,051,411)	(15,751,487)
Cash and cash equivalent at BEGINNING of the year	9A+B	132,002,715	147,754,202
Cash and cash equivalent at END of the year	9A+B	18,951,304	132,002,715

State Department for Devolution
Annual Report and Financial Statements for the year ended 30th June, 2024

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 _____ 2024 and signed by:



.....
Name: Teresia Mbaika,
CBS
Accounting Officer



.....
Name: CPA Stanley
Mwaura
Head of Accounting Unit
ICPAK M/No 7121

12. Statement of Comparison of Budget and Actual Amounts for FY2023/24-Combined Budget

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	2,171,120,000	180,424,605	2,351,544,605	2,049,079,464	302,465,142	87%
Proceeds from Sale of Assets	-	4,000,000	4,000,000	1,505,800	2,494,200	38%
Miscellaneous Receipts	-	22,417,379	22,417,379	18,000,000	4,417,379	80%
Total Receipts	2,171,120,000	206,841,984	2,377,961,984	2,068,585,264	309,376,721	87%
Payments						
Compensation of Employees	512,310,000	(280,653,360)	231,656,640	227,864,638	3,792,002	98%
Use of goods and services	698,823,038	203,913,440	902,736,478	724,330,406	178,406,072	80%
Transfers to Other Government Units	697,200,000	504,238,816	1,201,438,816	1,078,233,413	123,205,403	90%
Social Security Benefits	10,522,454	(8,447,037)	2,075,417	2,075,417	-	100%
Acquisition of Assets	252,264,508	(212,209,875)	40,054,633	35,997,035	4,057,598	90%
Grand Total	2,171,120,000	206,841,984	2,377,961,984	2,068,500,909	309,461,075	87%
Surplus/Deficit	-	-	-	84,354	(84,354)	

- (a) **Variance analysis:** [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)
- (b) **Reallocations within the year:** (Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.7.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

The entity financial statements were approved on 17/12/ 2024 and signed by:



.....
Teresia Mbaika, CBS
Accounting Officer



.....
CPA Stanley Mwaura
Head of Accounting Unit
ICPAK M/No.7121

13 (a) Statement Of Comparison of Budget and Actual Amounts: Recurrent for FY2023/24

Revenue/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=d-c	% of Utilisation Difference to Final Budget f=d/c%
RECEIPTS						
Exchequer releases	1,878,120,000	269,424,605	2,147,544,605	1,989,041,039	158,503,566	93%
Proceeds from Sale of Assets		4,000,000	4,000,000	1,505,800	2,494,200	38%
Miscellaneous Receipts		22,417,379	22,417,379	18,000,000	4,417,379	80%
Total Receipts	1,878,120,000	295,841,984	2,173,961,984	2,008,546,839	165,415,145	92%
PAYMENTS						
Compensation of Employees	512,310,000	(280,653,360)	231,656,640	227,864,638	3,792,002	98%
Use of goods and services	649,811,465	79,913,440	729,724,905	666,580,589	63,144,316	91%
Transfers to Other Government Units	554,200,000	617,238,816	1,171,438,816	1,078,233,413	93,205,403	92%
Social Security Benefits	10,522,454	(8,447,037)	2,075,417	2,075,417	-	100%
Acquisition of Assets	151,276,081	(112,209,875)	39,066,206	35,997,035	3,069,171	92%
Grand Total	1,878,120,000	295,841,984	2,173,961,984	2,010,751,093	163,210,891	92%
Surplus/Deficit	-	-	-	(2,204,254)	2,204,254	

- (a) **Variance analysis:** [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
- (b) **Reallocations within the year:** (Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.7.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

The entity financial statements were approved on 17/12/ 2024 and signed by:



.....
Teresia Mbaika, CBS
Accounting Officer



.....
CPA Stanley Mwaura
Head of Accounting Unit
ICPAK M/No.7121

13 (b) Statement Of Comparison of Budget and Actual Amounts: Development for FY2023/24

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	293,000,000	(89,000,000)	204,000,000	60,038,425	143,961,575	29%
Total Receipts	293,000,000	(89,000,000)	204,000,000	60,038,425	143,961,575	29%
Payments						
Use of goods and services	49,011,573	124,000,000	173,011,573	57,749,817	115,261,756	33%
Transfers to Other Government Units	143,000,000	(113,000,000)	30,000,000	-	30,000,000	0%
Acquisition of Assets	100,988,427	(100,000,000)	988,427	-	988,427	0%
Grand Total	293,000,000	(89,000,000)	204,000,000	57,749,817	146,250,183	28%
Surplus/Deficit	-	-	-	2,288,608	(2,288,608)	

- (a) **Variance analysis:** [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
- (b) **Reallocations within the year:** (Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.7.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

The entity financial statements were approved on 17/12/ 2024 and signed by:



.....
Teresia Mbaika, CBS
Accounting Officer



.....
CPA Stanley Mwaura
Head of Accounting Unit
ICPAK M/No.7121

13 (c) Budget Execution by Programmes and Sub-Programmes for FY2023/24

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2023-2024		2023-2024	2023-2024	2023-2024
	Kshs		Kshs	Kshs	Kshs
Programme 1	2,377,961,984		2,377,961,984	2,066,995,109	310,966,875
Sub-programme 1:733010000	240,678,492		240,678,492	227,942,671	12,735,821
Sub-programme 2:733020000	1,042,720,656		1,042,720,656	1,038,361,663	4,358,993
Sub-programme 3:733030000	267,944,503		267,944,503	120,073,673	147,870,830
Sub-programme 4:733040000	782,390,847		782,390,847	649,086,977	133,303,870
Sub-programme 5:733050000	37,705,686		37,705,686	25,408,636	12,297,050
	6,521,800		6,521,800	6,121,490	400,310
TOTAL	2,377,961,984		2,377,961,984	2,066,995,109	310,966,875

14. Notes to the Financial Statements

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (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.

2. Reporting Entity

The financial statements are for the **State Department for Devolution**. The financial statements encompass the reporting entity as specified under Section 81 of the PFM Act 2012.

(No projects implemented by the State Department During the financial year)

3. Reporting Currency

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

Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the **State Department for Devolution** for all the years presented.

a) Recognition of Receipts

The **State Department for Devolution** recognises all receipts from the various sources when the event occurs, and the related cash has been received.

(i) Transfers from the Exchequer

(ii) Transfers from the exchequer are 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.

(iii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners. Grants and loans 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/loan 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. A similar recognition criteria is applied for loans received in the form of a direct payment. During the year ended 30th June 2024, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

(iv) miscellaneous 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.

Significant Accounting Policies (Continued)

b) Recognition of payments

The **State Department for Devolution** recognises all payments when the event occurs, and the related cash has been paid out by the entity.

i) Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

ii) Use of Goods and Services

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

iii) Interest on Borrowing

Borrowing costs that include interest are recognized as payment in the period in which they are paid for. *(Customise to your organisation)*

iv) Principal on borrowing

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. *(Customize as per organization).*

v) 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 and a summary provided for purposes of consolidation. *This summary is disclosed as an annex 4 to the financial statements.*

Significant Accounting Policies (Continued)

vi) In-kind contributions

In-kind contributions are donations that are made to the Entity 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 *Entity* 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.

vii) Third Party Payments

Included in the receipts and payments, are payments made on the entity's behalf 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 in the statement of receipts and payments as proceeds from foreign borrowings or grants.

c) 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.

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 party deposits and retentions. As of 30th June 2024, this amounted to Kshs 17,121,885 compared to Kshs 97,589,749 in prior period as indicated on note 11. There were no other restrictions on cash during the year.

Significant Accounting Policies (Continued)

d) Imprests and advances

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 are 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 Authority to Incur Expenditure (AIE) holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

e) Third party deposits and retention

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted for National Government Ministries and Agencies. Other liabilities including pending bills 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. 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 except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2023 for the period 1st July 2023 to 30th June 2024 as required by Law and there were 2 supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements. Government 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.

h) Comparative Figures

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

i) Subsequent Events

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.

j) Prior Period Adjustment

During the year, errors that have been corrected are disclosed under note 13 explaining the nature and amounts.

k) Related Party Transactions

Related party means parties are related if one party has the ability to:

- a) Control the other party or
 - b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.
- Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

Significant Accounting Policies (Continued)

1) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, The State Department for Devolution does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Under *Annex 7* of this financial statement is a register of the contingent liabilities in the year.

1 Exchequer releases

Description	2023-2024 Kshs	2022-2023 Kshs
Total Exchequer Releases for quarter 1	253,074,179	288,141,558
Total Exchequer Releases for quarter 2	446,916,441	332,593,292
Total Exchequer Releases for quarter 3	809,284,730	277,636,656
Total Exchequer Releases for quarter 4	539,804,114	663,128,811
TOTAL	2,049,079,464	1,561,500,317

2 Proceeds from Sale of Assets

Description	2023-2024 Kshs	2022-2023 Kshs
Receipts from the Sale of Identified Assets	1,505,800	-
TOTAL	1,505,800	-

3 Miscellaneous Receipts

Description	2023-2024 Kshs	2022-2023 Kshs
Delegates Registration Fee - AFRICITIES	18,000,000	74,417,380
TOTAL	18,000,000	74,417,380

Notes to the Financial Statements (continued)

4 Compensation to Employees

Description	2023-2024	2022-2023
	Kshs	Kshs
Basic salaries of permanent employees	146,414,981	159,589,769
Basic wages of temporary employees	6,338,675	-
Personal allowances paid as part of salary	75,110,983	107,185,066
TOTAL	227,864,638	266,774,836

5 Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	-	-
Communication, supplies and services	4,350,001	3,661,376
Domestic travel and subsistence	68,886,642	53,246,830
Foreign travel and subsistence	9,660,225	1,260,700
Printing, advertising and information supplies & services	6,152,864	24,060
Rentals of produced assets	108,002,353	147,300,000
Training expenses	7,874,667	7,620,537
Hospitality supplies and services	164,817,477	35,061,453
Insurance costs	575,000	-
Specialised materials and services	323,580	-
Office and general supplies and services	5,221,475	3,422,455

Fuel Oil and Lubricants	17,148,992	2,354,627
Other operating expenses	321,185,071	294,365,228
Routine maintenance – vehicles and other transport equipment	5,811,728	1,177,618
Routine maintenance – other assets	4,320,330	317,000
Exchange Rate Losses	-	
TOTAL	724,330,407	549,811,883

Notes to the Financial Statements (Continued)

6 Grants and Transfers to other Government Entities

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Grants to Government Agencies and other levels of Government	1,078,233,413	554,170,000
Capital Grants to Government Agencies and other levels of Government	-	4,500,000
Other Capital Grants and Transfers	-	46,274,414
See attached list		
TOTAL	1,078,233,413	604,944,414

The above transfers were made to the following self-reporting entities in the year:

Description	Recurrent	Development	20203- 2024
	Kshs	Kshs	Kshs
Transfers to SAGAs and SCs			-
Council Of Governors	223,500,000	-	223,500,000
Intergovernmental Relations Technical Committee	596,560,000	-	596,560,000
Nairobi Rivers Commission	258,173,413		258,173,413
TOTAL	1,078,233,413	-	1,078,233,413

7 Social Security Benefits

Description	2023-2024	2022-2023
	Kshs	Kshs
Government pension and retirement benefits	2,075,417	21,395,772
TOTAL	2,075,417	21,395,772

Notes to the Financial Statements (Continued)

8 Acquisition of Assets

Description	2023-2024	2022-2023
	Kshs	Kshs
Non-Financial Assets		
Refurbishment of Buildings	1,120,000	-
Purchase of Vehicles and Other Transport Equipment	28,336,611	-
Purchase of Office Furniture and General Equipment	3,877,724	306,140
Purchase of ICT Equipment, Software and Other ICT Assets	2,662,700	-
Purchase of Specialized Plant, Equipment and Machinery		
TOTAL	35,997,035	306,140

9 Cash and Bank Accounts

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Accounts (Note 9A)	18,951,304	132,002,684
Cash on hand (Note 9B)		31
Total	18,951,304	132,002,715

9A. Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit e.t.c	Exc rate (if in foreign currency)	2023-2024	2022-2023
				Kshs	Kshs
Central Bank of Kenya, 1000209828, Recurrent Kes- State Department for Planning		Recurrent	1	46,394	10,036,733
Central Bank of Kenya, 1000209763, Development Kes – State Department for Planning		Development	1	42,548	4,561
Central Bank of Kenya, 1000212616, Deposits Kes – State Department for Planning		Deposit	1	16,906,154	97,589,749
KCDF CBK A/C 1000495316		Project	1	1,740,477	1,740,477
KCB kipande house- acc no 1286547547		Africities Summit	1	209,196	22,626,576
KCB kipande house- acc no 1295646528		Africities Summit	1	6,535	4,588
Total	-			18,951,304	132,002,684

Notes to the Financial Statements (Continued)

9B: Cash on hand

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Cash in hand – Held in domestic currency	-	31
Total	-	31

Detailed Cash is as follows:

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Locations-MINISTRY HEADQUARTERS NAIROBI	-	-
Total	-	-

[Provide board of survey certificates for each as attachments to the financial statements]

10 : Imprests and Advances

Description	2023-2024	2022-2023
	Kshs	Kshs
Government Imprests	-	-
AIE to IGRTC	-	180,000,000
TOTAL	-	180,000,000

Notes to the Financial Statements (Continued)

Imprests and advances Aging analysis.

	Insert Current FY	% of the total	Insert Comparative FY	% of the total
Under one year	0	%	0	0%
1-2 years	0	%	0	0%
2-3 years	0	%	180,000,000	100%
Over 3 years	0	%	0	0%
Total	0		180,000,000	

11 Third party deposits and retention**12 Fund Balance Brought Forward**

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank accounts	132,002,684	147,754,171
Cash in hand	31	31
Receivables - Outstanding Imprests	180,000,000	85,782,292
Payables - Deposits	(97,589,749)	(71,044,364)
TOTAL	214,412,966	162,492,130

Notes to the Financial Statements (Continued)

Description	2023-2024	2022-2023
	Kshs	Kshs
Retention	-	-
Deposits	16,906,154	97,589,749
Africities Summit-collection account 1286547547	209,196	-
Africities Summit-collection account 1295646528	6,535	-
TOTAL	17,121,885	97,589,749

13 Prior Year Adjustments

	Balance b/f	Adjustments	Adjusted Balance b/f
	FY 2023/2024 as per Financial statements		FY 2023/2024
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	132,002,684	(32,667,870)	99,334,814
Cash in hand	31	(31)	-
Accounts Payables	(97,589,749)	-	(97,589,749)

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Receivables	180,000,000	(180,000,000)	-
Others (<i>specify</i>)	-	-	-
	214,412,966	(212,667,901)	1,745,065

14 (Increase)/ Decrease in Advances and Imprests

Receivables as at 1st July (A)	180,000,000	85,782,293
Receivables as at 30th June (B)	-	180,000,000
(Increase)/ Decrease in Receivables (C=(B-A))	180,000,000	(94,217,707)

15 Increase/ (Decrease) in Retention and Third-Party Deposits

Payables as at 1st July (A)	97,589,749	71,044,364
Payables as at 30th June (B)	17,121,885	97,589,749
Increase/ (Decrease) in payables (C=(B-A))	(80,467,864)	26,545,385

16. Related Party Disclosures

The following comprise of related parties to the State Department for Devolution

- i) Key management personnel that include the Cabinet Secretaries and Accounting Officers
- ii) Other Ministries Departments and Agencies and Development Projects;
- iii) County Governments; and
- iv) State Corporations and Semi-Autonomous Government Agencies.

16.1 Related party transactions:

Description	2023-2024 FY	2022-2023 FY
	Kshs	Kshs
Key Management Compensation	-	-
Transfers to Related Parties		
Transfers to other MDAs	-	-
Transfers to SCs and SAGAs	1,078,233,413	604,944,414
Total Transfers to Related Parties	1,078,233,413	604,944,414
Transfers from Related Parties		
Transfers from the Exchequer	2,049,079,464	1,561,500,317
Total Transfers from Related Parties	2,049,079,464	1,561,500,317

Other important disclosures (continued)

16.2 Pending Accounts Payable (See Annex 1)

	Balance b/f Previous FY 2022-23	Additions for the period	Paid during the year	Balance c/f Current FY
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	1,134,100,587	-	-	1,134,100,587
Construction of civil works	674,765,552	-	-	674,765,552
Supply of goods	123,850,982	3,570,390	-	127,421,372
Supply of services	891,416,461	9,548,505	(128,012,450)	772,952,516
TOTAL	2,824,133,581	13,118,895	(128,012,450)	2,709,240,026

16.3: Other Pending Payables (See Annex 3)

	Balance b/f Previous FY	Additions for the period	Paid during the year	Balance c/f Current FY
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to Third Parties	97,589,749			17,121,885
Total	97,589,749			17,121,885

16.4 Contingent Liabilities

Contingent liabilities	2023-2024	2022-2023
	Kshs	Kshs
Court case against State Department for Devolution	-	-
Bank guarantees in favour of subsidiary	-	-
Contingent liabilities arising from PPPs	-	-
Total		

The State Department for Devolution did not have any contingent liability as at the end of 30th June 2024.

17. Program for Results (PforR) Disclosure

This disclosure note is for entities implementing Programs for Results (PforR). Implementing entities are required to make disclosures in accordance with their respective financing agreements. The disclosure should capture the program's goal and expenditures designated in the expenditure framework.

Name of PforR: xxxxxx		Name of Financing Partners: xxx and xxx				
Expenditure Details*	Opening Cumulative for Previous FYs		Current FY		Total Cumulative	
	Budget	Actual	Budget	Actual	Budget	Actual
Program code						
Sub-program						
Sub-program						
Sub-total						
Program code						
Sub-program						
Sub-program						
Sub-total						
Total		-	-	-	-	-

Expenditure Details* - Provide the details per your expenditure framework requirements. (Program, sub-program, and or economic Item)

Notes to the Financial Statements (Continued)

18. Progress on follow-up of Prior Years Auditor-General's recommendations.

The following is the summary of issues raised by the Auditor-General during the prior year and management comments that were provided.

FINANCIAL YEAR	PARAGRAPH NO AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
2022 - 2023	257 - Unsupported prior adjustment - Kshs 85,782,292	The Auditor General recommended for expenditure returns supporting the prior year adjustment be provided	The Accounting Officer has provided the expenditure returns to support the prior year adjustment
2022- 2023	259 - Long outstanding pending	The Auditor General recommended that the verification be done to ascertain the correct position of pending bill	The Accounting Officer directed that the internal audit department carries out an independent verification of the pending bill and the final figure was Kshs 2,824,133,492 which was submitted to pending bill verification committee

			appointed by National Treasury
2022-2023	260 - Stalled proposed Africities Convention Centre	The Auditor General advised that efforts be made to settle the pending claims to avoid penalties	The Accounting Officer submitted the claims to the pending bills verification committee
2022-2023	261 - Irregular payment of salaries for Nairobi Rivers Commission	The Auditor General had recommended that clear terms of service be provided for the commissioners service the legal instrument that created Nairobi Rivers Commission and did not clarify their terms of service	The Accounting Officer wrote to the appointing authority seeking clarification on the matter but no response has been received to date
2022-2023	262 - Lack of Audit Committee	The Auditor noted that the State Department did not have an active audit committee	The State Department for Devolution falls under office of the Deputy President. The office of the Deputy President is in the

			process of constituting audit committee
2022-2023	263 - Failure to put in place Public Finance Management Standing Committee	The Auditor noted that the State Department did not have a public Finance Management Standing Committee	The Accounting Officer had already appointed Public Finance Management Standing Committee

Teresia Mbaika, CBS
Accounting Officer

Stanley Mwaura
Head of Accounting Unit
ICPACK No.7121

19. Annexes

Annex 1 - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Date invoiced/ contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
				a	b	c	d=a+b-c	
Construction of buildings								
1.								
Sub-Total								
Construction of civil works								
2.								
Sub-Total								
Supply of goods								
3.								
Sub-Total								
Supply of services								
4.								
5.								

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Sub-Total									
Grand Total									

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current Year	Outstanding Balance Previous Year	Comments
			a	b	c=a-b		
Senior Management							
1.							
2.							
Sub-Total							
Middle Management							
3.							
Sub-Total							
Union Employees							
4.							
Sub-Total							
Others (specify)							
5.							
Sub-Total							
Grand Total							

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Annex 3 - Analysis of Other Pending Payables

Name	Brief Transaction Description	Date Payable Contracted	Original amount	Amount Paid To-Date	Outstanding Balance Current Year	Outstanding Balance Previous Year	Comments
			a	b	c=a-b		
Amounts due to National Govt Entities							
1.							
2.							
Sub-Total							
Amounts due to County Govt Entities							
3.							
4.							
Sub-Total							
Amounts due to Third Parties							
5.							
6.							
Sub-Total							
Others (specify)							
7.							
Sub-Total							
Grand Total							

Annex 4 - Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year
Land					
Buildings and structures	280,090,380	1,120,000	-	-	281,210,380
Transport equipment	4,915,000	28,336,611	-	-	33,251,611
Office equipment, furniture and fittings	33,041,499	3,877,724	-	-	36,919,223
ICT Equipment	16,050,000	2,662,700	-	-	18,712,700
Machinery and Equipment	63,044,400	-	-	-	63,044,400
Intangible assets	10,990,441	-	-	-	10,990,441
Total	408,131,720	35,997,035	-	-	444,128,755

(NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the Ministry, Department or Agency. Additions during the year should tie to note 18 on acquisition of assets during the year. Ensure this section is complete and covers all the entity's assets. Ensure the complete fixed asset register is separately prepared as per circular number 5/2020 and follow up reminder of circular No.23/2020 of The National Treasury)

Annex 5 - List of Projects implemented by State Department for Devolution

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements(yes/no)
1	-	-	-	-
2				

There were no projects implemented by the State Department during the period under review.

Annex 6 - List of SCs, Sagas and Public Funds State Department for Devolution

Ref	SC, SAGA or Public Fund's name	Amount transferred during the year	Inter- entity reconciliations done?(yes/no)
1	Council Of Governors	223,500,000	Yes
2	Nairobi Rivers Commission	258,173,413	Yes
2	Intergovernmental Relations Technical Committee	596,560,000	Yes

Annex 7 - Contingent Liabilities Register

	Nature of contingent liability	Remarks
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Annex 8: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

Annex 9: Disaster Expenditure Reporting Template

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub - programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

Annex 10 - Bank Reconciliations

Annex 11- Deposit Account Analysis

Annex 9: Disaster Expenditure Reporting Template

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub - programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

Annex 10 - Bank Reconciliations

Annex 11- Deposit Account Analysis

F.O. 31

REPUBLIC OF KENYA
STATE DEPARTMENT FOR DEVOLUTION

Date: 1-07-2024

Report of the Board of Survey on the Cash and Bank Balances of DEPOSIT A/C No.
1000212616 as at the close of
business on 30/06/2024

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

CHAIRMAN

PAUL W. MASINDE

MEMBER

PETER AKWAW

MEMBER

Daniel Mufva

Assembled at the office of CASHIER

at 10.00 A.M. (time) on the 1ST JULY 2024

Notes	<u>NIL</u>	(Shs.	<u>NIL</u>
Silver		Shs.	<u>NIL</u>
copper		Shs.	<u>NIL</u>
Cheques (as per details on reverse)		Shs.	<u>NIL</u>
			<u>NIL</u>

It was observed that cheques amounting to Shs. NIL cts NIL

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 of business on the 30th June 2024

Cash on hand	(Shs.	<u>NIL</u>
Bank balance	Shs.	<u>16,906,153.75</u>
		<u>16,906,153.75</u>

The Bank Certificate of Balance showed a sum of Shs. _____
cts _____ (shs. 30,389,153 cts 75)

Standing to the credit of the account on 30th June 2024

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank

Reconciliation Statement (F.O. 30) attached.

Chairman

CHAIRMAN

Date 1st July 2024

MEMBER

Member of the Board

REPUBLIC OF KENYA
STATE DEPARTMENT FOR DEVOLUTION

Date: 1-07-2024

Report of the Board of Survey on the Cash and Bank Balances of

RECURRENT A/C No

1000209028

as at the close of

business on 30/06/2024

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

CHAIRMAN PAUL-W. MASINDO

MEMBER PETER AKWALU

MEMBER Daniel Mufu

Assembled at the office of CASHIER

at 10.00 A.M. (time) on the 1ST JULY 2024

Notes	(Shs.	Nil
Silver	Shs.	Nil
copper	Shs.	Nil
Cheques (as per details on reverse)	Shs.	Nil
		<u>Nil</u>

It was observed that cheques amounting to Shs. NIL cts NIL

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 of business on the 30th June 2024

Cash on hand	(Shs.	Nil
Bank balance	Shs.	46,394.40
		<u>46,394.40</u>

The Bank Certificate of Balance showed a sum of Shs. 7,524,816 cts 50=)

Standing to the credit of the account on 30th June 2024

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank

Reconciliation Statement (F.O. 30) attached.

CHAIRMAN

[Signature]
Chairman

Date 1st July 2024

MEMBER

[Signature]
Member of the Board

[Signature]

REPUBLIC OF KENYA
STATE DEPARTMENT FOR DEVOLUTION

Date: 1-07-2024

Report of the Board of Survey on the Cash and Bank Balances of

DEVELOPMENT A/C No.

1000209763

as at the close of

business on 30/06/2024

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

CHAIRMAN

PAUL W. MASINDU

MEMBER

PETER AKWAW

MEMBER

Deniel MUA

Assembled at the office of CASHIER

at 10.00 A.M. (time) on the 1ST JULY 2024

Notes	(Shs.	NIL
Silver	Shs.	NIL
copper	Shs.	NIL
Cheques (as per details on reverse)	Shs.	NIL
		<u>NIL</u>

It was observed that cheques amounting to Shs. NIL cts NIL

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 of business on the 30th June 2024

Cash on hand	(Shs.	NIL
Bank balance	Shs.	42,547.70
		<u>02,547.70</u>

The Bank Certificate of Balance showed a sum of Shs. 7,709,178
cts cents (shs. 7,709,178 cts)

Standing to the credit of the account on 30th June 2024

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank

Reconciliation Statement (F.O. 30) attached.

Chairman

CHAIRMAN

Date 1st July 2024

MEMBER

Member of the Board

REPUBLIC OF KENYA

Date 3/07/23

Report of the Board of Survey on the Cash and Bank Balances of KCB - Kiche Account as at the close of business on 30/06, 2023

The Board, consisting of (Names and official titles)

ALFONSO MUMALI - CHAIRMAN

FRANCIS LUMASEI - MEMBER

CAROLINE NJIRU - MEMBER

assembled at the office of STATE DEPARTMENT FOR DEMONETIZATION at 11.00 AM (time) on the 02/07, 2023

and the following cash was produced: -

Notes	Nil	Sh.	Nil
Silver	Nil	Sh.	Nil
Copper	Nil	Sh.	Nil
Cheques (as per details on reverse)	Nil	Sh.	Nil

It was observed that cheques amounting to Sh. Nil cts. Nil had been on hand for more that 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 of business on the

30/06, 2023

Cash on Hand	Sh.	Nil
Bank Balance	Sh.	209196.34

The Bank Certificate of Balance showed a sum of Sh. 209196.34

according to the credit of the account on 30/06 2023

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

Signature of Alfonso Mumali, Chairman, dated 03/07/2023

Date 2/7/2023

Signatures of Francis Lumasei and Caroline Njiru, Members of the Board

Signature of Caroline Njiru, Member, dated 3/07/23



NOTES TO THE FINANCIAL STATEMENTS

Entity: 1032-State Department for Devolution

Current Period: JUL-23 To JUN-24

Compare With: JUL-22 To JUN-23

1 Tax Receipts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Taxes on Income, Profits and Capital Gains	1110000	0.00	0.00
Taxes on Payroll and Workforce	1120000	0.00	0.00
Taxes on Property	1130000	0.00	0.00
Taxes on Goods and Services	1140000	0.00	0.00
Taxes on International Trade and Transactions	1150000	0.00	0.00
Other Taxes (not elsewhere classified)	1160000	0.00	0.00
TOTAL		0.00	0.00

2 Social Security Contribution

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Health Insurance Contribution	1210100	0.00	0.00
NHIF Health Insurance Contributions	1210200	0.00	0.00
Contributions from Govt. Employees for Social & Welfare Schemes	1210300	0.00	0.00
	1210400	0.00	0.00
TOTAL		0.00	0.00

3 Proceeds from Domestic and Foreign Grants

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants from Foreign Governments	1310000	0.00	0.00
Grants from International Organisations	1320000	0.00	0.00
TOTAL		0.00	0.00

4 Exchequer releases

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Exchequer Releases/ Provisioning Account for Q1	9910201	253,074,178.75	288,141,557.70
Exchequer Releases/ Provisioning Account for Q2	9910201	446,916,440.80	332,593,292.45
Exchequer Releases/ Provisioning Account for Q3	9910201	809,284,730.00	277,636,656.45
Exchequer Releases/ Provisioning Account for Q4	9910201	539,804,113.95	663,128,810.85
TOTAL		2,049,079,463.50	1,561,500,317.45

5 Transfers from Other Government Entities

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants received by Central Govt from General Govt units	1330100	0.00	0.00
Grants Received from General Govt units by Local Authorities	1330200	0.00	0.00
Grants to Fund Accounts from Central Govt Budget	1330300	0.00	0.00
Grants to other General Govt units from General Govt units	1330400	0.00	0.00
TOTAL		0.00	0.00

6 Proceeds from Domestic Borrowings

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Borrowing within General Government	5110100	0.00	0.00
Borrowing from Monetary Authorities (Central Bank)	5110200	0.00	0.00
Other Domestic Depository Corporations (Commercial Banks)	5110300	0.00	0.00
Borrowing from Other Domestic Financial Institutions	5110400	0.00	0.00
Borrowing from Other Domestic Creditors	5110500	0.00	0.00
Domestic Currency and Deposit	5110600	0.00	0.00

Item Description	Item Code	Current Period	Previous Period
TOTAL		0.00	0.00

7 Proceeds from Foreign Borrowings

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Foreign Borrowings - Drawdowns through Exchequer	5120100	0.00	0.00
Foreign Borrowing-Direct Payments	5120200	0.00	0.00
Foreign Currency and Foreign Deposits	5120300	0.00	0.00
Other Foreign Accounts Payable	5120400	0.00	0.00
TOTAL		0.00	0.00

8 Proceeds from Sales of Assets

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Receipts from the Sale of Buildings - Paid to Exchequer	3510100	0.00	0.00
Receipts from the Sale of Buildings	3510200	0.00	0.00
Receipts from sale of other st	3510300	0.00	0.00
Receipts from sale of other st	3510400	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment - Paid to Exchequer	3510500	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	3510600	0.00	0.00
Receipts from the Sale of Plant Machinery and Equipment - Paid to Exchequer	3510700	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	3510800	0.00	0.00
Receipts from Sale of Certified Seeds and Breeding Stock - Paid to Exchequer	3510900	0.00	0.00
Receipts from Sale of Certified Seeds and Breeding Stock	3511000	0.00	0.00
Receipts from the Sale of Strategic Reserves Stocks	3520100	0.00	0.00
Receipts from the Sale of Other Inventories, Stocks, and Commodities	3520200	0.00	0.00
Receipts from the Sale of Inventories, Stocks and Commodities	3520300	0.00	0.00
Receipts from the Sale of Land	3540100	0.00	0.00
Receipts from the Sale of Other Naturally Occurring Non-Produced Assets	3540200	0.00	0.00
Receipts from the Sale of Intangible Non-Produced Assets	3540300	0.00	0.00
Receipts from the Sale of Non-Produced Assets Collected as AIA	3540400	0.00	0.00
Repayments from Loans to Government Agencies and Other Levels of Government	4510100	0.00	0.00
Loans to Non-Financial Public Enterprises	4510200	0.00	0.00
Loans to Financial Institutions	4510300	0.00	0.00
Repayments from Domestic Loans to Individuals and Households	4510400	0.00	0.00
Repayments from lending to Foreign Govts.	4520100	0.00	0.00
Repayments from lending to International Orgns.	4520200	0.00	0.00
Repayments from lending to Foreign Non - Financial Enterps. & Financial Instns.	4520300	0.00	0.00
Repayments from Other Foreign Lending	4520400	0.00	0.00
Sales and Disposals of Equity Holdings in Domestic Public Non - Financial Enterprises	4530100	0.00	0.00
Sales and Disposals of Equity Holdings in Domestic Public Financial Institutions	4530200	0.00	0.00
Sales and Disposals of Other Equity Holdings	4530300	0.00	0.00
Sales and Disposals of Equity Holdings in Foreign Financial Instns. and Domestic Financial Instns. operating abroad	4530400	0.00	0.00
Sales and Disposals of Equity Holdings in Foreign Enterps. Financial Instns. and Domestic Financial Instns. operating abroad	4530500	0.00	0.00
Redemption/ Disposal of Other Financial Assets	4530600	0.00	0.00
Refund of Bonds paid as Deposits for Guarantees	4530700	0.00	0.00
TOTAL		0.00	0.00

9 Reimbursements and Refunds

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs

Item Description	Item Code	Current Period	Previous Period
Refund from World Food Programme (WFP)	4540101	0.00	0.00
Reimbursement of Audit Fees	4540102	0.00	0.00
Reimbursement on Messing Charges (UNICEF)	4540103	0.00	0.00
Reimbursement from World Bank - ECD	4540104	0.00	0.00
Reimbursement from Individuals and Private Organizations	4540105	0.00	0.00
Reimbursement from Local Government Authorities	4540106	0.00	0.00
Reimbursement from Statutory Organizations	4540107	0.00	0.00
Reimbursement within Central Government	4540108	0.00	0.00
Reimbursement Using Bonds	4540109	0.00	0.00
Reimbursements and Refunds - Other (Budget)	4540199	0.00	0.00
TOTAL		0.00	0.00

10 Returns of Equity Holdings

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Returns of Equity Holdings	4550000	0.00	0.00
Returns of Equity Holdings	4610000	0.00	0.00
TOTAL		0.00	0.00

11 Other Receipts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Interest Received	1410100	0.00	0.00
Profits and Dividends	1410200	0.00	0.00
Withdrawals from Income of Quasi-corporations	1410300	0.00	0.00
Rents on land, houses and buildings	1410400	0.00	0.00
Other Property Income collected as AIA	1410500	0.00	0.00
	1415000	0.00	0.00
Sales of Market Establishment	1420100	0.00	0.00
Administrative Fees and Charges	1420200	0.00	0.00
Administrative Fees and Charges collected as AIA	1420300	0.00	0.00
Incidental Sales by Non-Market Establishments	1420400	0.00	0.00
Incidental Sales by Non-Market Establishments Collected as AIA	1420500	0.00	0.00
Receipts from Sale of Incidental Goods	1420600	0.00	0.00
Fines, Penalties, Forfeitures and other Charges	1430100	0.00	0.00
Current Grants from International NGOs paid through Exchequer	1440100	0.00	0.00
Capital Grants from International NGOs paid through Exchequer	1440200	0.00	0.00
Current Grants from International NGOs collected as AIA	1440300	0.00	0.00
Capital Grants from International NGOs collected as AIA	1440400	0.00	0.00
Other Voluntary Transfers for Current purposes	1440500	0.00	0.00
Other Voluntary Transfers for Capital purposes	1440600	0.00	0.00
Paid to Exchequer	1450100	18,000,000.00	74,417,379.75
Receipts Not Classified Elsewhere	1450200	0.00	0.00
	1510200	0.00	0.00
	1510300	0.00	0.00
	1520100	0.00	0.00
Business Permits	1520200	0.00	0.00
Cesses	1520300	0.00	0.00
Poll Rates	1520400	0.00	0.00
Plot Rents	1520500	0.00	0.00
Other Local Levies	1520600	0.00	0.00
Administrative Services Fees	1530100	0.00	0.00
Various Fees	1530200	0.00	0.00
Council'S Natural Resources Exploitation	1530300	0.00	0.00
Sales Of Council Assets	1530400	0.00	0.00
Lease / Rental Of Council'S Infrastructure Assets	1530500	0.00	0.00
Other Miscellaneous Revenues	1530600	0.00	0.00
Other Miscellaneous Revenues	1540100	0.00	0.00
Insurance Claims Recovery	1540200	0.00	0.00
Medium Term Loans (1-3 Yr Repayment)	1540300	0.00	0.00
Long Term Loans (Over 3 Yr Rpayment)	1540400	0.00	0.00
Transfers From Reserve Funds	1540500	0.00	0.00
Donations	1540600	0.00	0.00
Fund Raising Events	1540700	0.00	0.00
Other Revenues From Financial Assets Loan	1540800	0.00	0.00
	1541000	0.00	0.00
Market/Trade Centre Fee	1550100	0.00	0.00
Vehicle Parking Fees	1550200	0.00	0.00

Item Description	Item Code	Current Period	Previous Period
Housing	1560100	0.00	0.00
Social Premises Use Charges	1560200	0.00	0.00
School Fees	1570100	0.00	0.00
Other Education-Related Fees	1570200	0.00	0.00
Other Education Revenues	1570300	0.00	0.00
Public Health Services	1580100	0.00	0.00
Public Health Facilities Operations	1580200	0.00	0.00
Environment & Conservancy Administration	1580300	0.00	0.00
Slaughter Houses Administration	1580400	0.00	0.00
Water Supply Administration	1580500	0.00	0.00
Sewerage Administration	1580600	0.00	0.00
Other Health & Sanitation Revenues	1580700	0.00	0.00
Technical Services Fees	1590100	0.00	0.00
External Services Fees	1590200	0.00	0.00
	1930100	0.00	0.00
System Required Revenue A/cs	1990100	0.00	0.00
TOTAL		18,000,000.00	74,417,379.75

12 Compensation of Employees

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Basic Salaries - Permanent Employees	2110100	146,414,980.50	159,589,769.25
Basic Wages - Temporary Employees	2110200	6,338,675.00	0.00
Personal Allowances paid as part of Salary	2110300	75,110,982.70	107,185,066.25
Personal Allowances paid as Reimbursements	2110400	0.00	0.00
Personal Allowances provided in Kind	2110500	0.00	0.00
Employer Contributions to Compulsory National Social Security Schemes	2120100	0.00	0.00
Employer Contributions to Compulsory Health Insurance Schemes	2120200	0.00	0.00
Social Benefit Schemes Outside Government	2120300	0.00	0.00
TOTAL		227,864,638.20	266,774,835.50

13 Use of goods and Services

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Utilities, Supplies and Services	2210100	0.00	0.00
Communication, Supplies and Services	2210200	4,350,000.80	3,661,376.00
Domestic Travel and Subsistence, and Other Transportation Costs	2210300	68,886,642.00	53,246,829.55
Foreign Travel and Subsistence, and other transportation costs	2210400	9,660,225.45	1,260,700.00
Printing, Advertising and Information Supplies and Services	2210500	8,547,063.95	24,060.00
Rentals of Produced Assets	2210600	108,002,353.40	147,300,000.00
Training Expenses	2210700	7,874,667.00	7,620,536.70
Hospitality Supplies and Servi	2210800	173,777,477.10	35,061,453.10
Insurance Costs	2210900	575,000.00	0.00
Specialised Materials and Supp	2211000	323,580.00	0.00
Office and General Supplies and Services	2211100	5,221,475.00	3,422,455.00
Fuel Oil and Lubricants	2211200	17,148,992.20	2,354,627.00
Other Operating Expenses	2211300	321,185,071.00	294,365,228.05
Routine Maintenance - Vehicles	2220100	5,811,728.20	1,177,618.00
Routine Maintenance - Other Assets	2220200	4,320,330.00	317,000.00
Exchange Rate Losses	2230100	0.00	0.00
TOTAL		735,684,606.10	549,811,883.40

14 Subsidies

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Subsidies to Public Corporations	2510000	0.00	0.00
Subsidies to Private Enterprises	2520000	0.00	0.00
TOTAL		0.00	0.00

15 Transfers to Other Government Units

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Current Grants to Government Agencies and other Levels of Government	2630100	1,065,373,413.00	554,170,000.00
Capital Grants to Government Agencies and other	2630200	0.00	4,500,000.00

Item Description	Item Code	Current Period	Previous Period
Levels of Government			
Other Current Transfers, Grants and Subsidies	2640400	0.00	0.00
Other Capital Grants and Trans	2640500	0.00	46,274,414.35
TOTAL		1,065,373,413.00	604,944,414.35

16 Other Grants and Transfers

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants and Transfers to Foreign Governments	2610100	0.00	0.00
Membership Fees and Dues and Subscriptions to International Organizations	2620100	0.00	0.00
Membership Fees and Dues and Subscriptions to International Organizations (Continued)	2620200	0.00	0.00
Scholarships and other Educational Benefits	2640100	0.00	0.00
Emergency Relief and Refugee Assistance	2640200	0.00	0.00
Grants to Small Businesses, Cooperatives, and Self Employed	2640300	0.00	0.00
	2649900	0.00	0.00
TOTAL		0.00	0.00

17 Social Security Benefits

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Government Pension and Retirement Benefits	2710100	2,075,417.00	21,395,772.40
Social Security Benefits	2710200	0.00	0.00
Employer Social Benefits	2710300	0.00	0.00
Refund of Pension to UK Government	2720100	0.00	0.00
Refund of Contributions to WCPS and other Ex-Gratia	2720200	0.00	0.00
TOTAL		2,075,417.00	21,395,772.40

18 Acquisition of Assets

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Purchase of Buildings	3110100	0.00	0.00
Construction of Building	3110200	0.00	0.00
Refurbishment of Buildings	3110300	1,120,000.00	0.00
Construction of Roads	3110400	0.00	0.00
Construction and Civil Works	3110500	0.00	0.00
Overhaul and Refurbishment of Construction and Civil Works	3110600	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	3110700	28,336,611.00	0.00
Overhaul of Vehicles and Other Transport Equipment	3110800	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	3110900	0.00	0.00
Purchase of Office Furniture and General Equipment	3111000	3,877,724.00	306,140.00
Purchase of Specialised Plant, Equipment and Machinery	3111100	2,662,700.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equipment	3111200	0.00	0.00
Purchase of Certified Seeds, Breeding Stock and Live Animals	3111300	0.00	0.00
Research, Feasibility Studies, Project Preparation and Design, Project Supervision	3111400	0.00	0.00
Rehabilitation of Civil Works	3111500	0.00	0.00
Purchase of Specialised Plant	3112200	0.00	0.00
Acquisition of Strategic Stocks	3120100	0.00	0.00
Acquisition of Other Inventori	3120200	0.00	0.00
Acquisition of Land	3130100	0.00	0.00
Acquisition of Other Intangible Assets	3130200	0.00	0.00
Domestic Lending and On-lending	4110000	0.00	0.00
Domestic Equity Participation	4120000	0.00	0.00
Other Domestic Accounts Receivable	4130000	0.00	0.00
Foreign Lending and On- Lending	4140000	0.00	0.00
Foreign Equity Participation	4150000	0.00	0.00
Other Foreign Accounts Receivable	4160000	0.00	0.00
TOTAL		35,997,035.00	306,140.00

19 Finance Costs, including Loan Interest

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs

Item Description	Item Code	Current Period	Previous Period
Interest Payments on Foreign Borrowing	2410100	0.00	0.00
Interest Payments on Guaranteed Debt	2410200	0.00	0.00
Interest on Domestic Borrowing	2420000	0.00	0.00
Interest on Borrowing From Other Government Units	2430000	0.00	0.00
TOTAL		0.00	0.00

20 Repayment of Principal on Domestic and Foreign Borrowing

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Repayments on Borrowings from General Government	5510100	0.00	0.00
Repayments on Borrowings from Monetary Authorities (Central Bank)	5510200	0.00	0.00
Repayments on Borrowings from Other Domestic Depository Corporations (Commercial Banks)	5510300	0.00	0.00
Repayments on Borrowings from Other Domestic Financial Institutions	5510400	0.00	0.00
Repayments on Borrowings from Other Domestic Creditors	5510500	0.00	0.00
Principal Repayments on Foreign Borrowing	5510600	0.00	0.00
Principal Repayments on Guaranteed Debt Taken over by Government	5520000	0.00	0.00
Principal Repayments on Guaranteed Domestic Debt Taken over by Government	5520100	0.00	0.00
Principal Repayments on Guaranteed Foreign Debt Taken over by Government	5520200	0.00	0.00
Repayments on Borrowings from Other Domestic Creditors	5610000	0.00	0.00
Repayments on Borrowings from Other Domestic Creditors - Private Enterprises	5610500	0.00	0.00
	5620000	0.00	0.00
Repayments on Borrowings from Other Domestic Creditors - Public Enterprises	5620100	0.00	0.00
TOTAL		0.00	0.00

21 Other payments

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Budget Reserves	2810100	0.00	0.00
Civil Contingency Reserves	2810200	0.00	0.00
Capital Transfer to Non Financial Public Enterprises	2820100	0.00	0.00
Capital Transfer to Public Financial Institutions and Enterprises	2820200	0.00	0.00
Capital Transfer to Private Non-Financial Enterprises	2820300	0.00	0.00
System Required Expenses	2990100	0.00	0.00
	2999900	0.00	0.00
TOTAL		0.00	0.00

22A Bank Balances

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Special Accounts	6510000	1,155,855,651.10	1,155,855,651.10
Treasury Bank Accounts (Exchequer and CRF Accounts)	6520000	0.00	0.00
Recurrent Bank Accounts	6530000	18,963,053,627.15	18,797,652,581.35
Development Bank Accounts	6540000	45,994,790,012.60	45,994,832,560.30
Deposit Bank Account	6550000	438,282,224.70	338,205,050.80
Project Specific Bank Accounts	6570000	0.00	0.00
Foreign Currency and Foreign D	6590101	0.00	0.00
Foreign Currency and Foreign D	6590203	0.00	0.00
TOTAL		66,551,981,515.55	66,286,545,843.55

22B Cash Balances

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Cash in Hand	6580000	66,840,520,686.40	66,817,418,010.15
Foreign Currency and Foreign D	6590201	0.00	0.00
TOTAL		66,840,520,686.40	66,817,418,010.15

23 Accounts Receivables - Outstanding Imprest and Clearance Accounts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Domestic Debtors & Advances	6710000	0.00	0.00
Debtors & Advances - Govt Owne	6720000	0.00	0.00
Foreign Debtors & Advances	6730000	0.00	0.00
Other Debtors & Pre-payments	6740000	18,000,000.00	0.00
Government Imprests	6760000	0.00	0.00
Agency Accounts	6770000	0.00	0.00
Suspense & Clearance Account	6780000	0.00	85,782,292.00
Other Current Assets (System r	6790000	0.00	0.00
TOTAL		18,000,000.00	85,782,292.00

24. ACCOUNTS PAYABLE

Item Description	Item code	Current Period	Previous Period
		Kshs	Kshs
Withholding Taxes	7380000	0.00	0.00
Deposits	7310000	19,572,653.70	97,589,749.00
System Required Liabilities A/cs	7390000	4,038,601,198.05	4,252,524,517.00
Other Liabilities	7320000	0.00	0.00
TOTAL		4,058,173,851.75	4,350,114,266.00

25. FUND BALANCES BROUGHT FORWARD

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Opening Balance Bank	22A	(66,286,545,843.55)	(62,605,934,541.30)
Opening Balance Cash	22B	66,817,418,010.15	65,213,913,012.95
Opening Balance Receivables - Imprest and Clearance Accounts	23	85,782,292.00	84,604,538.20
Opening Balance - Deposits	24	(4,350,114,266.00)	(6,138,498,001.10)
TOTAL		(3,733,459,807.40)	(3,445,914,991.25)

26. PRIOR YEAR ADJUSTMENTS

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Exchequer Provisions	9910200	20,073,465.20	0.00
County Transfers	9910300	0.00	0.00
TOTAL		20,073,465.20	0.00



Trial Balance Comparison Report

Entity: 1032-State Department for Devolution

Current Period: JUL-23 To JUN-24

Compare With: JUL-22 To ADJ2-23

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Kshs	Kshs	Kshs	Kshs
1310202 Capital Grants from Foreign Governments	0.00	0.00	0.00	0.00
1310200 Grants from Foreign Govts. - Direct Payments treated as AIA	0.00	0.00	0.00	0.00
1310000 Grants from Foreign Governments	0.00	0.00	0.00	0.00
1320102 Capital Grants from International Organizations	0.00	0.00	0.00	0.00
1320100 Grants from International Organizations - Cash through Exchequer	0.00	0.00	0.00	0.00
1320202 Capital Grants from International Organizations	0.00	0.00	0.00	0.00
1320200 Grants from International Organizations - Direct Payments AIA	0.00	0.00	0.00	0.00
1320000 Grants from International Organisations	0.00	0.00	0.00	0.00
1450101 Sundry Revenue	0.00	18,000,000.00	0.00	74,417,379.75
1450100 Paid to Exchequer	0.00	18,000,000.00	0.00	74,417,379.75
1450000 Other Receipts Not Elsewhere Classified	0.00	18,000,000.00	0.00	74,417,379.75
1540105 Other Miscellaneous Receipts	0.00	0.00	0.00	0.00
1540100 Other Miscellaneous Revenues	0.00	0.00	0.00	0.00
1540601 Donation from Donor (Name) for Purpose (Description)	0.00	0.00	0.00	0.00
1540600 Donations	0.00	0.00	0.00	0.00
1540000 Financial Assets Loan	0.00	0.00	0.00	0.00
2110101 Basic Salaries - Civil Service	146,414,980.50	0.00	159,589,769.25	0.00
2110100 Basic Salaries - Permanent Employees	146,414,980.50	0.00	159,589,769.25	0.00
2110201 Contractual Employees	6,338,675.00	0.00	0.00	0.00
2110202 Casual Labour - Others	0.00	0.00	0.00	0.00
2110200 Basic Wages - Temporary Employees	6,338,675.00	0.00	0.00	0.00
2110301 House Allowance	54,788,641.70	0.00	56,974,133.55	0.00
2110302 Horaria	0.00	0.00	0.00	0.00
2110309 Special Duty Allowance	300,605.00	0.00	2,304,000.00	0.00
2110310 Top-up Allowance	0.00	0.00	0.00	0.00
2110311 Transfer Allowance	0.00	0.00	0.00	0.00
2110312 Responsibility Allowance	588,000.00	0.00	696,800.00	0.00
2110313 Entertainment Allowance	276,400.00	0.00	236,000.00	0.00
2110314 Transport Allowance	15,907,712.45	0.00	20,709,367.40	0.00
2110315 Extreneous Allowance	0.00	0.00	981,400.00	0.00
2110317 Domestic Servant Allowance	0.00	0.00	0.00	0.00
2110318 Non Practising Allowance	940,000.00	0.00	960,000.00	0.00
2110320 Leave Allowance	2,309,623.55	0.00	4,125,365.30	0.00
2110327 Ministerial Allowance	0.00	0.00	200,000.00	0.00
2110336 Car Purchase Allowance	0.00	0.00	19,998,000.00	0.00
2110300 Personal Allowances paid as part of Salary	75,110,982.70	0.00	107,185,066.25	0.00
2110000 Wages and Salary Contributions	227,864,638.20	0.00	266,774,835.50	0.00
2210101 Electricity	0.00	0.00	0.00	0.00
2210102 Water and Sewarage Charges	0.00	0.00	0.00	0.00
2210100 Utilities, Supplies and Services	0.00	0.00	0.00	0.00
2210201 Telephone, Telex, Facsimile and Mobile Phone Services	4,142,000.80	0.00	3,661,376.00	0.00
2210202 Internet Connections	0.00	0.00	0.00	0.00
2210203 Courier & Postal Services	208,000.00	0.00	0.00	0.00
2210200 Communication, Supplies and Services	4,350,000.80	0.00	3,661,376.00	0.00
2210301 Travel Costs (airlines, bus, railway, mileage allowances, etc.)	19,663,667.00	0.00	13,569,450.00	0.00
2210302 Accommodation - Domestic Travel	20,727,669.00	0.00	12,542,831.00	0.00
2210303 Daily Subsistence Allowance	28,217,306.00	0.00	27,035,048.55	0.00
2210304 Sundry Items (e.g. airport tax, taxis, etc?)	278,000.00	0.00	99,500.00	0.00
2210307 Passage & Transfer Expenses	0.00	0.00	0.00	0.00
2210300 Domestic Travel and Subsistence, and Other Transportation Costs	68,886,642.00	0.00	53,246,829.55	0.00

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
2210401 Travel Costs (airlines, bus, railway, etc.)	2,867,029.50	0.00	589,400.00	0.00
2210402 Accommodation	4,528,837.00	0.00	310,000.00	0.00
2210403 Daily Subsistence Allowance	2,264,358.95	0.00	361,300.00	0.00
2210404 Sundry Items (e.g. airport tax, taxis, etc?)	0.00	0.00	0.00	0.00
2210400 Foreign Travel and Subsistence, and other transportation costs	9,660,225.45	0.00	1,260,700.00	0.00
2210501 International News Services	0.00	0.00	0.00	0.00
2210502 Publishing & Printing Services	1,752,609.95	0.00	0.00	0.00
2210503 Subscriptions to Newspapers, Magazines and Periodicals	687,994.00	0.00	24,060.00	0.00
2210504 Advertising, Awareness and Publicity Campaigns	768,960.00	0.00	0.00	0.00
2210505 Trade Shows and Exhibitions	5,337,500.00	0.00	0.00	0.00
2210500 Printing, Advertising and Information Supplies and Services	8,547,063.95	0.00	24,060.00	0.00
2210603 Rents and Rates - Non-Residential	108,002,353.40	0.00	110,300,000.00	0.00
2210604 Hire of Transport, Equipment	0.00	0.00	12,838,300.00	0.00
2210606 Hire of Equipment, Plant and Machinery	0.00	0.00	24,161,700.00	0.00
2210699 Rentals of Produced Assets- Others	0.00	0.00	0.00	0.00
2210600 Rentals of Produced Assets	108,002,353.40	0.00	147,300,000.00	0.00
2210701 Travel Allowance	1,463,280.00	0.00	1,156,810.00	0.00
2210702 Remuneration of Instructors and Contract Based Training Services	0.00	0.00	0.00	0.00
2210703 Production and Printing of Training Materials	1,385,450.00	0.00	24,149.00	0.00
2210704 Hire of Training Facilities and Equipment	529,800.00	0.00	0.00	0.00
2210706 Book Allowance	82,150.00	0.00	0.00	0.00
2210707 Project Allowance	0.00	0.00	0.00	0.00
2210710 Accommodation Allowance	2,354,960.00	0.00	1,821,055.00	0.00
2210711 Tuition Fees Allowance	1,959,027.00	0.00	4,618,522.70	0.00
2210712 Trainee Allowance	100,000.00	0.00	0.00	0.00
2210700 Training Expenses	7,874,667.00	0.00	7,620,536.70	0.00
2210801 Catering Services (receptions), Accommodation, Gifts, Food and Drinks	29,045,761.00	0.00	17,802,799.00	0.00
2210802 Boards, Committees, Conferences and Seminars	144,731,716.10	0.00	17,258,654.10	0.00
2210805 National Celebrations	0.00	0.00	0.00	0.00
2210809 Board Allowance	0.00	0.00	0.00	0.00
2210800 Hospitality Supplies and Servi	173,777,477.10	0.00	35,061,453.10	0.00
2210901 Group Personal Insurance	0.00	0.00	0.00	0.00
2210910 Medical Insurance	575,000.00	0.00	0.00	0.00
2210900 Insurance Costs	575,000.00	0.00	0.00	0.00
2211001 Medical Drugs	0.00	0.00	0.00	0.00
2211002 Dressings and Other Non-Pharmaceutical Medical Items	0.00	0.00	0.00	0.00
2211004 Fungicides, Insecticides and Sprays	0.00	0.00	0.00	0.00
2211009 Education and Library Supplies	224,580.00	0.00	0.00	0.00
2211011 Purchase/Production of Photographic and Audio-Visual Materials	0.00	0.00	0.00	0.00
2211015 Foods and Rations	0.00	0.00	0.00	0.00
2211016 Purchase of Uniforms and Clothing - Staff	99,000.00	0.00	0.00	0.00
2211020 Uniform and Clothing Allowances	0.00	0.00	0.00	0.00
2211000 Specialised Materials and Supp	323,580.00	0.00	0.00	0.00
2211101 General Office Supplies (papers, pencils, forms, small office equipment etc)	3,477,480.00	0.00	1,682,370.00	0.00
2211102 Supplies and Accessories for Computers and Printers	1,250,995.00	0.00	1,740,085.00	0.00
2211103 Sanitary and Cleaning Materials, Supplies and Services	493,000.00	0.00	0.00	0.00
2211100 Office and General Supplies and Services	5,221,475.00	0.00	3,422,455.00	0.00
2211201 Refined Fuels and Lubricants for Transport	15,974,754.20	0.00	2,079,897.00	0.00
2211203 Refined Fuels and Lubricants -- Other	1,174,238.00	0.00	274,730.00	0.00
2211200 Fuel Oil and Lubricants	17,148,992.20	0.00	2,354,627.00	0.00
2211301 Bank Service Commission and Charges	0.00	0.00	0.00	0.00
2211305 Contracted Guards and Cleaning Services	7,745,807.00	0.00	2,304,108.00	0.00
2211306 Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	4,143,598.30	0.00	2,360,260.00	0.00

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
2211307 Transport Costs and Charges (freight, loading/unloading, clearing and shipping charges)	0.00	0.00	0.00	0.00
2211308 Legal Dues/fees, Arbitration and Compensation Payments	1,978,872.00	0.00	0.00	0.00
2211309 Managent Fees	0.00	0.00	0.00	0.00
2211310 Contracted Professional Services	3,611,690.00	0.00	0.00	0.00
2211311 Contracted Technical Services	23,375,260.70	0.00	115,999,962.35	0.00
2211320 Temporary Committee Expenses	234,454,109.00	0.00	173,818,497.70	0.00
2211322 Bindingof Records	798,800.00	0.00	0.00	0.00
2211328 Counselling Services	0.00	0.00	0.00	0.00
2211335 Monitoring and Evaluation Expenses	45,076,934.00	0.00	0.00	0.00
2211399 Other Operating Expenses - Oth	0.00	0.00	0.00	117,600.00
2211300 Other Operating Expenses	321,185,071.00	0.00	294,482,828.05	117,600.00
2210000 Goods and Services	725,552,547.90	0.00	548,434,865.40	117,600.00
2220101 Maintenance Expenses - Motor Vehicles	5,501,228.20	0.00	1,177,618.00	0.00
2220105 Routine Maintenance - Vehicles	310,500.00	0.00	0.00	0.00
2220100 Routine Maintenance - Vehicles	5,811,728.20	0.00	1,177,618.00	0.00
2220202 Maintenance of Office Furniture and Equipment	619,480.00	0.00	150,000.00	0.00
2220204 Maintenance of Buildings -- Residential	0.00	0.00	0.00	0.00
2220205 Maintenance of Buildings and Stations -- Non-Residential	1,380,000.00	0.00	167,000.00	0.00
2220209 Minor Alterations to Buildings and Civil Works	0.00	0.00	0.00	0.00
2220210 Maintenance of Computers, Software, and Networks	799,650.00	0.00	0.00	0.00
2220212 Maintenance of Communications Equipment	1,521,200.00	0.00	0.00	0.00
2220200 Routine Maintenance - Other Assets	4,320,330.00	0.00	317,000.00	0.00
2220000 Routine Maintenance	10,132,058.20	0.00	1,494,618.00	0.00
2620118 Commonwealth Secretariat	0.00	0.00	0.00	0.00
2620100 Membership Fees and Dues and Subscriptions to International Organizations	0.00	0.00	0.00	0.00
2620000 Grants and Other Transfers to International Organizations	0.00	0.00	0.00	0.00
2630101 Current Grants to Semi-Autonomous Government Agencies	1,065,373,413.00	0.00	554,170,000.00	0.00
2630100 Current Grants to Government Agencies and other Levels of Government	1,065,373,413.00	0.00	554,170,000.00	0.00
2630201 Capital Grants to Semi-Autonomous Government Agencies	0.00	0.00	4,500,000.00	0.00
2630203 Capital Grants to Other levels of government	0.00	0.00	0.00	0.00
2630200 Capital Grants to Government Agencies and other Levels of Government	0.00	0.00	4,500,000.00	0.00
2630000 Grants & Transfer To Other Govt. Units	1,065,373,413.00	0.00	558,670,000.00	0.00
2640201 Emergency Relief (food, medicine, blankets, cash grant, tents and other temporary shelter etc.)	0.00	0.00	0.00	0.00
2640203 Drought Contingency	0.00	0.00	0.00	0.00
2640299 Emergency Relief and Ref. - Ot	0.00	0.00	0.00	0.00
2640200 Emergency Relief and Refugee Assistance	0.00	0.00	0.00	0.00
2640501 Capital Transfer to n-Profit	0.00	0.00	0.00	0.00
2640503 Other Capital Grants and Trans	0.00	0.00	46,274,414.35	0.00
2640500 Other Capital Grants and Trans	0.00	0.00	46,274,414.35	0.00
2640000 Other Transfers and Emergency Relief	0.00	0.00	46,274,414.35	0.00
2710102 Gratuity - Civil Servants	2,075,417.00	0.00	21,395,772.40	0.00
2710100 Government Pension and Retirement Benefits	2,075,417.00	0.00	21,395,772.40	0.00
2710000 Social Security Benefits	2,075,417.00	0.00	21,395,772.40	0.00
3110202 Non-Residential Buildings (offices, schools, hospitals, etc.)	0.00	0.00	0.00	0.00
3110299 Construction of Buildings - Ot	0.00	0.00	0.00	0.00
3110200 Construction of Building	0.00	0.00	0.00	0.00
3110301 Refurbishment of Residential Buildings	0.00	0.00	0.00	0.00
3110302 Refurbishment of Non-Residential Buildings	1,120,000.00	0.00	0.00	0.00
3110300 Refurbishment of Buildings	1,120,000.00	0.00	0.00	0.00
3110502 Water Supplies and Sewerage	0.00	0.00	0.00	0.00
3110504 Other Infrastructure and Civil Works	0.00	0.00	0.00	0.00

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
3110599 Other Infrastructure and Civil Works	0.00	0.00	0.00	0.00
3110500 Construction and Civil Works	0.00	0.00	0.00	0.00
3110701 Purchase of Motor Vehicles	28,336,611.00	0.00	0.00	0.00
3110704 Purchase of Bicycles and Motorcycles	0.00	0.00	0.00	0.00
3110700 Purchase of Vehicles and Other Transport Equipment	28,336,611.00	0.00	0.00	0.00
3110901 Purchase of Household and Institutional Furniture and Fittings	0.00	0.00	0.00	0.00
3110900 Purchase of Household Furniture and Institutional Equipment	0.00	0.00	0.00	0.00
3111001 Purchase of Office Furniture and Fittings	2,053,954.00	0.00	306,140.00	0.00
3111002 Purchase of Computers, Printers and other IT Equipment	1,823,770.00	0.00	0.00	0.00
3111005 Purchase of Photocopiers	0.00	0.00	0.00	0.00
3111009 Purchase of other Office Equipment	0.00	0.00	0.00	0.00
3111000 Purchase of Office Furniture and General Equipment	3,877,724.00	0.00	306,140.00	0.00
3111103 Purchase of Agricultural Machinery and Equipment	0.00	0.00	0.00	0.00
3111104 Purchase of Instrumentation and Calibration Equipment	0.00	0.00	0.00	0.00
3111109 Purchase of Educational Aids and Related Equipment	0.00	0.00	0.00	0.00
3111111 Purchase of ICT Networking and Communication Equipment	2,662,700.00	0.00	0.00	0.00
3111112 Purchase of Software	0.00	0.00	0.00	0.00
3111100 Purchase of Specialised Plant, Equipment and Machinery	2,662,700.00	0.00	0.00	0.00
3111201 Overhaul of Plant, Machinery and Equipment	0.00	0.00	0.00	0.00
3111200 Rehabilitation and Renovation of Plant, Machinery and Equipment	0.00	0.00	0.00	0.00
3111301 Purchase of Certified Crop Seed	0.00	0.00	0.00	0.00
3111300 Purchase of Certified Seeds, Breeding Stock and Live Animals	0.00	0.00	0.00	0.00
3111401 Pre-feasibility, Feasibility and Appraisal Studies	0.00	0.00	0.00	0.00
3111400 Research, Feasibility Studies, Project Preparation and Design, Project Supervision	0.00	0.00	0.00	0.00
3110000 Acquisition of Fixed Capital Assets	35,997,035.00	0.00	306,140.00	0.00
3120101 Maize and Beans	0.00	0.00	0.00	0.00
3120100 Acquisition of Strategic Stocks	0.00	0.00	0.00	0.00
3120000 Acquisition of Inventories, Stock and Commodities	0.00	0.00	0.00	0.00
6510268 National Humanitarian Fund	0.00	1,155,855,651.10	0.00	1,155,855,651.10
6510200 01-010-E418-UNICEF PROGRAMME-M	0.00	1,155,855,651.10	0.00	1,155,855,651.10
6510000 Special Accounts	0.00	1,155,855,651.10	0.00	1,155,855,651.10
6530101 Ministry HQ Recurrent Bank A/C	0.00	18,945,972,111.15	0.00	18,780,571,065.35
6530111 District - Recurrent Bank A/c	0.00	14,260,274.00	0.00	14,260,274.00
6530113 Rural Livelihood Project	0.00	2,821,242.00	0.00	2,821,242.00
6530100 Recurrent Bank Accounts	0.00	18,963,053,627.15	0.00	18,797,652,581.35
6530000 Recurrent Bank Accounts	0.00	18,963,053,627.15	0.00	18,797,652,581.35
6540101 Ministry HQ Development Bank A	0.00	45,603,436,325.80	0.00	45,603,478,873.50
6540111 District - Development Bank Ac	0.00	65,650,876.00	0.00	65,650,876.00
6540100 Development Bank Accounts	0.00	45,669,087,201.80	0.00	45,669,129,749.50
6541109 Arid and Semi Arid Lands ASAL (MTAP)	0.00	342,057,325.65	0.00	342,057,325.65
6541125 Instruments for Devolution and Support (IDEAS) Project	16,354,514.85	0.00	16,354,514.85	0.00
6541100	16,354,514.85	342,057,325.65	16,354,514.85	342,057,325.65
6540000 Development Bank Accounts	16,354,514.85	46,011,144,527.45	16,354,514.85	46,011,187,075.15
6550101 Ministry HQ Deposit Bank A/C	0.00	438,282,224.70	0.00	338,205,050.80
6550100 Deposit Bank Accounts	0.00	438,282,224.70	0.00	338,205,050.80
6550000 Deposit Bank Account	0.00	438,282,224.70	0.00	338,205,050.80
6580101 Cash	12,068,668,477.55	0.00	12,066,423,434.90	0.00
6580104 Cash in Transit	54,771,852,208.85	0.00	54,750,994,575.25	0.00
6580100 Cash in Hand	66,840,520,686.40	0.00	66,817,418,010.15	0.00
6580000 Cash in Hand	66,840,520,686.40	0.00	66,817,418,010.15	0.00
6710102 Salary Paid in Advance	0.00	0.00	0.00	0.00
6710103 Salary advance	0.00	0.00	0.00	0.00
6710100 Debtors & Advances - Employees	0.00	0.00	0.00	0.00
6710000 Domestic Debtors & Advances	0.00	0.00	0.00	0.00
6730101 Advances - Overseas Government	0.00	0.00	0.00	0.00
6730100 Debtors & Advances - O'Seas Go	0.00	0.00	0.00	0.00

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
6730000 Foreign Debtors & Advances	0.00	0.00	0.00	0.00
6740101 Prepayment	0.00	0.00	0.00	0.00
6740102 R/D Cheques	0.00	18,000,000.00	0.00	0.00
6740100 Other Debtors & Pre-payments	0.00	18,000,000.00	0.00	0.00
6740000 Other Debtors & Pre-payments	0.00	18,000,000.00	0.00	0.00
6760101 Standing Imprests	0.00	0.00	0.00	0.00
6760102 Special Imprests	0.00	0.00	0.00	0.00
6760103 Temporary Imprests	0.00	0.00	0.00	0.00
6760100 Imprests	0.00	0.00	0.00	0.00
6760000 Government Imprests	0.00	0.00	0.00	0.00
6770101 Inter-Ministerial Agency A/C	0.00	0.00	0.00	0.00
6770100 Ministerial Agency Accounts	0.00	0.00	0.00	0.00
6770000 Agency Accounts	0.00	0.00	0.00	0.00
6780101 General Suspense A/C	0.00	0.00	0.00	0.00
6780103 District Suspense A/c	0.00	0.00	85,782,292.00	0.00
6780111 Salary Advance Recovery	0.00	0.00	0.00	0.00
6780100 Suspense & Clearance Account	0.00	0.00	85,782,292.00	0.00
6780000 Suspense & Clearance Account	0.00	0.00	85,782,292.00	0.00
6790102 Receiving Inventory A/C	0.00	0.00	0.00	0.00
6790100 Other Current System A/cs	0.00	0.00	0.00	0.00
6790000 Other Current Assets (System r	0.00	0.00	0.00	0.00
7310101 General Deposits	0.00	19,572,653.70	0.00	97,589,749.00
7310107 10% Retention Money	0.00	0.00	0.00	0.00
7310100 General Deposits Items	0.00	19,572,653.70	0.00	97,589,749.00
7310000 Deposits	0.00	19,572,653.70	0.00	97,589,749.00
7320017 Govt. Liability Attachments	0.00	0.00	0.00	0.00
7320000 Other Liabilities	0.00	0.00	0.00	0.00
7320101 PAYE	0.00	0.00	0.00	0.00
7320102 NHIF	0.00	0.00	0.00	0.00
7320103 House Rent	0.00	0.00	0.00	0.00
7320106 NSSF	0.00	0.00	0.00	0.00
7320107 Co-operatives	0.00	0.00	0.00	0.00
7320108 Insurances	0.00	0.00	0.00	0.00
7320109 Hire Purchases	0.00	0.00	0.00	0.00
7320111 WCPS	0.00	0.00	0.00	0.00
7320112 Staff Welfare Associations	0.00	0.00	0.00	0.00
7320113 HELB Deductions	0.00	0.00	0.00	0.00
7320114 Union Dues	0.00	0.00	0.00	0.00
7320115 Save As You Earn (SAYE)	0.00	0.00	0.00	0.00
7320116 Mortgages / Bank Loans	0.00	0.00	0.00	0.00
7320117 Govt. Liability Attachments	0.00	0.00	0.00	0.00
7320118 Provident Fund	0.00	0.00	0.00	0.00
7320123 Civil Service Housing Fund	0.00	0.00	0.00	0.00
7320127 Housing Levy	0.00	0.00	0.00	0.00
7320199 Salary Control Account	0.00	0.00	0.00	0.00
7320100 Salary Deductions	0.00	0.00	0.00	0.00
7320201 Contractors Retention Money	0.00	0.00	0.00	0.00
7320200 Other General Liabilities	0.00	0.00	0.00	0.00
7320000 Other Liabilities	0.00	0.00	0.00	0.00
7380101 General Withholding Tax	0.00	0.00	0.00	0.00
7380102 VAT Withholding	0.00	0.00	0.00	0.00
7380100	0.00	0.00	0.00	0.00
7380000 Withholding Taxes	0.00	0.00	0.00	0.00
7390101 Inventory AP Accrual	0.00	0.00	0.00	0.00
7390102 Expense AP Accrual	0.00	0.00	0.00	0.00
7390103 AP Liabilities	0.00	6,177,800.00	0.00	0.00
7390100 System Required Liabilities	0.00	6,177,800.00	0.00	0.00
7399999 Cash Clearing A/c	0.00	4,032,423,398.05	0.00	4,252,524,517.00
7399900	0.00	4,032,423,398.05	0.00	4,252,524,517.00
7390000 System Required Liabilities A/cs	0.00	4,038,601,198.05	0.00	4,252,524,517.00
9910101 Provision for Encumbrance	0.00	0.00	0.00	0.00
9910100 General Provisions	0.00	0.00	0.00	0.00
9910201 Exchequer Releases/ Provisioning Account	0.00	84,191,302,574.75	0.00	82,142,223,111.25
9910209 Remittances to Exchequer Miscellaneous Revenue	20,073,465.20	0.00	0.00	0.00
9910200 Exchequer Provisions	20,073,465.20	84,191,302,574.75	0.00	82,142,223,111.25
9910000 Provisions	20,073,465.20	84,191,302,574.75	0.00	82,142,223,111.25
9999999 Consolidated Fund	85,909,868,681.15	0.00	84,506,867,252.75	0.00
9999900	85,909,868,681.15	0.00	84,506,867,252.75	0.00
9990000 Opening Balance Reserves	85,909,868,681.15	0.00	84,506,867,252.75	0.00
Total	154,853,812,456.90	154,853,812,456.90	152,869,772,715.40	152,869,772,715.40

The Statement has been prepared, reviewed and approved by the following:

Prepared By _____

Reviewed By _____

Approved By: _____

Date: _____

Date. _____

Date. _____



STATEMENT OF RECEIPTS AND PAYMENTS

Entity: 1032-State Department for Devolution

Current Period: JUL-23 To JUN-24

Compare With: JUL-22 To JUN-23

	Note	Current Period	Previous Period
RECEIPTS			
Tax Receipts	1	0.00	0.00
Social Security Contribution	2	0.00	0.00
Proceeds from Domestic and Foreign Grants	3	0.00	0.00
Exchequer releases	4	2,049,079,463.50	1,561,500,317.45
Transfers from Other Government Entities	5	0.00	0.00
Proceeds from Domestic Borrowings	6	0.00	0.00
Proceeds from Foreign Borrowings	7	0.00	0.00
Proceeds from Sales of Assets	8	0.00	0.00
Reimbursements and Refunds	9	0.00	0.00
Returns of Equity Holdings	10	0.00	0.00
Other Receipts	11	18,000,000.00	74,417,379.75
TOTAL RECEIPTS		2,067,079,463.50	1,635,917,697.20
PAYMENTS			
Compensation of Employees	12	227,864,638.20	266,774,835.50
Use of goods and Services	13	735,684,606.10	549,811,883.40
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	1,065,373,413.00	604,944,414.35
Other Grants and Transfers	16	0.00	0.00
Social Security Benefits	17	2,075,417.00	21,395,772.40
Acquisition of Assets	18	35,997,035.00	306,140.00
Finance Costs, including Loan Interest	19	0.00	0.00
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00
Other payments	21	0.00	0.00
TOTAL PAYMENTS		2,066,995,109.30	1,443,233,045.65
SURPLUS/DEFICIT		84,354.20	192,684,651.55

The Statement has been prepared, reviewed and approved by the following:

Prepared By: _____

Date: _____

Reviewed By: _____

Date: _____

Approved By: _____

Date: _____

Statement of Budget Execution - Development Expenditure

Entity: 1032-State Department for Devolution

Current Period: JUL-23 To JUN-24



	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
RECEIPTS								
	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	4	0.00	0.00	0.00	0.00	60,038,424.70	(60,038,424.70)	0.00%
	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	8	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	11	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	Total	0.00	0.00	0.00	0.00	60,038,424.70	(60,038,424.70)	0.00%
PAYMENTS								
	12	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	13	49,011,573.00	0.00	124,000,000.00	173,011,573.00	57,749,816.70	115,261,756.30	33.38%
	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	15	143,000,000.00	0.00	(113,000,000.00)	30,000,000.00	0.00	30,000,000.00	0.00%
	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	17	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	18	100,988,427.00	0.00	(100,000,000.00)	988,427.00	0.00	988,427.00	0.00%
	19	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	20	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	21	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	Total	293,000,000.00	0.00	(89,000,000.00)	204,000,000.00	57,749,816.70	146,250,183.30	28.31%



Statement of Budget Execution - Development Expenditure

Entity: 1032-State Department for Devolution

Current Period: JUL-23 To JUN-24

The Statement has been prepared, reviewed and approved by the following:

Prepared By:

Date:

Reviewed By:

Date:

Approved By:

Date:

Statment of Budget Execution
 Entity: 1032-State Department for Devolution
 Current Period: JUL-23 To JUN-24



	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
RECEIPTS								
1	Tax Receipts	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
2	Social Security Contribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
3	Proceeds from Domestic and Foreign Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
4	Exchequer releases	0.00	0.00	0.00	0.00	2,049,079,463.50	(2,049,079,463.50)	0.00%
5	Transfers from Other Government Entities	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
6	Proceeds from Domestic Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
7	Proceeds from Foreign Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
8	Proceeds from Sales of Assets	0.00	0.00	4,000,000.00	4,000,000.00	0.00	4,000,000.00	0.00%
9	Reimbursements and Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
10	Returns of Equity Holdings	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
11	Other Receipts	0.00	0.00	22,417,379.00	22,417,379.00	18,000,000.00	4,417,379.00	80.29%
	Total	0.00	0.00	26,417,379.00	26,417,379.00	2,067,079,463.50	(2,040,662,084.50)	7824.70%
PAYMENTS								
12	Compensation of Employees	512,310,000.00	0.00	(280,653,360.00)	231,656,640.00	227,864,638.20	3,792,001.80	98.36%
13	Use of goods and Services	698,823,038.00	0.00	203,913,440.00	902,736,478.00	735,684,606.10	167,051,871.90	81.49%
14	Subsidies	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
15	Transfers to Other Government Units	697,200,000.00	0.00	504,238,816.00	1,201,438,816.00	1,065,373,413.00	136,065,403.00	88.67%
16	Other Grants and Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
17	Social Security Benefits	10,522,454.00	0.00	(8,447,037.00)	2,075,417.00	2,075,417.00	0.00	100.00%
18	Acquisition of Assets	252,264,508.00	0.00	(212,209,875.00)	40,054,633.00	35,997,035.00	4,057,598.00	89.87%
19	Finance Costs, including Loan Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
20	Repayment of Principal on Domestic and Foreign Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
21	Other payments	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	Total	2,171,120,000.00	0.00	206,841,984.00	2,377,961,984.00	2,066,995,109.30	310,966,874.70	86.92%



Statment of Budget Execution
Entity: 1032-State Department for Devolution
Current Period: JUL-23 To JUN-24

The Statement has been prepared, reviewed and approved by the following:

Prepared By:

Date:

Reviewed By:

Date:

Approved By:

Date:



Statement of Budget Execution - Recurrent Expenditure

Entity: 1032-State Department for Devolution

Current Period: JUL-23 To JUN-24

	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
RECEIPTS								
	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	4	0.00	0.00	0.00	0.00	1,989,041,038.80	(1,989,041,038.80)	0.00%
	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	8	0.00	0.00	4,000,000.00	4,000,000.00	0.00	4,000,000.00	0.00%
	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	11	0.00	0.00	22,417,379.00	22,417,379.00	18,000,000.00	4,417,379.00	80.29%
	Total	0.00	0.00	26,417,379.00	26,417,379.00	2,007,041,038.80	(1,980,623,659.80)	7597.43%
PAYMENTS								
	12	512,310,000.00	0.00	(280,653,360.00)	231,656,640.00	227,864,638.20	3,792,001.80	98.36%
	13	649,811,465.00	0.00	79,913,440.00	729,724,905.00	677,934,789.40	51,790,115.60	92.90%
	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	15	554,200,000.00	0.00	617,238,816.00	1,171,438,816.00	1,065,373,413.00	106,065,403.00	90.95%
	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	17	10,522,454.00	0.00	(8,447,037.00)	2,075,417.00	2,075,417.00	0.00	100.00%
	18	151,276,081.00	0.00	(112,209,875.00)	39,066,206.00	35,997,035.00	3,069,171.00	92.14%
	19	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	20	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	21	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
	Total	1,878,120,000.00	0.00	295,841,984.00	2,173,961,984.00	2,009,245,292.60	164,716,691.40	92.42%



Statement of Budget Execution - Recurrent Expenditure

Entity: 1032-State Department for Devolution

Current Period: JUL-23 To JUN-24

The Statement has been prepared, reviewed and approved by the following:

Prepared By: _____

Date: _____

Reviewed By: _____

Date: _____

Approved By: _____

Date: _____

**STATEMENT OF CASH FLOW**

Entity: 1032-State Department for Devolution
Current Period: JUL-23 To JUN-23
Compare With: JUL-21 To JUN-22

	Note	Current Period	Previous Period
		Kshs	Kshs
Receipts and operating income			
Tax Receipts	1	0.00	0.00
Social Security Contribution	2	0.00	0.00
Proceeds from Domestic and Foreign Grants	3	0.00	0.00
Exchequer releases	4	0.00	4,158,246,198.85
Transfers from Other Government Entities	5	0.00	0.00
Reimbursements and Refunds	9	0.00	0.00
Returns of Equity Holdings	10	0.00	0.00
Other Receipts	11	74,417,379.75	0.00
Payments for Operating Expenses			
Compensation of Employees	12	266,774,835.50	279,510,949.95
Use of goods and Services	13	549,811,883.40	1,635,702,396.25
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	604,944,414.35	800,367,180.50
Other Grants and Transfers	16	0.00	1,026,392,351.00
Social Security Benefits	17	21,395,772.40	17,201,808.00
Finance Costs, including Loan Interest	19	0.00	0.00
Other payments	21	0.00	0.00
Adjusted for :			
Adjustments during the year		(1,789,561,488.90)	3,897,308,318.65
Prior year adjustments		0.00	0.00
Net Cash From Operating Activities	A	(3,158,071,014.80)	4,296,379,831.80
Cash Flow From Investing Activities			
Proceeds from Sales of Assets	8	0.00	0.00
Acquisition of Assets	18	306,140.00	344,015,400.00
Net Cash Flow From Investing Activities	B	(306,140.00)	(344,015,400.00)
Cash Flow From Borrowing Activities			
Proceeds from Domestic Borrowings	6	0.00	0.00
Proceeds from Foreign Borrowings	7	0.00	0.00
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00
Net Cash Flow From Financing Activities	C	0.00	0.00
NET INCREASE IN CASH AND CASH EQUIVALENT	A+B+C	(3,158,377,154.80)	3,952,364,431.80
Cash and Cash Equivalent at BEGINNING of The Year		2,607,978,471.65	1,849,383,835.05
Cash and Cash Equivalent at END of The Year	22A+22B	530,872,166.60	2,607,978,471.65

The Statement has been prepared, reviewed and approved by the following:

Prepared By: _____

Date: _____

Reviewed By: _____

Date: _____

Approved By: _____

Date: _____



**OFFICE OF THE DEPUTY PRESIDENT
STATE DEPARTMENT FOR DEVOLUTION**

Telephone: Nairobi +254-20-3317641-7
Web: <http://www.devolutionasals.go.ke>
E-mail: ps@devolution.go.ke
When replying please quote

TELEPOSTA TOWERS
KENYATTA AVENUE
P. O BOX 30004-00100
NAIROBI

Annex 1 - Analysis of Pending Account Payable

	Supplier of Goods of Services	Original Amount	Outstanding Balance		Amount Paid
			2023/2024	2023/2024	2023/2024
	Purchase of Services	Amount	2023/2024	2023/2024	2023/2024
1	M/s Yatab Favor Suppliers	1,085,130.00	2023/2024	1,085,130.00	NIL
2	M/S Jumeirah Company Ltd	1,160,000.00	2023/2024	1,160,000.00	NIL
3	M/S Bellacom Appliances	730,260.00	2023/2024	730,260.00	NIL
4	M/S Kenya pipeline Company Limited	807,000.00	2023/2024	807,000.00	NIL
5	M/S Tenrique Investment	1,755,000.00	2023/2024	1,755,000.00	NIL
6	M/S Pearl Palace Hotel	355,000.00	2023/2024	355,000.00	NIL
7	M/S Granite Travel Ltd	1,412,060.00	2023/2024	1,412,060.00	NIL

8	M/S Teleposta Pension Scheme	2,297,000.00	2023/2024	2,297,000.00	NIL
9	M/S Government Advertising Agency	205,045.00	2023/2024	205,045.00	NIL
10	M/S ABC Travel Ltd	23,750.00	2023/2024	23,750.00	NIL
11	M/S Pago Airways Ltd	158,000.00	2023/2024	158,000.00	NIL
12	M/S Hotel Hylise Ltd	937,000.00	2023/2024	937,000.00	NIL
13	M/S Lake Nakuru Lodge	432,000.00	2023/2024	432,000.00	NIL
14	M/S ABC Travel Ltd	109,300.00	2023/2024	109,300.00	NIL
15	M/S ABC Travel Ltd	103,500.00	2023/2024	103,500.00	NIL
16	M/S ABC Travel Ltd	1,351,550.00	2023/2024	1,351,550.00	NIL
17	M/S ABC Travel Ltd	79,000.00	2023/2024	79,000.00	NIL
18	M/S ABC Travel Ltd	118,300.00	2023/2024	118,300.00	NIL
	TOTAL	13,118,895.00			