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**THE AUDITOR-GENERAL**

**ON**

**STATE DEPARTMENT FOR YOUTH**

**FOR THE YEAR ENDED  
30 JUNE, 2019**





OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
**REGISTRY**

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**STATE DEPARTMENT FOR YOUTH**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**JUNE 30, 2019**

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



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**STATE DEPARTMENT FOR YOUTH  
Reports and Financial Statements  
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2019**

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**I. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

The Ministry of Public service, Youth and Gender was formed through Presidential Executive Order No. 1 of May 2016 (Revised).

The Ministry is headed by the Cabinet Secretary, Prof.Margaret Kobia, MGH, who is responsible for the general policy and strategic direction of Public Service, Youth and Gender.

The Ministry further consists of three State Departments,two administered by a Principal Secretary and the third by Principal Administrative Secretary/Accounting Officer.

The State Departments under Ministry are outlined below:

- i. The State Department for Youth administered by Julius Korir, CBS
- ii. The State Department for Public Service administered by Mary Kimonye (Mrs), MBS
- iii. The State Department for Gender Affairs administered by Hon. Safina Kwekwe Tsungu.

The accompanying financial statements constitute the financial statements of the State Department for Youth.

**Vision**

Empowered youth for a high quality of life for all Kenyans.

**Mission**

To provide policy leadership for youth empowerment.

**Core Values**

The Ministry shall uphold the following core values:

1. **Accountability and Transparency:** All business and service delivery shall be undertaken in a transparent and accountable manner.
2. **Equity and Equality:** The Ministry will promote fairness and equal distribution of resources and services in the national and county level.
3. **Professionalism and ethical practices:** the Ministry and its entire staff shall uphold highest moral standards and professional competence in their service delivery.
4. **Teamwork and Passion for Results:** The Ministry will relentlessly pursue timely attainment of targeted results through high level of coordination, networking, teamwork and collaboration.
5. **Honesty and Integrity:** The ministry shall promote openness, uprightness and reliability while executing its mandate.



### KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)

6. **Innovativeness and Creativity:** The ministry and the entire staff will be committed to innovativeness, inventiveness, resourcefulness and visionary planning in service delivery.
7. **Efficiency and effectiveness:** The ministry will always promote continuous improvement in productivity, competence and efficient and effective use of resources.
8. **Patriotism:** The ministry will promote nationalism and ownership of services by the public at all levels of government.
9. **Customer Centred service:** The ministry is committed to uphold customer driven and focused service delivery.
10. **Mutual respect, Participatory Approach and Inclusiveness:** The ministry is committed to consultations, collaboration and meaningful and effective partnership in all its affairs.

### Strategic Objectives

The broad strategic objective of the State Department is to spearhead youth empowerment in all aspects of national development and specifically to:

- i. Promote skills development and job creation for the youth
- ii. Promote creativity and innovation for national development
- iii. Strengthen the role of youth in national peace building and conflict resolution
- iv. Build the capacity and resilience of youth against harmful practices and exploitation.
- v. Promote access to information and youth friendly services
- vi. Promote health and wellbeing among the youth.
- vii. Harmonize youth mainstreaming and enhance standards in youth practice

### Mandate

The mandate of the State Department broadly covers issues of Youth Affairs. In addition, the State Department has interlinked functions with affiliated Institutions that include the Youth Enterprise Development Fund; National Youth Council; and National Youth Service.



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**KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)**

**Functions**

The Functions of the State Department include: -

- i. Management of Youth Policy
- ii. Overseeing the Management of National Youth Service
- iii. Youth Empowerment
- iv. Harnessing and Developing Youth Talents for National Development
- v. Mainstreaming Youth in National Development
- vi. Managing and promoting Engagement With Youth for National Development
- vii. Collaborating and Overseeing Stakeholders Engaged in Youth Promoting Activities

**(b) Key Management**

The State Department day-to-day management is under the following key organs:

- Directorate of Youth Affairs
- National Youth Service
- National Youth Council
- Youth Enterprise Development Fund

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2019 and who had direct fiduciary responsibility were:

<b>Designation</b>	<b>Name</b>
1. Cabinet Secretary	Prof. Margaret Kobia
2. Chief Administrative Secretary	Hon. Rachel W. Shebesh
3. Principal Secretary	Mr. Julius Korir
4. Director General, NYS	Ms. Matilda Sakwa
5. Director, Administration	Mr Samson Wangusi
6. Secretary, Youth	Mr. Raymond Ochieng



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**KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)**

**(d) Entity Headquarters**

P.O. Box 30050 - 00100  
Harambee House  
Nairobi, Kenya

**(e) Entity Contacts**

Telephone: (254) 2227411  
Telex: 23125  
Website: [www.psyg.go.ke](http://www.psyg.go.ke)

**(f) Independent Auditors**

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

**(g) Principal Legal Adviser**

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

**(h) Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya

## II. FORWARD BY THE CABINET SECRETARY

### BUDGET ALLOCATION

In the financial year 2018/19 the State Department for Youth had a gross budget of **Kshs. 15,035,962,755** which was made up of **Kshs.12,252,560,064** and **Kshs.2,783,362,691** for recurrent and development budget respectively.

The State Department was to expend the gross budget of **Kshs.15,035,962,755** under the Youth empowerment programme.

#### I. Programme 1: Youth empowerment

The objective to enhance empowerment and participation of youth in all aspects of national development. This programme was allocated **Kshs.15,035,962,755** representing 100% of the budget. A total of **Kshs.8,252,193,774** (55% budget absorption) was spent under the following sub programmes:

- a. Sub-programme SP 1.1: National Youth Service.
- b. Sub-programme SP 1.2: Youth Development Services
- c. Sub-programme SP 1.3: Youth Employment Scheme.
- d. Sub-programme SP 1.4: Youth Co-ordination and Representation.

## COMMENTARY BY THE CABINET SECRETARY (CONTINUED)

### Key Performance Highlights

Below is an overview of the financial performance for the year ended 30<sup>th</sup> June 2019 as reported in the detailed financial statements together with the commentary and comparative analysis against budget and prior year for the key items in the financial statements.

#### Current Year Performance against Prior Year

Financial Performance	Year to 30 <sup>th</sup> June 2019	Year to 30 <sup>th</sup> June 2018	Change
	KShs	KShs	KShs
Total Receipts	8,548,730,775	-	-
Total Payments	8,245,277,818	-	-
Surplus/(Deficit) for the Year	303,452,957	-	-

The State Department came into existence in FY 2018/2019 and thus has no prior year balances.



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Financial Performance Summary

Actual Performance against Budget for Year to 30<sup>th</sup> June 2019

Financial Performance	Printed Estimates	Actual	Variance	%
	KShs	KShs	KShs	Utilisation Variance
Total Receipts	15,035,922,755	8,548,730,775	6,487,191,980	57%
Total Payments	15,035,922,755	8,245,277,818	6,790,644, 937	55%
<b>Surplus for the Year</b>	-	<b>303,452,947</b>	<b>(303,452,947)</b>	-

Actual receipts by the MDA stood at 43% below budget while actual payments were 45% below budget. This is attributable to under issue of exchequer and underutilisation of budget allocation mostly in acquisition of assets, use of goods and services and social security benefits.

COMMENTARY BY THE CABINET SECRETARY (CONTINUED)

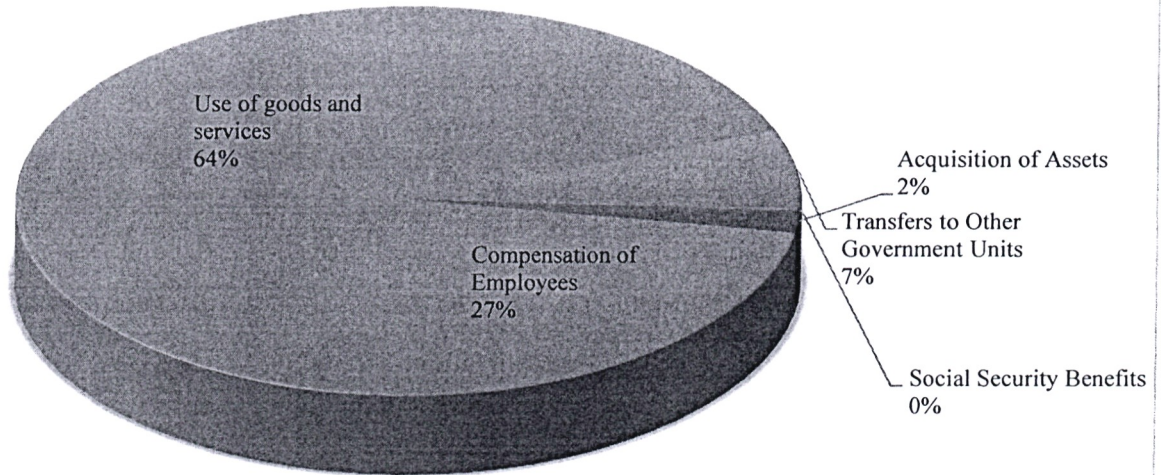
Budget Utilisation (Payments)

The State Department spent Kshs. 8,252,193,774 against an approved budget of Kshs. 15,035,922,755 representing absorption of 55%. Utilisation of the budget was carried out through various activities (economic classifications) as shown in the chart below:

	Approved Budget Allocation	Actual Payments	Variance
Compensation of Employees	2,343,960,850	2,208,389,450	94%
Use of goods and services	11,476,052,917	5,327,148,756	46%
Transfers to Other Government Units	591,424,884	554,768,356	94%
Social Security Benefits	2,695,183	1,623,459	60%
Acquisition of Assets	621,828,921	153,347,796	25%
<b>Total Payments</b>	<b>15,035,922,755</b>	<b>8,245,277,818</b>	<b>55%</b>

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**Budget Utilisation as Per Economic Items**



It is noted that 27% of the State Department's expenditure was utilized on compensation of employees while 64% was utilized on goods and services. Acquisition of assets accounted for 2% of the total budget whereas grants and transfers accounted for only 7%.

**COMMENTARY BY THE CABINET SECRETARY (CONTINUED)**

**Key Performance Highlights (Continued)**

**Receipts**

The State Department's receipts mainly comprise of exchequer releases from the National Treasury and other receipt sources.

The total receipts for FY 2018/2019 stood at Kshs8,548,730,755 representing a 57% against the budget of Kshs15,035,922,755.

**Total Receipts Breakdown**

	Approved Budget Allocation	Actual Receipts	Variance
	KShs	KShs	KShs
Receipts			
Transfers from National Treasury	14,945,742,755	8,317,907,425	6,627,835,330
Other Receipts	85,600,000	230,823,350	(145,223,350)
<b>Total Receipts</b>	<b>15,031,342,755</b>	<b>8,548,730,775</b>	<b>6,487,191,980</b>



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**COMMENTARY BY THE CABINET SECRETARY (CONTINUED)**

**Achievements**

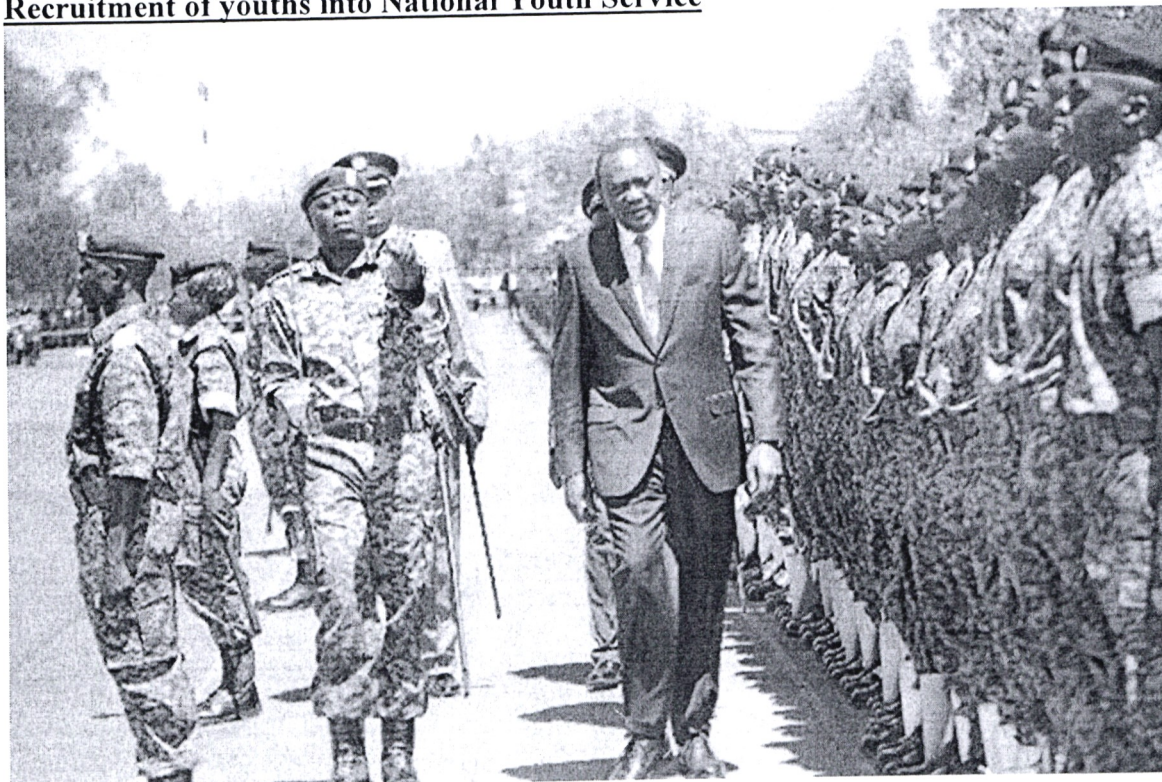
The State Department achieved the following during the FY 2018/19:

1. Imparted 16,850 youth with paramilitary skills.
2. Recruited 12,194 youths into National Youth Service.
3. Enrolled 31,500 youth undergoing vocational training.
4. Deployed 16,850 youth to undertake national service duties.
5. Implementation of 2007 National Youth Policy is underway.
6. Trained 62,253 youth on enterprise development and mentored 156 youth on business skills.
7. Disbursed Kshs. 323,200,000 to 46,176 youth through Youth Enterprise Development Fund.
8. Supported and linked 991 youth to market their products in various forums.
9. Successfully held the 2018 Youth week and celebrated the International Youth Day in Kisii County.

**COMMENTARY BY THE CABINET SECRETARY (CONTINUED)**

**Achievements (Continued)**

**Recruitment of youths into National Youth Service**



*Photos taken at a pass out parade for NYS recruits*



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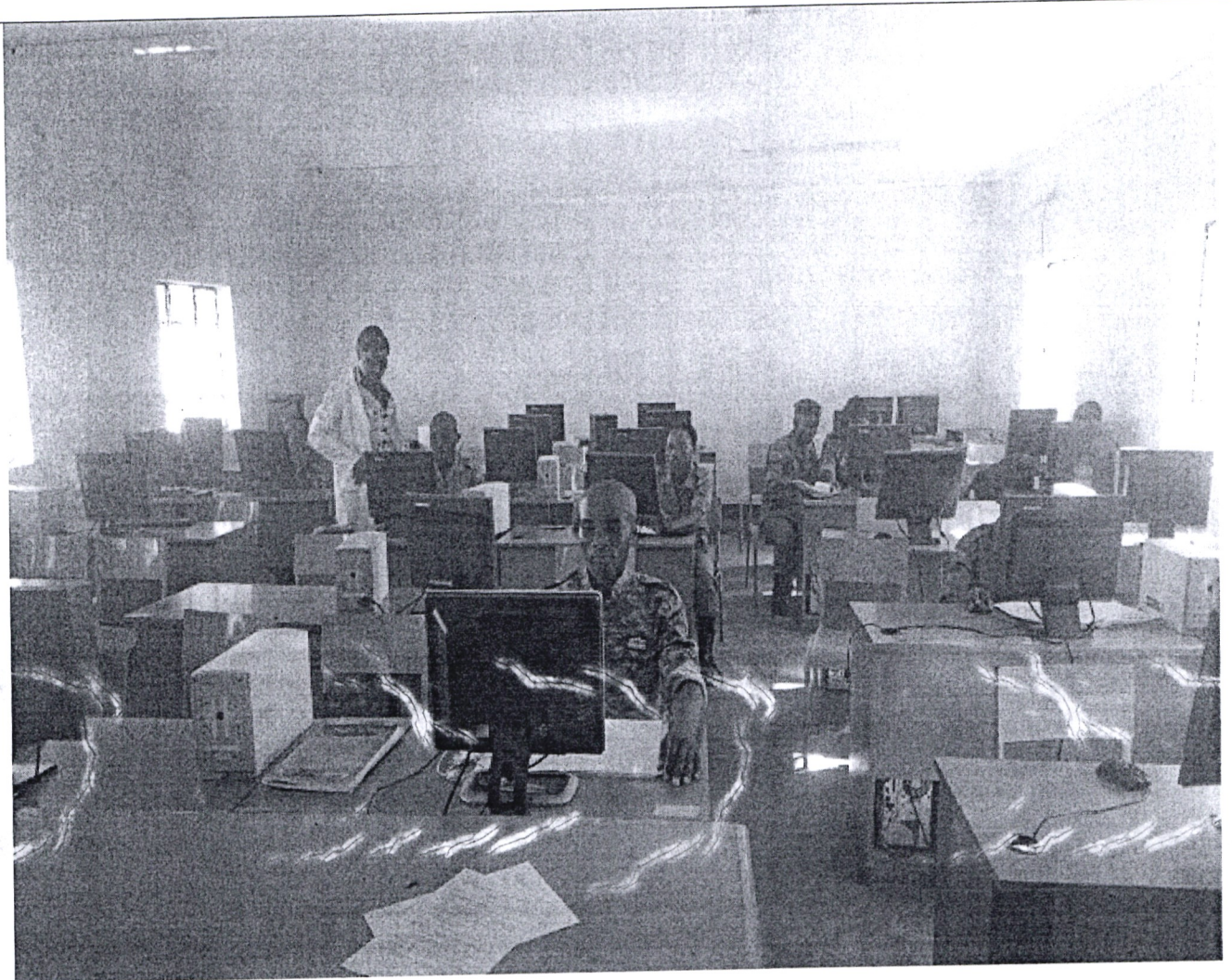
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*Tree Planting*





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**COMMENTARY BY THE CABINET SECRETARY (CONTINUED)**

**Emerging Issues**

There is increasing agitation to comprehensively implement the Youth development policy and rally together all youth serving organisations.

**Implementation challenges**

1. Human resource capacity constraint: Some divisions were grossly understaffed and hence affecting the delivery of services as per the agreed timelines
2. Financial constraints: Inadequate funding and untimely disbursement of budgeted funds hampered successful implementation of the planned programmes and projects.

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3. Inadequate office space: This led to unfavourable work environment for the officers and affected engagement of youth through internship/industrial attachment/apprenticeships in the Ministry's programmes.

**Recommendations and way forward.**

1. Human resource capacity constraint: The State department has prepared a Human Resource Plan and will be fully implemented in the FY 2018/19.
2. Financial constraints: Prioritization of programmes/projects/ activities; proper budgeting and mobilization of resources from development partners.
3. Inadequate office space: Sharing offices among the staff as well as engaging few youth through internship/industrial attachment/apprenticeships in the Ministry's programmes.

*Sign*

*Cabinet Secretary*



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**III. STATEMENT OF ENTITY 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.

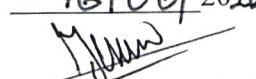
The Accounting Officer in charge of the *State Department for Youth* is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. 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 Youth* 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 *entity's* financial statements give a true and fair view of the state of *entity's* transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer in charge of the *State Department for Youth* 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 Youth* 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 *entity's* financial statements were approved and signed by the Accounting Officer on  
16/06/2019.

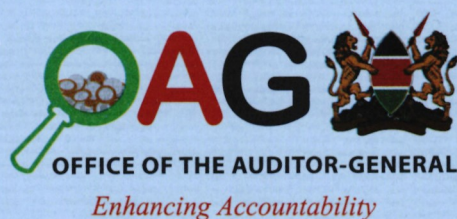
  
Principal Secretary  
Julius Korir, CBS

  
Assistant Accountant General  
CPA Florence W. Kirumba  
ICPAK Member Number: 4426



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## **REPORT OF THE AUDITOR-GENERAL ON THE STATE DEPARTMENT FOR YOUTH FOR THE YEAR ENDED 30 JUNE, 2019**

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### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of the State Department for Youth set out on pages 3 to 24, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, the statement of cash flows, summary statement of appropriation – recurrent and development combined 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 Youth as at 30 June, 2019, 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 Public Finance Management Act, 2012.

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

##### **1. Non-disclosure of Revenue**

The statement of receipts and payments reflects a balance of Kshs.8,548,730,775 as total revenues received during the financial year 2018/2019 which includes Kshs. 230,823,350 described as other revenues. The figure of other revenues excludes Kshs. 37,811,658 collected during the year and for which no evidence has been provided to show that it was surrendered to the Receiver of Revenue as required by Section 76(2) of the Public Finance Management Act, 2012.

Consequently, the accuracy and completeness of other revenues balance of Kshs.230,823,350 reflected in the statement of receipts and payments for the year ended 30 June, 2019 could not be confirmed.



## **2. Unsupported Pending Bills Settlement**

The State Department requested for funding to finance payment of historical pending bills amounting to Kshs.1,324,101,782 incurred at the National Youth Service Headquarters and various field stations. The money was transferred to the Director General's account from which Authority to Incur Expenditure (AIEs) were issued to the field stations as per the request for funds. However, no evidence was attached to the payment documents to demonstrate that the pending bills settled were in the list approved by the Multi-Agency Pending Bills Committee.

## **3. Compensation of Employees**

### **3.1 Unsupported Basic Wages on Temporary Employees**

The statement of receipts and payments reflects total payments of Kshs.2,208,389,450 under compensation of employees which includes payments totalling Kshs.1,012,068,527 paid as basic wages for temporary employees. The latter balance includes a payment of Kshs.1,000,000,000 in respect of outstanding bills in form of wages, SACCOs and Huduma kitchen payments for the financial year 2017/2018. However, examination of the reported list of pending bills for the financial year 2017/2018 does not reflect this amount in the reported balance.

As a result, it was not possible to confirm the nature and basis of arriving at the figure of Kshs.1,000,000,000 paid as pending bills in form of wages during the year under review.

### **3.2 Disparity in Gratuity Computation and Salary Payments**

An Officer was engaged under local agreement on non-variable terms effective 4 July, 2017 with a salary of Kshs.144,928 for a period of two years. The Officer was paid gratuity of Kshs.1,056,771 in respect of the period served. However, the gratuity and the salaries paid were based on amounts that were different from the contract as detailed below;

- i. The total gratuity paid to the officer of Kshs.1,056,771 was calculated using four tranches. The periods indicating total salary (gross) of Kshs.132,756 for the period of twenty-eight (28) days starting 4 July, 2017 to 31 July, 2017, Kshs.153,160 for the period of twelve (12) months starting 1 July, 2017 to 30 June, 2018, Kshs.157,160 for a period of nine (9) months starting from 1 July, 2018 to 31 March 2019 and Kshs.78,580 for a period of fourteen (14) days starting from 1 April, 2019 to 14 April, 2019, whereas clause 9 of the Local Agreement (Schedule to Agreement) explicitly provided for gratuity to be computed on the basis of thirty-one (31%) percent of the of the total monthly salary as per the agreement of Kshs.144,928 leading to overpayment of Kshs.96,671. No reason has been provided for the non-conformity to the Agreement.
- ii. Tranche No.1 of the schedule for gratuity calculation shows that it was for the period covering twenty-eight (28) days the Officer worked starting 4 July, 2017 to 31 July, 2017. A check on tranche No.2 on the other hand covered the same period consequently resulting to over-payment by Kshs.37,171.



No explanation has been provided for the variation of payments even though the contract had a fixed amount of payment and the overpayment was not satisfactorily explained.

#### 4. Accounts Receivables – Outstanding Imprest and Clearance Accounts

The statement of assets and liabilities reflects a figure of Kshs.22,744,284 under accounts receivables which includes an amount of Kshs.3,499,272 in respect to district suspense being Authority to Incur Expenditure (AIEs) issued to various field stations. However, comparison of AIE returns against AIEs disbursed to various stations showed that a total of Kshs.2,325,199 remained unspent as at 30 June, 2019. The reported amount of Kshs.3,499,272 did not agree with the derived balance of Kshs.2,325,199 resulting to an unexplained difference of Kshs.1,174,073 as shown below:

	Station	AIE Issued Kshs.	Physical AIE Returns Kshs.	Variance Kshs.
1	Gilgil	323,443,914	323,443,231	683
2	Naivasha	145,559,007	145,403,540	155,467
3	Tumaini	12,374,829	10,286,612	2,088,217
4	Yatta	144,030,372	144,030,372	0
5	Mavoloni	27,507,772	27,507,772	0
6	Athi River	57,123,091	57,123,091	0
7	Mombasa	77,943,924	77,942,744	1,179
8	Tarbo	43,880,144	43,880,143	0
9	Kirimun	18,023,375	17,972,918	50,457
10	Mwatate	22,476,894	22,474,746	2,148
11	Kerio Valley	65,831,292	65,831,292	0
12	Garissa	20,579,552	20,579,552	0
13	Lamu Units (Witu, Lamu and Hindi)	39,075,220	39,075,220	0
14	Tana Basin	86,112,057	86,085,009	27,048
15	Kisumu	11,139,463	11,139,463	0
16	Lambwe	12,958,469	12,958,469	0
	<b>Total</b>	<b>1,108,059,375</b>	<b>1,105,734,174</b>	<b>2,325,199</b>

In addition, analysis of AIE returns reported in the general ledger shows a total of Kshs.1,333,891,908 being expensed during the financial 2018/2019. The figure differs with the amounts of the physically availed and verified AIEs issued to field stations during the financial year totalling Kshs.1,108,119,375. The resultant difference of Kshs.225,772,533, though reconciled, has not been supported with relevant documentations.

Under the circumstances, the accuracy and validity of account receivables balance of Kshs.22,744,284 and the AIE returns of Kshs.1,333,891,908 as at 30 June, 2019 could not be confirmed.

## 5. Unsupported Routine Maintenance – Motor Vehicles and Other Transport Equipment

### 5.1 Payments to Mechanical Transport Fund

The statement of receipts and payments reflects a balance of Kshs.5,327,148,756 in relation to use of goods and services which includes an amount of Kshs.172,256,919 under routine maintenance – vehicles and other transport equipment. The latter balance includes an expenditure of Kshs.7,007,380 for hire charges in respect of motor vehicles and machinery at Yatta field station for the months of December 2016, January, February and March, 2017 based on Mechanical and Transport Fund invoices as detailed below:

	<b>Number of Machines/Motor Vehicles</b>	<b>Period services were offered</b>	<b>Invoice No.</b>	<b>Invoice Date</b>	<b>Amount (Kshs)</b>
1.	11	December, 2016	MTB/TPT/3/2/15 VOL.III (59)	22/05/17	2,833,420
2.	8	January, 2017	MTB/TPT/3/2/15 VOL.III (60)	22/05/17	1,408,360
3.	7	February, 2017	MTB/TPT/3/2/15 VOL.III (61)	22/05/17	1,341,400
4.	8	March, 2017	MTB/TPT/3/2/15 VOL.III (62)	22/05/17	1,424,200
				<b>Total</b>	<b>7,007,380</b>

However, the following inconsistencies were noted:

- i.) The amounts were not included in the pending bills for the State Department for Public Service and Youth during the financial year 2016/2017 and 2017/2018 and therefore, did not constitute an authorized charge in the current year's budget.
- ii.) There were no documentations to fully support the receipts of services rendered to the Department.
- iii.) The amount was not included in the receivables for Mechanical Transport Fund for the year 2017/2018 and therefore the origin of the bills could not be explained.
- iv.) The billings have disparities in the number of vehicles and machinery hired in addition the number of hours worked which had not been supported.

Further, the expenditure of Kshs.172,256,919 for routine maintenance – vehicles and other transport equipment includes an amount of Kshs.99,304,504 paid for hiring of motor vehicles and transport equipment relating to the financial years 2014 to 2016.

However, the following anomalies were noted in the payment;



- i. The pending bills were not disclosed under Annex III-Pending Accounts Payables to the audited financial statements as at 30 June, 2018 and no explanation has been provided for the anomaly.
- ii. The payment demand raised by the Officer in Charge of Mechanical and Transport Fund on 12 May, 2017 had the Authority to Incur Expenditure (AIE) approved and used on 22 June, 2017 when the payment was approved. However, the actual payment was made on 29 June, 2019 which was two years after approvals for payment. No documentation was provided to demonstrate how the AIE obtained in 2017 was utilized.
- iii. The payment of Kshs.99,304,504 was supported by invoices raised and addressed to Commanding Officers of various NYS field stations purportedly for services rendered in 2014/2015 and 2015/2016. However, the invoices were not supported with confirmation of receipts of services by the respective units as there were no approved requisitions or any documentation for confirmation of accuracy and acceptance of the billed amounts.

Consequently, the accuracy and completeness of the amount for routine maintenance – vehicles and other transport equipment of Kshs.172,256,919 for the year ended 30 June, 2019 could not be confirmed.

## **5.2 Motor Vehicle Running Expenses**

In addition, the expenditure of Kshs.172,256,919 on routine maintenance of vehicles and other transport equipment includes payments by the State Department for Youth totalling Kshs.35,926,373 in relation to purchase of spare parts and maintenance of vehicles owned by the Mechanical Transport Fund – National Youth Service. However, the State Department pays hire charges for the same vehicles of which during the year the Department owed the Fund Kshs.270,552,129 therefore resulting to double payment for the same services.

Consequently, the accuracy and authenticity of the expenditure of Kshs.35,926,373 relating to routine maintenance of vehicles and other transport equipment could not be ascertained.

## **6. Non-Disclosure of Pending Bills**

Although the Management has disclosed a list of pending bills totalling to Kshs.1,913,365,037.33 in Annex 1, there was no disclosure of the pending bills in the Notes to the financial statements. Further, failure to settle bills during the year in which they relate to distorts the financial statements for that year and adversely affects the provisions of the subsequent year to which they have to be charged.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of State Department for Youth Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities



in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

### **Key Audit Matters**

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described in the Basis of Conclusion on Lawfulness and Effectiveness and Qualified Sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Irregular Procurements**

##### **1.1 Supply of Woolen Blankets**

The statement of receipts and payments reflects a figure of Kshs.5,327,148,756 under use of goods and service which includes an amount of Kshs.3,241,731,531 relating to specialized materials and services as disclosed under Note 4 to the financial statements. Included in the latter balance is an amount of Kshs.51,400,000 paid to a supplier in respect of supply and delivery of twenty thousand (20,000) woolen blankets based on a framework contract.

Examination of payment documentation showed the following anomalies:

- i. It was noted that an officer-in-charge of stores was in the Tender Opening Committee and also received the goods into the Stores as per the Delivery Notes as well as the Counter Receipt Vouchers.
- ii. The approved Professional Opinion shows that the procurement was based on a framework contract that was flawed as there were only six (6) approved firms as opposed to a minimum of seven (7) firms as required under Section 114 (1)(c) of Public Procurement and Asset Disposal Act, 2015.
- iii. Although the procurement was made and paid on the basis of a framework contract with six suppliers, no pre-award mini competition was undertaken and therefore the

basis of selection of the supplier awarded the tender was not justified. The purported framework contracts do not meet the set criteria under Section 114(1)(b) of the Public Procurement and Assets Disposal Act, 2015.

- iv. No evidence has been provided to show that Management prepared and submitted quarterly reports detailing an analysis of items procured through framework agreements as required under Section 114(6) of the Public Procurement and Assets Disposal Act, 2015.
- v. The procurement method used did not comply with Section 114(1)(b) of the Public Procurement and Assets Disposal Act, 2015 which states that a procuring entity may enter into a framework agreement through open tender if the required quantity of goods, works or services cannot be determined at the time of entering into the agreement. However, in this case the purchase was based on a requisition dated 8 October, 2018 hence the quantities were known with certainty.

No explanation has been provided for the irregularities in procurement of the above goods.

## **1.2 Supply of Digital Camouflage Material**

The expenditure of Kshs.3,241,731,531 under specialized materials and services further includes an amount of Kshs.74,970,000 paid to a supplier in respect of supply and delivery of one hundred and twenty-six thousand (126,000) Metres of Digital Camouflage Material. Examination of the payment documents showed the following anomalies:

- i. The approved professional opinion under item No.3 digital camouflage material shows that the Head of Supply Chain Management recommended for approval of framework contracts for five (5) firms as opposed to seven (7) firms vendors required under Section 114(1)(c) of the Public Procurement and Assets Disposal Act, 2015. No reason has been provided for the anomaly.
- ii. No evidence has been provided to show that Management prepared and submitted quarterly reports detailing an analysis of items procured through framework agreements as required under Section 114(6) of the Public Procurement and Assets Disposal Act, 2015.
- iii. The procurement method used did not comply with Section 114(1)(b) of the Act which states that a procuring entity may enter into a framework agreement through open tender if the required quantity of goods, works or services cannot be determined at the time of entering into the agreement but in this case the purchase was based on a requisition dated 8 October, 2018 and therefore the quantities were known with certainty.
- iv. Invoice No.0109 issued for payment bears no evidence that it was officially presented and acknowledged by the Director General for payment.



- vi. The S.12 Issue and Receipt Voucher No.039 shows that the items were received in stores on 31 October, 2018 and being a duo purpose accountable document, it did not show the issues, or the destination.
- vii. The procurement did not comply with Section 44(h) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer of an entity to ensure that the procurement processes are handled by different professional offices in respect of procurements, initiation, processing and receipt of goods, works and services. In this procurement, it was noted that the officer-in-charge of stores was involved in the Tender Opening Committee and that the same officer was among the team which inspected, accepted and received the items in stores.

No explanation has been provided for non-compliance with the law.

### **1.3 Supply of High Ankle Military Boots**

Included in the expenditure of Kshs.3,241,731,531 under specialized materials and services is an amount of Kshs.29,800,000 paid to a supplier in respect of supply and delivery of ten thousand (10,000) pairs of high ankle military boots at a unit price of Kshs.2,980 under framework contract signed on 23 October, 2018 for a period of one year. Examination of the payment documents showed the following anomalies;

- i. Examination of the contract documents under Section III-General Conditions to the Contract (GCC) Subsection 3.71 with reference to Section IV-Special Conditions to the Contract (SCC) Sub-section 4.2 requires that within thirty (30) days of receipt of the notification of contract award, the successful bidder will furnish the procuring entity with performance security bond. However, no evidence was provided to show that the supplier furnished the State Department with a performance security bond of ten percent (10%) of the tender sum as required under contract.

In addition, there was contradictory information in the tender documents on the subject of performance guarantee, as the Form of Tender Document attached as part of the contract dated 31 July, 2018 under Section 3 referred to 2% which differs with Section 3.7.1 which requires 10% of the tender sum.

- ii. Examination of the contract document reveals that there were no specific quantities specified in the contract to justify use of call-offs order as required under Section 114 (4) of the Public Procurement and Assets Disposal Act, 2015. Further, analysis of the evaluation report shows that the least quoted amount was Kshs.2,785 as compared to the order price of Kshs.2,980, hence, if Section 114(3)(b) was applied, the State Department could have saved Kshs.1,950,000. Further, the requisition attached shows that a total quantity of 31,500 high ankle boots were required. However, there is no evidence attached to show how management arrived at the order quantity of 10,000 units.
- iii. The contract document required for payments to be made within thirty (30) days upon delivery of acceptable goods. However, records attached in support of the payment indicated that the goods were deliverable within three (3) to four (4) weeks.



The goods were however delivered in seven (7) deliveries and took the supplier more than the stipulated duration of three (3) to four (4) weeks with no explanation provided for the delay. Further, no evidence has been provided to show that authority was granted for the extended period as required by Regulation 53(1) of the Public Finance Management (National Government) Regulations, 2015.

- iv. In addition, there was no LPO or order to support the supply of 10,000 units given that the framework contract was a general purpose and not specific order contract hence the State Department failed to comply with Regulation 53 of the Public Finance Management (National Government) Regulations, 2015.

No explanation has been provided for non-compliance with the law.

#### **1.4 Supply of Canned Beef and Pineapples**

The expenditure of Kshs.3,241,731,531 in respect of specialized materials and services includes an amount of Kshs.31,739,000 paid to a supplier for supply and delivery of canned beef and pineapples which had the following anomalies:

- i. The Authority to Incur Expenditure (AIE) was approved on 11 January, 2019 the same day authority to procure food and rations was issued. However, an LPO was issued on 4 December, 2018, one month before approval and confirmation of availability of funds contrary to Regulation 52(1)(a) of the Public Finance Management (National Government) Regulations, 2015.
- ii. The invoice in support of the payment was received on 5 April, 2019 yet the letter submitting the voucher for payment was issued on 22 March, 2019 which was long before the receipt of the invoice. Hence, it is not clear how the payment voucher processing was initiated without an invoice having been received.
- iii. The Letter of notification and Acceptance dated 26 July, 2018 indicates that the above procurements were executed through Contract No.GIL/1/2018-2019/192 which was not availed for audit verification. In addition, the letter of notification and acceptance had a price list that was not acknowledged by the supplier.

Under the circumstances, it has not been possible to confirm whether the above items were procured within the law.

#### **1.5 Unauthorized Supply and Delivery of Uniform Materials**

The expenditure of Kshs.3,241,731,531 in respect of specialized materials and services further includes an amount of Kshs.20,160,000 paid to a supplier for supply and delivery of uniform materials. However, the following anomalies were noted;

- i. Examination of the cash book folio No.60 shows that the supplier was paid on 27 June, 2019 while the Authority to Incur Expenditure (on the AIE certificate) and authorization to make the payment were granted on 29 June, 2019 and 30 June, 2019 respectively, both dates were after the payment had already been made on 27 June, 2019. No explanation has been provided for the inconsistency.



- ii. A check on approvals on both Authority to incur Expenditure (AIE) and to make payment to the Supplier was in respect to supply of five thousand (5,000) pairs of high ankle military boots while all other supporting documentation including a Local Purchase Order No.684 dated 13 June, 2019, are in relation to supply of camouflage materials. Again, no reason was provided for the inconsistency.
- iii. Invoice No.684 was raised on 13 June, 2019 almost two (2) weeks before the final delivery was made on 26 June, 2019 hence evidence that billing was done before delivery of the commodities.
- iv. Although Management sought and obtained funding for procurement of the ankle military boots, there is no documented authority for change of the order to camouflaged material.

In the circumstances, it has not been possible to confirm the propriety of the expenditure amounting to Kshs.20,160,000 incurred to purchase the uniform materials.

#### **1.6 Payment of Domestic Debts and Commercial Debts**

The statement of receipts and payments reflects a figure of Kshs.5,327,148,756 under use of goods and services which includes an amount of Kshs.3,241,731,531 relating to specialized materials and services as disclosed under Note 4 to the financial statements. Included in the latter balance is an amount of Kshs.166,375,665 paid to Mechanical and Transport Fund in respect to services offered at Tana Road Project between September 2011 and August 2015. However, although correspondences in support of the payment indicates that the services amounting to Kshs.166,375,665 were offered to National Youth Service, Tana Road Basin Project Station, no documentation in support of the services rendered either from the Unit Commanding Officer or the Director General were provided for audit verification. In addition, there was no demonstration of the work done as the invoices did not match with the number of equipment billed and the work tickets and the billing rates applied was not supported by any contractual agreement.

Further, although the amount was paid in the current financial year, it had not been disclosed as pending bills in the financial statements for the year ended 30 June, 2018.

In the circumstances, the propriety of the expenditure amounting to Kshs.166,375,665 for the year ended 30 June, 2019 could not be confirmed,

#### **1.7 Supply of Gumboots to National Youth Service**

The expenditure of Kshs.3,241,731,531 under specialized materials and services includes an amount of Kshs.948,600 paid to a supplier for supply and delivery of gumboots. However, the following anomalies were noted:

- i. The requisition for the gumboots by the Quarter Master which informed the procurement was made on 17 May, 2016 which was five days after the quotation had been obtained and opened on 12 May, 2016.

- ii. The professional opinion supporting the payment was made on 7 March, 2017 and approved on 10 March, 2017 after the quotations were opened on 12 May, 2016 which was more than nine months later. There is no evidence provided to show the validity of the quotation was for more than nine months.
- iii. The professional opinion was not supported by any quotation evaluation documentation to demonstrate the supplier was the lowest bidder.
- iv. The payment was made on the strength of a copy of an invoice dated 22 May, 2017 with no justification provided.

Under the circumstances the propriety of the expenditure amounting to Kshs.943,600 could not be confirmed.

### **1.8 Supply and Delivery of Olive-Green Ribbed Jersey**

The expenditure of Kshs.3,241,731,531 under specialized materials and services further includes an amount of Kshs.49,500,000 paid for supply and delivery of olive-green ribbed jersey items under framework agreement for a duration of two (2) financial years (2018-2020) on as and when required basis.

Review of the payment voucher and its supporting documents revealed the following inconsistencies:

- i. The tender opening and tender evaluation reports shows that the firm quoted Kshs.1,750 per unit while the Evaluation Committee recommended that the firm was to supply the product at a reduced price of Kshs.1,650. No evidence has been attached to show that the firm was invited for negotiations or accepted to supply at a lower price than quoted.
- ii. It is not clear why the Department opted to contract at a higher price when there were firms that quoted a lower price by a margin of Kshs.250 per unit which could have resulted in a saving of approximately Kshs.3,750,000.
- iii. The supplier was paid Kshs.49,500,000 on 27 June, 2019 two (2) days before the goods were delivered, inspected and accepted, taken on charge and invoice issued all which took place on 29 June, 2019. A further check on the payment voucher showed that the Authority to incur Expenditure (AIE) and to make this payment were granted on 29 June, 2019 and 30 June, 2019 respectively, after the payment had already been made on 27 June, 2019. No explanation has been provided for noncompliance with Regulation 52(1)(a) of the Public Finance Management (National Government) Regulations, 2015.
- iv. Section 44(h) of the Public Procurement and Asset Disposal Act, 2015 mandates an Accounting Officer of an entity to ensure that the procurement processes are handled by different professional offices in respect of initiation, processing and



receipt of goods, works and services. However, in regard to this procurement, it was observed that one officer of the National Youth Service (NYS) requisitioned for the goods, paid for the goods, in this case among others, on behalf of the State Department, appointed and executed duties in the Evaluation and Sample Evaluation Committees and also took part in the Inspection and Acceptance Committee as the Chairman. No explanation was provided for this anomaly.

No explanation was provided for noncompliance with the law in all the above stated anomalies.

### 1.9 Procurement, Supply and Delivery of Textile Materials for Police Uniforms

The State Department entered into two contracts with two suppliers for supply and delivery of medium blue textile material on 18 February, 2019. The award was made through a professional opinion issued on 1 February, 2019 and approved by the Principal Secretary on 6 February, 2019. The suppliers were paid Kshs.23,400,000 each on 30 June, 2019. However, the following anomalies were observed;

- i. Although, there was negotiation on pricing, which was agreed at a price of Kshs.390, no minutes of the negotiation have been provided to support the award and payment.
- ii. The payment voucher was not supported by an inspection and acceptance certificate as required under Section 48(1) of the Public Procurement and Asset Disposal Act, 2015. Further, there was no evidence to show that the goods were taken on charge as required under Section 159 (1) of the Public Procurement and Asset Disposal Act, 2015.

It was not possible to confirm whether the above procurement process adhered to the provisions of the procurement laws and whether the pricing was competitive.

## 2. Unauthorized Reallocations

Examination of various payment made during the year under review in respect of operations at National Youth Service showed expenditure amounting to Kshs.394,459,439 that had been charged to the wrong accounts as detailed below:

Account Charged	Amount Kshs.	Correct Account	Amount Kshs.
Training Expenses	260,727,836	Wages - Temporary Staff	214,793,673
		Other Operating Expenses	27,870,480
		Specialized Material and Services	18,063,683
Hospitality Supplies and Services	15,210,132	Domestic Travel and Subsistence	15,210,132
Domestic Travel and Subsistence	9,243,300	Hospitality Supplies and Services	9,243,300
Printing Advertising and Information Services	2,032,989	Communication, Supplies and Services	358,863

<b>Account Charged</b>	<b>Amount Kshs.</b>	<b>Correct Account</b>	<b>Amount Kshs.</b>
		Office and General Supplies	1,063,200
		Hospitality Supplies and Services	610,926
Purchase of Household Furniture	25,456	Hospitality Supplies and Services	25,456
Foreign Travel and Subsistence Allowance	4,885,715	Training Expenses	1,600,800
		Domestic Travel and Subsistence	3,284,915
Routine Maintenance Other Assets	78,342,691	Fuel, Oil and Lubricants	8,320,523
		Hospitality Supplies and Services	1,609,820
		Specialized Materials and Services	6,316,950
		Training Materials	3,242,160
		Refurbishment of Buildings	58,853,238
Purchase of Specialized Plant and Equipment and Machinery	23,991,320	Printing Advertising and Information Supplies and Services	12,476,900
		Training Materials	9,070,420
		Specialized Materials	2,444,000
<b>Total</b>	<b>394,459,439</b>		<b>394,459,439</b>

No explanation has been provided for charging the wrong accounts.

Under the circumstances, the propriety and validity of the expenditure totalling Kshs.394,459,439 for the year ended 30 June, 2019 could not be ascertained.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, in 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 procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### Basis for Conclusion

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 control, 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 Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Department's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the State Department or 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 are in compliance 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 financial reporting process, reviewing the effectiveness of how the State Department 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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



reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion with limited assurance as to whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the State Department's ability to continue to sustain its services. If I conclude that a material



uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the State Department to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the State Department to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



**Nancy Gathungu**  
**AUDITOR-GENERAL**

**Nairobi**


**11 December, 2020**


STATE DEPARTMENT FOR YOUTH  
 Reports and Financial Statements  
 For the year ended June 30,  
 2019

V. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018/2019	2017/2018
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from National Treasury	1	8,317,907,425	-
Other Revenues	2	230,823,350	-
<b>TOTAL REVENUES</b>		<b>8,548,730,775</b>	<b>-</b>
<b>PAYMENTS</b>			
Compensation of Employees	3	2,208,389,450	-
Use of goods and services	4	5,327,148,756	-
Transfers to Other Government Units	5	554,768,356	-
Social Security Benefits	6	1,623,459	-
Acquisition of Assets	7	153,347,796	-
<b>TOTAL PAYMENTS</b>		<b>8,245,277,818</b>	<b>-</b>
<b>SURPLUS/DEFICIT</b>		<b>303,452,957</b>	<b>-</b>

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 16/06/2019 and signed by:

  
 \_\_\_\_\_  
 Principal Secretary  
 Julius Korir, CBS

  
 \_\_\_\_\_  
 Assistant Accountant General  
 CPA Florence W. Kirumba  
 ICPAK Member Number: 4726

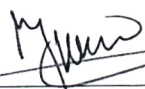



STATE DEPARTMENT FOR YOUTH  
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 2019

**VI. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2018/2019	2017/2018
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8A	4,001,391,696	-
Cash Balances	8B	663,686	-
<b>Total Cash And Cash Equivalents</b>		<b>4,002,055,382</b>	<b>-</b>
Accounts Receivables - Outstanding Imprest and Clearance Accounts	9	22,744,284	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>4,024,799,666</b>	<b>-</b>
<b>LESS: FINANCIAL LIABILITIES</b>			
Accounts Payables - Deposits	10	3,721,346,709	-
<b>NET FINANCIAL ASSETS</b>		<b>303,452,957</b>	<b>-</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	11	-	-
Prior year adjustments		-	-
Surplus/Deficit for the year		303,452,957	-
<b>NET FINANCIAL POSITION</b>		<b>303,452,957</b>	<b>-</b>

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 16/06/2020 and signed by:

  
 Principal Secretary  
 Julius Korir, CBS


  
 Assistant Accountant General  
 CPA Florence W. Kirumba  
 ICPAK Member Number: 4726


STATE DEPARTMENT FOR YOUTH  
 Reports and Financial Statements  
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 2019

VII. STATEMENT OF CASHFLOWS

	Note	2018/2019	2017/2018
		Kshs	Kshs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts for operating income</b>			
Transfers from National Treasury	1	8,317,907,425	-
Other Revenues	2	230,823,350	-
		<b>8,548,730,775</b>	-
<b>Payments for operating expenses</b>			
Compensation of Employees	3	2,208,389,450	-
Use of goods and services	4	5,327,148,756	-
Transfers to Other Government Units	5	554,768,356	-
Social Security Benefits	6	1,623,459	-
		<b>8,091,930,022</b>	-
<b>Adjusted for:</b>			
Changes in receivables		22,744,284	-
Changes in payables		3,721,346,709	-
Adjustments during the year		-	-
<b>Net cashflow from operating activities</b>		<b>4,155,403,178</b>	-
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	7	(153,347,796)	-
<b>Net cash flows from Investing Activities</b>		<b>(153,347,796)</b>	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
		<b>4,002,055,382</b>	-
<b>Cash and cash equivalent at BEGINNING of the year</b>		-	-
<b>Cash and cash equivalent at END of the year</b>		<b>4,002,055,382</b>	-

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 16/06/2020 and signed by:

  
 Principal Secretary  
 Julius Korir, CBS

  
 Assistant Accountant General  
 CPA Florence W. Kirumba  
 ICPAK Member Number: 4726



STATE DEPARTMENT FOR YOUTH  
Reports and Financial Statements  
For the year ended June 30, 2019

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget	Remarks
	a	b	c=a+b	d	e=c-d	f=d/c %	
<b>RECEIPTS</b>							
Exchequer releases	11,019,170,654	3,926,572,101	14,945,742,755	8,317,907,425	6,627,835,330	56%	i
Other Receipts	85,600,000	0	85,600,000	230,823,350	(145,223,350)	270%	ii
<b>Total Receipts</b>	<b>11,109,350,654</b>	<b>3,926,572,101</b>	<b>15,035,922,755</b>	<b>8,548,730,775</b>	<b>6,487,191,980</b>	<b>57%</b>	
<b>Payments</b>							
Compensation of Employees	2,584,211,961	(240,251,111)	2,343,960,850	2,208,389,449	135,571,401	94%	
Use of goods and services	7,154,769,077	4,321,243,840	11,476,012,917	5,327,148,756	6,148,864,161	46%	iii
Transfers to Other Government Units	840,382,500	(248,957,616)	591,424,884	554,768,356	36,656,528	94%	
Social Security Benefits	0	2,695,183	2,695,183	1,623,459	1,071,724	60%	iv
Acquisition of Assets	529,987,116	91,841,805	621,828,921	153,347,796	468,481,125	25%	v
<b>Grand Total</b>	<b>11,109,350,654</b>	<b>3,926,572,101</b>	<b>15,035,922,755</b>	<b>8,245,277,818</b>	<b>6,790,644,937</b>	<b>55%</b>	
<b>Surplus/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>303,452,957</b>	<b>(303,452,957)</b>		


Remarks:


- (i) The under-utilisation in Exchequer releases was as a result of inadequate exchequer funding from the National Treasury.
- (ii) The abnormal utilisation observed in other receipts was brought about by transfer of funds from the previous vote 1211 to the new vote for the KYEOP project.
- (iii) The under-utilisation of Use of goods and services was occasioned by the time lapse that occurred between the split of the old vote 1211 into the new votes 1213, 1214 and the subsequent funding for the same.
- (iv) Under-utilisation of Social security benefits came about due to lack of inadequate exchequer release.
- (v) Acquisition of Assets was underutilised mainly as a result of the time lapse that occurred between the split of the old vote 1211 into the new votes 1213, 1214 and the subsequent funding for the same, late approval and uploading of the supplementary I & II budget in Ifmis. Also due to the time lapse in NYS transition period into a state corporation.

STATE DEPARTMENT FOR YOUTH  
Reports and Financial Statements  
-For the year ended June 30, 2019

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The entity financial statements were approved on 16/06/2019 and signed by:

  
Principal Secretary  
Julius Korir, CBS

  
Assistant Accountant General  
CPA Florence W. Kirumba  
ICPAK Member Number: 4726



STATE DEPARTMENT FOR YOUTH  
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For the year ended June 30, 2019

IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT


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 %	Remarks
<b>RECEIPTS</b>			0				
Exchequer releases	7,349,240,654	4,813,139,410	12,162,380,064.00	6,382,530,225	5,779,849,839	52%	i
Other Receipts	85,600,000	0	85,600,000.00		85,600,000	0%	ii
<b>Total Receipts</b>	<b>7,439,420,654</b>	<b>4,813,139,410</b>	<b>12,252,560,064</b>	<b>6,382,530,225</b>	<b>5,870,029,839</b>	<b>52%</b>	
<b>PAYMENTS</b>							
Compensation of Employees	1,584,211,961	(240,251,111)	1,343,960,850	1,208,389,449	135,571,401	90%	
Use of goods and services	5,211,179,077	5,215,297,404	10,426,476,481	4,797,228,519	5,629,247,962	46%	iii
Transfers to Other Government Units	535,042,500	(248,957,616)	286,084,884	270,763,356	15,321,528	95%	
Social Security Benefits	0	2,695,183	2,695,183	1,623,459	1,071,724	60%	iv
Acquisition of Assets	108,987,116	84,355,550	193,342,666	47,222,757	146,119,909	24%	v
<b>Grand Total</b>	<b>7,439,420,654</b>	<b>4,813,139,410</b>	<b>12,252,560,064</b>	<b>6,325,227,541</b>	<b>5,927,332,523</b>	<b>52%</b>	
<b>Surplus/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>57,302,684</b>	<b>(57,302,684)</b>		


Remarks;

- (i) The under-utilisation in Exchequer releases was as a result of inadequate exchequer funding from the National Treasury.
- (ii) The abnormal utilisation observed in other receipts was brought about by transfer of funds from the previous vote 1211 to the new vote for the KYEOP project.
- (iii) The under-utilisation of Use of goods and services was occasioned by the time lapse that occurred between the split of the old vote 1211 into the new votes 1213, 1214 and the subsequent funding for the same.
- (iv) Under-utilisation of Social security benefits came about due to lack of inadequate exchequer release.
- (v) Acquisition of Assets was under-utilised mainly as a result of the time lapse that occurred between the split of the old vote 1211 into the new votes 1213, 1214 and the subsequent funding for the same, late approval and uploading of the supplementary I & II budget in Ifmis. Also due to the time lapse in NYS transition period into a private corporation.

STATE DEPARTMENT FOR YOUTH  
Reports and Financial Statements  
For the year ended June 30, 2019

The entity financial statements were approved on 16/06/2020 and signed by:

  
~~Principal Secretary~~  
Julius Korir, CBS

  
Assistant Accountant General  
CPA Fierence W. Kirumba  
ICPAK Member Number: 4726



STATE DEPARTMENT FOR YOUTH  
Reports and Financial Statements  
For the year ended June 30, 2019

X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Revenue/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %	Remarks
<b>RECEIPTS</b>			0				
Exchequer releases	3,669,930,000	(886,567,309)	2,783,362,691.00	1,935,377,200	847,985,491	70%	i
Other Receipts			0	230,823,350	(230,823,350)	-	ii
<b>Total Receipts</b>	<b>3,669,930,000</b>	<b>(886,567,309)</b>	<b>2,783,362,691</b>	<b>2,166,200,550</b>	<b>617,162,141</b>	<b>78%</b>	
<b>Payments</b>							
Compensation of Employees	1,000,000,000	0	1,000,000,000.00	1,000,000,000	0	100%	
Use of goods and services Transfers to Other Government Units	1,943,590,000 305,340,000	(894,053,564) 0	1,049,536,436.00 305,340,000.00	529,920,237 284,005,000	519,616,199 21,335,000	50% 93%	iii
Acquisition of Assets	421,000,000	7,486,255	428,486,255.00	106,125,039	322,361,216	25%	iv
<b>Grand Total</b>	<b>3,669,930,000</b>	<b>(886,567,309)</b>	<b>2,783,362,691</b>	<b>1,920,050,277</b>	<b>863,312,414</b>	<b>69%</b>	
<b>Surplus/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>246,150,273</b>	<b>(246,150,273)</b>		


Remarks;


- (i) The under-utilisation in Exchequer releases was as a result of inadequate exchequer funding from the National Treasury.
- (ii) The abnormal utilisation observed in other receipts was brought about by transfer of funds from the previous vote 1211 to the new vote for the KYEOP project.
- (iii) The under-utilisation of Use of goods and services was occasioned by the time lapse that occurred between the split of the old vote 1211 into the new votes 1213, 1214 and the subsequent funding for the same.
- (iv) Acquisition of Assets was under-utilised mainly as a result of the time lapse that occurred between the split of the old vote 1211 into the new votes 1213, 1214 and the subsequent funding for the same, late approval and uploading of the supplementary I & II budget in Ifmis. Also due to the time lapse in NYS transition period into a state corporation.

STATE DEPARTMENT FOR YOUTH  
Annual Financial Statements  
For the year ended June 30, 2019

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The entity financial statements were approved on 16/06/2020 and signed by:

  
Principal Secretary  
Mr. Julius Korir, CBS

  
Assistant Accountant General  
CPA Florence W. Kirumba  
ICPAK Member Number: 4726



STATE DEPARTMENT FOR YOUTH  
Reports and Financial Statements  
For the year ended June 30, 2019

X. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2,019	Adjustments	Final Budget 2,019	Actual on comparable basis 2,019	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Youth Empowerment</b>	<b>15,035,922,755</b>		<b>15,035,922,755</b>	<b>8,245,277,818</b>	<b>6,790,644,937</b>
National Youth Service	12,777,563,406		12,777,563,406	6,468,126,806	6,309,436,600
Youth Development Service	1,708,696,525		1,708,696,525	1,248,823,188	459,873,337
Youth Employment Scheme	518,126,824		518,126,824	496,791,824	21,335,000
Youth Coordination and Representation	31,536,000		31,536,000	31,536,000	0
<b>TOTAL</b>	<b>15,035,922,755</b>	<b>0</b>	<b>15,035,922,755</b>	<b>8,245,277,818</b>	<b>6,790,644,937</b>

## XI. SIGNIFICANT ACCOUNTING POLICIES

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

### 1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes 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 receivables and payables are disclosed in the Statement of Assets and Liabilities. The Statement of Assets and Liabilities is not mandatory statement under the IPSAS Cash basis but is encouraged in order to disclose information on assets and liabilities.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

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

### 2. Reporting entity

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

### 3. Recognition of receipts and payments

#### a) Recognition of receipts

The Entity recognizes all receipts from the various sources when the event occurs and the related cash has actually been received by the entity.

#### Tax receipts

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.



## SIGNIFICANT ACCOUNTING POLICIES

### **Transfers from the Exchequer**

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

### **External Assistance**

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

### **Donations and grants**

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

### **Proceeds from borrowing**

Borrowing includes Treasury bill, treasury bonds, corporate bonds; sovereign bonds and external loans acquired by the entity or any other debt the Entity may take on will be treated on cash basis and recognized as receipts during the year of receipt.

### **Undrawn external assistance**

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

### **Other receipts**

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

### **b) Recognition of payments**

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

### **Compensation of employees**

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

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**SIGNIFICANT ACCOUNTING POLICIES**

**Use of goods and services**

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

**Interest on borrowing**

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

**Repayment of borrowing (principal amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

**Acquisition of fixed assets**

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

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

**4. 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 an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

**5. 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. As at 30th June 2019, this amounted to Kshs408,559,135 as indicated on note 8A



**STATE DEPARTMENT FOR YOUTH  
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2019**

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There were no other restrictions on cash during the year

**6. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year 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 AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

STATE DEPARTMENT FOR YOUTH  
 Reports and Financial Statements  
 For the year ended June 30, 2019

XII. NOTES TO THE FINANCIAL STATEMENTS

1 EXCHEQUER RELEASES

Description	Reference of the transfer	Date of transfer	2018-2019 Kshs	2017-2018 Kshs
Total Exchequer Releases for quarter 1			-	
Total Exchequer Releases for quarter 2			516,656,400	
Total Exchequer Releases for quarter 3			2,118,807,000	
Total Exchequer Releases for quarter 4			5,682,444,025	
<b>TOTAL</b>			<b>8,317,907,425</b>	<b>-</b>

2 OTHER REVENUES

	2018-2019 Kshs	2017-2018 Kshs
Other Receipts Not Classified Elsewhere	230,823,350	
<b>TOTAL</b>	<b>230,823,350</b>	<b>-</b>



3 COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic salaries of permanent employees	872,249,693	
Basic wages of temporary employees	1,012,068,527	
Personal allowances paid as part of salary	324,071,230	
<b>TOTAL</b>	<b>2,208,389,450</b>	<b>-</b>

4 USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Utilities, supplies and services	125,868,133	
Communication, supplies and services	12,914,592	
Domestic travel and subsistence	95,392,916	
Foreign travel and subsistence	16,064,799	
Printing, advertising and information supplies & services	16,919,647	
Rentals of produced assets	57,603,704	
Training expenses	876,186,970	
Hospitality supplies and services	35,453,302	
Specialized materials and services	3,241,731,531	
Office and general supplies and services	62,340,801	
Other operating expenses	488,002,777	
Routine maintenance – vehicles and other transport equipment	172,256,919	
Routine maintenance – other assets	89,018,930	
Fuel Oil and Lubricants	37,393,736	
<b>TOTAL</b>	<b>5,327,148,756</b>	<b>-</b>

STATE DEPARTMENT FOR YOUTH  
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TRANSFER TO OTHER GOVERNMENT  
ENTITIES

5

Description	2018-2019		2017-2018	
	Kshs		Kshs	
Transfers to National Government entities (SCOA Codes 2630100, 2630200, 2640400, 2640500, 2649900, 2820100, 2820200, 2820300) See attached list				
Current Grants to Government Agencies and other levels of Government		270,763,356		
Capital Grants to Government Agencies and other levels of Government		284,005,000		
<b>TOTAL</b>		<b>554,768,356</b>		<b>-</b>

Description	2016-2017	
	Recurrent Kshs	Development Kshs
<b>Transfers to SAGAs and SCs</b>		
Youth Enterprise Development Fund		-
National Youth Council	212,786,824	284,005,000
ICGLR	32,400,000	32,400,000
Presidential Award	10,976,532.00	10,976,532
	14,600,000.00	14,600,000
<b>Transfers to Projects-GoK counterpart funding</b>		
National Agricultural And Rural Inclusive Growth Project	-	-
<b>TOTAL</b>	<b>270,763,356</b>	<b>284,005,000</b>
		<b>554,768,356</b>

SOCIAL SECURITY BENEFITS



STATE DEPARTMENT FOR LOCAL  
 Repo and Financial Statements  
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6

	2018-2019	2017-2018
	Kshs	Kshs
Government pension and retirement benefits	1,623,459	
<b>TOTAL</b>	<b>1,623,459</b>	<b>-</b>

ACQUISITION OF ASSETS

7

	2018-2019	2017-2018
	Kshs	Kshs
<b>Non Financial Assets</b>		
Construction of Buildings		
Purchase of Vehicles and Other Transport Equipment	70,750,507	
Purchase of Household Furniture and Institutional Equipment	29,565,032	
Purchase of Office Furniture and General Equipment	250,456	
Purchase of Specialised Plant, Equipment and Machinery	12,149,500	
Rehabilitation and Renovation of Plant, Machinery and Equip.	36,604,450	
Purchase of Certified Seeds, Breeding Stock and Live Animals	2,302,251	
<b>Sub Total</b>	<b>1,725,600</b>	
<b>TOTAL</b>	<b>153,347,796</b>	<b>-</b>

Bank Accounts

STATE DEPARTMENT FOR YOUTH  
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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)	2018-2019 Kshs	2017-2018 Kshs
Central Bank of Kenya Account No.1000395575	Kshs.	Recurrent	1	27,284,002	
Central Bank of Kenya Account No.1000395664	Kshs.	Development	1	13,453,456	
Central Bank of Kenya Account No. 1000395729	Kshs.	Deposit	1	408,559,135	
Central Bank of Kenya Account No.1000397788	Kshs.	KYEOP	1	239,307,529	
National Bank Harambee Account No. 01020078734700	Kshs.	NYS Huduma Cohorts	1	1,086,144,908	
National Bank Harambee Account No. 01001000909300	Kshs.	Director General NYS	1	1,705,379,522	
KCB- NYS Huduma Cohorts (payments) Account No. 1178056929	Kshs.	NYS Huduma Cohorts	1	371,986	
KCB- NYS Huduma Cohorts (SACCO) Account No. 1178058158	Kshs.	NYS Huduma Cohorts	1	520,891,158	
<b>Total</b>				<b>4,001,391,696</b>	<b>-</b>



Cash in hand

		2018-2019	2017-2018
Cash in Hand – Held in domestic currency		Kshs	Kshs
Cash in Hand – Held in foreign currency	661,872	661,872	
<b>TOTAL</b>		<b>661,872</b>	

Cash in hand is analysed as follows:

	2016-2017	2015-2016
Headquarters, Kencom Building, Cashoffice	Kshs	Kshs
NYS Headquarters cash Office	661,872	
	1,814	
<b>TOTAL</b>	<b>663,686</b>	

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Outstanding Imprests

9

Description	2018-2019 Kshs	2017-2018 Kshs
Government Imprests	19,245,012	
District suspense	3,499,272	
<b>TOTAL</b>	<b>22,744,284</b>	<b>-</b>

Accounts Payables

10

	2018-2019 Kshs	2017-2018 Kshs
Deposits	408,559,135	-
NYS-Huduma Cohorts	1,607,408,052	
NYS- Director General Account	1,705,379,522	
<b>TOTAL</b>	<b>3,721,346,709</b>	

BALANCES BROUGHT FORWARD

11

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts		
Cash in hand		
Receivables - Outstanding Imprests	-	
Payables - Deposits	-	
<b>TOTAL</b>	<b>0</b>	



**STATE DEPARTMENT FOR YOUTH**  
*Reports and Financial Statements*  
*For the year ended June 30, 2019*

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.					
2.					
7.					
8.					
9.					
10.					
11.					
12.					

**Guidance Notes:**

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



Principal Secretary  
**Julius Korir, CBS**



Assistant Accountant General  
 CPA Florence W. Kirumba  
 ICPAK Member Number: 4726

**STATE DEPARTMENT FOR YOUTH  
Reports and Financial Statements  
For the year ended June 30, 2019**

**ANNEX 1 - ANALYSIS OF PENDING BILLS**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019
<b>Construction of civil works</b>				
1. GLAMA ELECTRICAL	2,370,998.20	FY 2018/19		2,370,998.20
<b>Sub-Total</b>	<b>2,370,998.20</b>			<b>2,370,998.20</b>
<b>Supply of goods</b>				
OYWER GENERAL SUPPLIES	219,480.00	FY 2018/19		219,480.00
SHAMO INVESTMENTS LTD	245,616.00	FY 2018/19		245,616.00
VENTURE ARRIBA	264,990.00	FY 2018/19		264,990.00
RIENY DISTRIBUTORS	377,600.00	FY 2018/19		377,600.00
HILLSIDE DISTRIBUTORS LTD	427,500.00	FY 2018/19		427,500.00
BRIGHT WAYS LTD	495,000.00	FY 2018/19		495,000.00
YAMMY PRODUCTS	499,925.00	FY 2018/19		499,925.00
VIPALSHA ENTERPRISES	511,000.00	FY 2018/19		511,000.00
EMMA GENERAL SUPPLIES	517,120.00	FY 2018/19		517,120.00
VENTURE ARRIBA	554,654.00	FY 2018/19		554,654.00
MULBREK ENTERPRISES LTD	596,430.00	FY 2018/19		596,430.00
PUTAI AGENCIES	662,500.00	FY 2018/19		662,500.00
PHORAEC ENTERPRISES	800,000.00	FY 2018/19		800,000.00
LIZINKI ENTRPRISES	952,450.00	FY 2018/19		952,450.00



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CASTLE FABRITECH CO. LTD	975,000.00	FY 2018/19		975,000.00
KENMAT VENTURES LTD	1,116,000.00	FY 2018/19		1,116,000.00
STARHOTECH SUPPLIES	1,224,500.00	FY 2018/19		1,224,500.00
RHOWAN VENTURES	1,230,000.00	FY 2018/19		1,230,000.00
LAWISH INVESTMENTS	1,230,800.00	FY 2018/19		1,230,800.00
RHOWAN VENTURES	1,262,800.00	FY 2018/19		1,262,800.00
ADYS ENTERPRISE	1,298,120.00	FY 2018/19		1,298,120.00
KENSERVE INTERNATIONAL	1,300,000.00	FY 2018/19		1,300,000.00
KENSERVE INTERNATIONAL	1,300,000.00	FY 2018/19		1,300,000.00
RIENY DISTRIBUTORS	1,300,800.00	FY 2018/19		1,300,800.00
PALEKO ENTERPRISES	1,512,000.00	FY 2018/19		1,512,000.00
LUBERN ENTERPRISES	1,550,000.00	FY 2018/19		1,550,000.00
HADASH GENERAL MERCHANTS	1,556,050.00	FY 2018/19		1,556,050.00
HILAVY ENTERPRISES	1,580,000.00	FY 2018/19		1,580,000.00
METALINK LIMITED	1,591,000.00	FY 2018/19		1,591,000.00
THEATRE OF DREAMS INTERNATIONAL	1,753,125.00	FY 2018/19		1,753,125.00
MORPHIC SYSTEM LTD	1,776,000.00	FY 2018/19		1,776,000.00
AENOD ALLIED SYSTEMS	1,887,800.00	FY 2018/19		1,887,800.00
THE MEADOWS HOLDING	1,890,000.00	FY 2018/19		1,890,000.00
SUPPLY ZONE LTD	1,998,750.00	FY 2018/19		1,998,750.00
KIBRA GENERAL SUPPLIERS	2,060,000.00	FY 2018/19		2,060,000.00
KIBRA GENERAL SUPPLIERS	2,060,000.00	FY 2018/19		2,060,000.00

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KIBRA GENERAL SUPPLIERS	2,060,000.00	FY 2018/19		2,060,000.00
KIBRA GENERAL SUPPLIERS	2,060,000.00	FY 2018/19		2,060,000.00
METALINK LIMITED	2,100,000.00	FY 2018/19		2,100,000.00
VMAX ENTERPRISES	2,100,000.00	FY 2018/19		2,100,000.00
GEFRO IMANI COMPANY	2,238,500.00	FY 2018/19		2,238,500.00
JAKI WHOLESALERS LTD	2,298,400.00	FY 2018/19		2,298,400.00
DONRAYS GENERAL SUPP.	2,309,580.00	FY 2018/19		2,309,580.00
ORIVAM AGENCIES	2,367,500.00	FY 2018/19		2,367,500.00
KIBRA GENERAL SUPPLIERS	2,430,750.00	FY 2018/19		2,430,750.00
DALTON ENTERPRISES	2,497,500.00	FY 2018/19		2,497,500.00
THEATRE OF DREAMS INTERNATIONAL	2,585,000.00	FY 2018/19		2,585,000.00
MORPHIC SYSTEM LTD	2,746,800.00	FY 2018/19		2,746,800.00
RUCAPA ENTERPRISES	2,980,000.00	FY 2018/19		2,980,000.00
TECHSAVVY (K) LIMITED	3,000,000.00	FY 2018/19		3,000,000.00
RIENY DISTRIBUTORS	3,200,000.00	FY 2018/19		3,200,000.00
KETOWAYS GENERAL AGENCIES	3,279,650.00	FY 2018/19		3,279,650.00
JANTECH EXPRESS LTD	3,375,000.00	FY 2018/19		3,375,000.00
MONRHO CO. LTD	3,569,560.00	FY 2018/19		3,569,560.00
METRO CHOICE QUALITY MEAT	3,615,000.00	FY 2018/19		3,615,000.00
AFRILINK CONSTRUCTION LTD	3,622,000.00	FY 2018/19		3,622,000.00
LAWISH INVESTMENTS	3,637,100.00	FY 2018/19		3,637,100.00
LEROCK LIMITED	3,820,180.00	FY 2018/19		3,820,180.00



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TESRICK ELITE ENTERPRISES	3,832,000.00	FY 2018/19		3,832,000.00
TRADECICLES LTD	4,290,000.00	FY 2018/19		4,290,000.00
HERMANOS SYSTEM	4,532,500.00	FY 2018/19		4,532,500.00
GEFRO IMANI COMPANY	4,532,500.00	FY 2018/19		4,532,500.00
METALINK LIMITED	5,550,000.00	FY 2018/19		5,550,000.00
MOKIBS INVESTMENTS	5,652,000.00	FY 2018/19		5,652,000.00
GLOBAL LINK EAST AFRICA	5,700,000.00	FY 2018/19		5,700,000.00
AFRILINK CONSTRUCTION LTD	6,825,000.00	FY 2018/19		6,825,000.00
BROADLINK GENERAL MER.	7,381,500.00	FY 2018/19		7,381,500.00
RHOWAN VENTURES	7,750,000.00	FY 2018/19		7,750,000.00
MANGROVE MERCHANTS	19,000,000.00	FY 2018/19		19,000,000.00
MOUNT KENYA CERAMICS	11,648,000.00	FY 2018/19		11,648,000.00
MOUNT KENYA CERAMIICS	14,812,000.00	FY 2018/19		14,812,000.00
ARMICK LIMITED	15,000,000.00	FY 2018/19		15,000,000.00
KEY RESOURCE SERVICES	24,750,000.00	FY 2018/19		24,750,000.00
AFRILINK CONSTRUCTION LTD	48,620,200.00	FY 2018/19		48,620,200.00
TUSKY'S MATTRESSES LTD	30,964.95	FY 2018/19		30,964.95
WEISNER ENTERPRISES	149,000.00	FY 2018/19		149,000.00
DIVERGENT SOLUTIONS	180,000.00	FY 2018/19		180,000.00
REX KIOSK	274,500.00	FY 2018/19		274,500.00
STANKLEAN COMMERCIAL LTD	425,000.00	FY 2018/19		425,000.00
DOUGLOSIC ENTERPRISES	527,000.00	FY 2018/19		527,000.00

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LERIAN AGENCIES	685,000.00	FY 2018/19		685,000.00
BULLSONS AGENCIES LTD	695,400.00	FY 2018/19		695,400.00
INFORMATIVE TECHNOLOGIES LTD	802,000.00	FY 2018/19		802,000.00
RAMES ENTERPRISES	1,210,000.00	FY 2018/19		1,210,000.00
EARTHLINE VENTURES	1,360,800.00	FY 2018/19		1,360,800.00
LAWISH INVESTMENTS	1,412,000.00	FY 2018/19		1,412,000.00
MONKS TRADERS	1,453,000.00	FY 2018/19		1,453,000.00
BLUE SCOPE SUPPLIES	1,468,000.00	FY 2018/19		1,468,000.00
GOLDTIMES TECHNOLOGIES	1,500,000.00	FY 2018/19		1,500,000.00
BELLEVE AGENCIES	1,662,000.00	FY 2018/19		1,662,000.00
BEYOND TWENTY THIRTY LTD	1,742,000.00	FY 2018/19		1,742,000.00
DELTECH ENTERPRISES	1,808,250.00	FY 2018/19		1,808,250.00
NATIONAL OIL CORPORATION	9,000,000.00	FY 2018/19		9,000,000.00
<b>Sub-Total</b>	<b>318,730,144.95</b>	FY 2018/19		<b>318,730,144.95</b>
<b>Supply of services</b>		FY 2018/19		
KEPHIS	17,380.00	FY 2018/19		17,380.00
PRICEWATER HOUSE COOPERS	93,130,456.00	FY 2018/19		93,130,456.00
KPLCO	50,393.00	FY 2018/19		50,393.00
KPLCO	23,700,000.00	FY 2018/19		23,700,000.00
KPLCO	3,173.18	FY 2018/19		3,173.18
RIDE ON AGENCIES LTD	59,450.00	FY 2018/19		59,450.00



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SILVER AFRICA TOURS & SAFARIS	99,090.00	FY 2018/19		99,090.00
RIDE ON AGENCIES LTD	136,570.00	FY 2018/19		136,570.00
KENYA PIPELINE	228,000.00	FY 2018/19		228,000.00
RIDE ON AGENCIES LTD	236,189.00	FY 2018/19		236,189.00
RIDE ON AGENCIES LTD	272,690.00	FY 2018/19		272,690.00
GRAND ROYAL SWISS HOTEL	728,200.00	FY 2018/19		728,200.00
MACHAKOS UNIVERSITY	1,440,000.00	FY 2018/19		1,440,000.00
KSG-MOMBASA CAMPUS	1,440,000.00	FY 2018/19		1,440,000.00
GIMCO LIMITED	2,190,103.00	FY 2018/19		2,190,103.00
KSG-EMBU CAMPUS	2,484,000.00	FY 2018/19		2,484,000.00
KSG-MOMBASA CAMPUS	3,166,800.00	FY 2018/19		3,166,800.00
KENYA INSTITUTE FOR P.POLICY	4,340,100.00	FY 2018/19		4,340,100.00
KAREN TECHNICAL TRAINING	2,212,652.00	FY 2018/19		2,212,652.00
SIAYA INSTITUTE	4,664,216.00	FY 2018/19		4,664,216.00
KISIWA TECHNICAL TRAINING	7,163,410.00	FY 2018/19		7,163,410.00
KATINE TECHNICAL TRAINING	7,997,362.00	FY 2018/19		7,997,362.00
ZIWA TECHNICAL TRAINING	8,261,946.00	FY 2018/19		8,261,946.00
GODOMA TECH. INSTITUTE	8,637,934.00	FY 2018/19		8,637,934.00
BUSHIANGALA TECHNICAL TRAINING	10,184,726.00	FY 2018/19		10,184,726.00
MASAI MARA TECHNICAL TRAINING	10,594,054.00	FY 2018/19		10,594,054.00
BUMBE TECHNICAL TRAINING INST.	11,063,950.00	FY 2018/19		11,063,950.00
SANG'ALO INSTITUTE OF SCIENCE	11,828,160.00	FY 2018/19		11,828,160.00

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KISII NATIONAL POLYTECHNIC	11,873,334.00	FY 2018/19		11,873,334.00
KENYA TECHNICAL TRAINERS COLLEGE	11,926,316.00	FY 2018/19		11,926,316.00
KIIRUA TECHNICAL TRAINING	16,264,212.00	FY 2018/19		16,264,212.00
TSEIKURU TECH. TRAINING	16,926,77.00	FY 2018/19		16,926,77.00
THIKA TECHNICAL TRAINING	17,832,100.00	FY 2018/19		17,832,100.00
MATHENGE TECHNICAL TRAINING	18,800,230.00	FY 2018/19		18,800,230.00
COAST INSTITUTE OF TECHNOLOGY	20,084,256.00	FY 2018/19		20,084,256.00
KAIBOI TECHNICAL TRAINING	20,707,112.00	FY 2018/19		20,707,112.00
KEROKA TECHNICAL TRAINING	20,715,045.00	FY 2018/19		20,715,045.00
RAMOGI INSTITUTE	23,097,032.00	FY 2018/19		23,097,032.00
KENYA COAST NATIONAL	25,000,000.00	FY 2018/19		25,000,000.00
JEREMIAH NYAGAH TECH.	27,025,960.00	FY 2018/19		27,025,960.00
FRIENDS COLLEGE, KAIMOSI	27,105,736.00	FY 2018/19		27,105,736.00
ELDORET NATIONAL POLYTECHNIC	27,870,480.00	FY 2018/19		27,870,480.00
BONDO TECHNICAL TRAINING	27,872,436.00	FY 2018/19		27,872,436.00
KITALE NATIONAL POLYTECHNIC	28,277,520.00	FY 2018/19		28,277,520.00
KABETE NATIONAL POLYTECHNIC	30,756,092.00	FY 2018/19		30,756,092.00
PC KINYANJUI TECH	31,384,764.00	FY 2018/19		31,384,764.00
MASAI TECH. TRAINING INST.	35,148,860.00	FY 2018/19		35,148,860.00
MAWEGO TECHNICAL	38,981,024.00	FY 2018/19		38,981,024.00
NYANDARUA INSTITUTE	57,471,648.00	FY 2018/19		57,471,648.00



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MERU NATIONAL POLY.	65,743,396.00	FY 2018/19		65,743,396.00
KENYA COAST NATIONAL	76,892,434.00	FY 2018/19		76,892,434.00
<b>Sub-Total</b>	<b>877,160,991.18</b>			<b>877,177,994.18</b>
<b>Others (specify)</b>				
Pay as Below (Payrolls for Servicemen/women)	52,926,300.00	FY 2018/19		52,926,300.00
Pay as Below (Payrolls for Servicemen/women)	58,476,600.00	FY 2018/19		58,476,600.00
Pay as Below (Payrolls for Servicemen/women)	58,301,000.00	FY 2018/19		58,301,000.00
Pay as Below (Payrolls for Servicemen/women)	36,968,400.00	FY 2018/19		36,968,400.00
Pay as Below (Payrolls for Servicemen/women)	26,140,800.00	FY 2018/19		26,140,800.00
Pay as Below (Payrolls for Servicemen/women)	32,491,200.00	FY 2018/19		32,491,200.00
Pay as Below (Payrolls for Servicemen/women)	32,785,200.00	FY 2018/19		32,785,200.00
Pay as Below (Payrolls for Servicemen/women)	32,050,200.00	FY 2018/19		32,050,200.00
Pay as Below (Payrolls for Servicemen/women)	26,182,800.00	FY 2018/19		26,182,800.00
Pay as Below (Payrolls for Servicemen/women)	36,906,900.00	FY 2018/19		36,906,900.00
Pay as Below (Payrolls for Servicemen/women)	32,491,200.00	FY 2018/19		32,491,200.00
Pay as Below (Payrolls for Servicemen/women)	51,557,100.00	FY 2018/19		51,557,100.00
Pay as Below (Payrolls for Servicemen/women)	32,237,100.00	FY 2018/19		32,237,100.00
Pay as Below (Payrolls for Servicemen/women)	32,999,400.00	FY 2018/19		32,999,400.00
Pay as Below (Payrolls for Servicemen/women)	58,482,900.00	FY 2018/19		58,482,900.00
Pay as Below (Payrolls for Servicemen/women)	57,309,000.00	FY 2018/19		57,309,000.00
Pay as Below (Payrolls for Servicemen/women)	56,779,800.00	FY 2018/19		56,779,800.00
<b>Sub-Total</b>	<b>715,085,900.00</b>			<b>715,085,900.00</b>
<b>Grand Total</b>	<b>1,913,348,034.33</b>			<b>1,913,365,037.33</b>

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**ANNEX 2– SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost b/f	Additions during the year	Disposals during the year	Historical Cost c/f
	(Kshs)	(Kshs)	(Kshs)	(Kshs)
Land	0	0	0	0
Buildings and structures		70,750,507		70,750,507
Transport equipment		29,565,032		29,565,032
Office equipment, furniture and fittings		12,399,956		12,399,956
Biological Assets		1,725,600		1,725,600
Other Machinery and Equipment		38,906,701		38,906,701
<b>Total</b>	<b>0</b>	<b>153,347,796</b>	<b>0</b>	<b>153,347,796</b>

**ANNEX 3– LIST OF PROJECTS IMPLEMENTED BY THE STATE DEPARTMENT OF PUBLIC SERVICE AND YOUTH**

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements(yes/no)
1	Kenya Youth Employment and Opportunities Project	To increase employment and earnings opportunities for the targeted youths.	Julius Korir, CBS	No- It is self-reporting



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**ANNEX 4 – LIST OF OUTSTANDING IMPRESTS**

s/n o	NAME OF PAYEE	Dept	Date Imprest Taken	Invoice Number	Invoice Amount	Amount surredere d	Balance
					kshs	kshs	kshs
1	NAHASHON KHAULE	NYS	24-May-19	IMP3072323/ 1	114,100.00	-	114,100.00
2	JOSEPH MAMBO	NYS	24-May-19	IMP3072334/ 1	153,600.00	-	153,600.00
3	JOHN NGANGA	NYS	24-May-19	IMP3061051/ 1	364,435.00	-	364,435.00
4	JOHN KIRUGO	NYS	24-May-19	IMP3061136/ 1	127,000.00	-	127,000.00
5	EDWARD KHWATENGE	NYS	24-May-19	IMP3061180/ 1	128,800.00	-	128,800.00
6	BRIAN ODHIAMBO	NYS	5-Apr-19	IMP3061253	192,650.00	-	192,650.00
7	FELIX ASAVA IKUMIRU	NYS	4-Mar-19	IMP3061216	91,350.00	-	91,350.00
8	JOSEPH KIPTUM	NYS	20-Feb-19	IMP3061205	135,300.00	-	135,300.00
9	TOERICK MUGAMBI	NYS	29-Jan-19	IMP3061121	530,100.00	-	530,100.00
10	ERICK ODONGO	NYS	29-Jan-19	IMP3061157	1,167,834.00	-	1,167,834.00
11	JANE MATHIU	NYS	29-Jan-19	IMP3061108	1,238,900.00	-	1,238,900.00
12	ONESMUS MUEMBEI	NYS	29-Jan-19	IMP3072441	33,550.00	-	33,550.00
13	GEORGE EVANS MOKAYA	NYS	29-Jan-19	IMP3072451	25,500.00	-	25,500.00
14	JULIUS KIMUTAI NGENO	NYS	29-Jan-19	IMP3072449	11,800.00	-	11,800.00
15	JOSEPH WAMBUGU	NYS	29-Jan-19	IMP3072446	101,790.00	-	101,790.00
16	HARRISSON RIOBA	NYS	28-Jan-19	NYS1387	399,930.00	-	399,930.00
17	HARRISSON RIOBA	NYS	28-Jan-19	NYS1388	400,000.00	-	400,000.00
18	NICHOLUS MWANGI KIAMA	NYS	7-Jan-19	IMP3072469	189,000.00	-	189,000.00
19	JOSEPH MATHUKU MULONZI	NYS	14-Dec-18	IMP3061134	299,600.00	-	299,600.00
20	GEORGE OTIENO ODHARE	NYS	11-Dec-18	IMP3072453	200,000.00	-	200,000.00
21	PETER ODHIAMBO MBUI	NYS	27-Jun-19	IMP3061337	297,900.00	-	297,900.00

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22	ROSE MUMBUA	NYS	22-Jun-19	IMP3072374	10,000.00	-	10,000.00
23	CAROLINE NGIGI	NYS	22-Jun-19	IMP3061056	220,050.00	-	220,050.00
24	JOYCE KOECH	NYS	18-Jun-19	IMP3072369	10,000.00	-	10,000.00
25	FELISTAS MBUUVA	NYS	18-Jun-19	IMP3072360	6,000.00	-	6,000.00
26	MERCY MUIRURI	NYS	18-Jun-19	IMP3072373	7,000.00	-	7,000.00
27	EVANS LUBISIA	NYS	27-May-19	IMP3061303	295,800.00	-	295,800.00
28	JAMES KAMAU	NYS	18-Jun-19	IMP3061045	75,600.00	-	75,600.00
29	AMOS MUEMA	NYS	18-Jun-19	IMP3061085	374,500.00	-	374,500.00
30	PHILIP OMONDI	NYS	18-Jun-19	IMP3072434	665,700.00	-	665,700.00
31	TOSOPHIA MORAA	NYS	18-Jun-19	IMP3072405	50,290.00	-	50,290.00
32	SALIM HIYESA	NYS	18-Jun-19	IMP3061093	77,400.00	-	77,400.00
33	PATRICK MWANGO	NYS	18-Jun-19	IMP3061052	198,160.00	-	198,160.00
34	JEREMIAH OSIRO	NYS	18-Jun-19	IMP3061096	50,000.00	-	50,000.00
35	JOYCE SANGA	NYS	18-Jun-19	IMP3072370	7,000.00	-	7,000.00
36	CHANGE OF DGS LOCKS	NYS	18-Jun-19	IMP3061034	30,000.00	-	30,000.00
37	HUSSEIN ADAN	NYS	18-Jun-19	IMP3072412	8,600.00	-	8,600.00
38	EVANS MUNYEKI	NYS	18-Jun-19	IMP3072497	57,600.00	-	57,600.00
39	COSMAS CHELIMO	NYS	17-Jun-19	IMP3064057	35,180.00	-	35,180.00
40	NICHOLAS MAKOKHA	NYS	17-Jun-19	IMP3072403	1,296,575.00	-	1,296,575.00
41	ROY KINARA	NYS	17-Jun-19	IMP3072430	128,800.00	-	128,800.00
42	JOHN MUTUA MUSEMBI	NYS	17-Jun-19	IMP3061266/	94,000.00	-	94,000.00
43	PURITY RUTERE	NYS	17-Jun-19	IMP3072476	804,900.00	-	804,900.00
44	ELIJAH OMWENGA	NYS	17-Jun-19	IMP3061094	482,200.00	-	482,200.00
45	NELSON KIAMBATI	NYS	17-Jun-19	IMP3072431	154,800.00	-	154,800.00
47	ENOCK ORINA	NYS	17-Jun-19	IMP3072427	104,000.00	-	104,000.00
48	JACKTONE OMOKE	NYS	17-Jun-19	IMP2968452	39,700.00	-	39,700.00



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49	SAMUEL KALOKI	NYS	17-Jun-19	IMP3072436	181,145.00	-	181,145.00
50	HAJI DUBHE	NYS	17-Jun-19	IMP3072424	40,800.00	-	40,800.00
51	TOPRISCILLAH ADEYO	NYS	3-Jun-19	IMP3061309	621,430.00	-	621,430.00
52	JACINTA NJAMBI	NYS	3-Jun-19	IMP3061313	1,643,400.00	-	1,643,400.00
53	FAITH NTHIGA	NYS	27-May-19	IMP3061277	1,290,470.00	-	1,290,470.00
54	ERICK CHERUIYOT	NYS	24-May-19	IMP3072311/ 1	134,600.00	-	134,600.00
55	EDNA ONGWESO	NYS	24-May-19	IMP3072310/ 1	183,950.00	-	183,950.00
56	MARGARET MURAYA	NYS	24-May-19	IMP3072322/ 1	110,200.00	-	110,200.00
57	LEAH MUHOYA	NYS	24-May-19	IMP3072301/ 1	125,310.00	-	125,310.00
58	PAUL TUREGA	NYS	24-May-19	IMP3072319/ 1	291,700.00	-	291,700.00
59	BENSON GATIMO GACHOKI	NYS	19-Mar-19	IMP3061234	320,000.00	-	320,000.00
60	HARRISSON KIOBA	NYS	19-Dec-18	NYS1293	399,813.00	-	399,813.00
61	FELISTA NDINDA KINYATI	NYS	28-Nov-18	IMP3072447	81,600.00	-	81,600.00
62	DAVID KUGA	NYS	29-Nov-18	IMP3061118	178,500.00	-	178,500.00
63	JOSEPH MAGU	NYS	7-Dec-18	IMP30772439	879,200.00	-	879,200.00
64	ONESMUS OLENACHURU	NYS	7-Dec-18	IMP3072437	57,800.00	-	57,800.00
65	TOONESMUS OLENACHURU	NYS	17-May-19	IMP3061287	51,500.00	-	51,500.00
66	JAMES KIPSIELE TEMBUR	NYS	29-Nov-18	NYS1073	10,500.00	-	10,500.00
67	SIMON NDUNGU KANYING	SDY	17-Dec-18	STD000017	22,500.00	-	22,500.00
68	SIMON NDUNGU KANYINGI	SDY	26-Jun-19	IMP3724333	965,700.00	-	965,700.00
69	MARGARET WAMBUI KARANJA	SDY	14-Feb-19	IMP3456812	14,900.00	-	14,900.00
70	RONALD ENDIRE BULIMU	SDY	8-Jan-19	IMP3456504	59,200.00	-	59,200.00
71	WILLIAM HUNGI KARANJA	SDY	29-Nov-18	IMP3359844/ 1	23,800.00	-	23,800.00
72	DENNIS KARUIKI KIMANI	SDY	26-Jun-19	IMP3724331	70,000.00	-	70,000.00
	<b>GRAND TOTAL</b>				<b>19,245,012.00</b>		<b>19,245,012.00</b>

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**ANNEX 5 – DISTRICT SUSPENSE**

S/no	Description	Amount
1	Yatta Field Unit	1,892,477.00
2	Witu Field Unit	1,606,795.00
	<b>TOTAL</b>	<b>3,499,272</b>

**ANNEX 6 – SOCIAL SECURITY BENEFITS BREAKDOWN**

S/No.	Line Description	PAYEE	AMOUNT Ksh.
1	PAYMENT OF SERVICE GRATUITY TO JANE KIURU FOR SERVICES RENDERED DURING 14TH-05-2017 TO 13-05-2018.	JANE KIURU	125,878.90
2	BEING PAYMENT FOR SERVICE GRATUITY JOHN KUNGU WAINAINA .	JOHN KUNGU WAINAINA	126,334.90
3	BEING PAYMENT FOR PAYE ON SERVICE GRATUITY JOHN KUNGU WAINAINA .	KRA	37,475.50
4	PAYMENT OF GRATUITY TO JOHN KUNG'U FOR THE PERIOD 24TH FEB 2018 TO 23RD FEB 2019.	JOHN KUNG'U	151,321.00
5	PAYMENT OF PAYE FOR GRATUITY TO JOHN KUNG'U FOR THE PERIOD 24TH FEB 2018 TO 23RD FEB 2019.	KRA	55,728.00
6	PAYMENT FOR SERVICE GRATUITY TO SAM MUCHUKI FOR THE PERIOD 4-JUL-2017 TO 14-APR-2018.	SAM MUCHUKI	744,645.00
7	PAYMENT OF PAYE FOR SERVICE GRATUITY TO SAM MUCHUKI FOR THE PERIOD 4-JUL-2017 TO 14-APR-2018.	KRA	312,126.00
	<b>TOTAL</b>		<b>1,623,459.30</b>



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**ANNEX 7 – TRANSFERS TO SAGAs AND SCs**

<b>Description</b>	<b>Recurrent</b>	<b>Development</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Transfers to SAGAs and SCs</b>			
Youth Enterprise Development Fund	212,786,824	284,005,000	496,791,824
National Youth Council	32,400,000		32,400,000
ICGLR	10,976,532.00		10,976,532
Presidential Award	14,600,000.00		14,600,000
<b>Transfers to Projects-GoK counterpart funding</b>			-
National Agricultural And Rural Inclusive Growth Project			-
<b>TOTAL</b>	<b>270,763,356</b>	<b>284,005,000</b>	<b>554,768,356</b>

**STATE DEPARTMENT FOR YOUTH  
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**ANNEX 8 – IFMIS GENERATED REPORTS**

The following financial Reports Generated from IFMIS have been attached as appendices to these financial statements.

- i. GOK IFMIS Comparison Trial Balance
- ii. FO30 (Bank reconciliations) for all bank accounts
- iii. GOK IFMIS Receipts and Payments Statement
- iv. GOK IFMIS Statement of Financial Position
- v. GOK IFMIS Statement of Cash Flows
- vi. GOK IFMIS Notes to the Financial Statements
- vii. GOK IFMIS Statement of Budget Execution
- viii. GOK IFMIS Statement of Deposits
- ix. GOK IFMIS Budget Execution by Programme and Economic Classification
- x. GOK IFMIS Budget Execution by Heads and Programmes