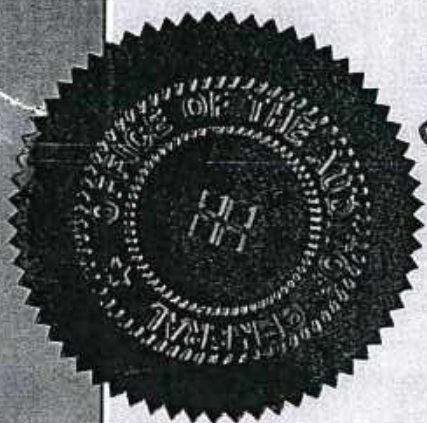




REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



 THE NATIONAL ASSEMBLY PAPERS LAID REPORT DATE: 13 OCT 2020 DAY: TUESDAY	
TABLED BY:	LEADER OF THE MAJORITY PARTY
CLERK-AT-THE-TABLE:	OF. K. TIAMPATI 

THE AUDITOR-GENERAL

ON

MINISTRY OF FOREIGN AFFAIRS

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



MINISTRY OF FOREIGN AFFAIRS
SENIOR ASSISTANT ACCOUNTANT GENERAL

MEMO

TO : PRINCIPAL SECRETARY
FROM : DEPUTY ACCOUNTANT GENERAL
REF : MFA/FIN.2/4 VOL. IX (8)
DATE : 11th MARCH 2020
SUBJECT : REVISED ANNUAL REPORTS AND FINANCIAL
STATEMENTS FOR THE PERIOD ENDING 30th JUNE 2019

Forwarded for your signature, please find the Revised Final Reports and Financial Statements for the period ending 30th June, 2019 and a letter forwarding the same to the Office of the Auditor General.

Vincent L. Kirwa

DEPUTY ACCOUNTANT GENERAL

Encl..

See
11/03/2020

Telephone: +254-20-318888
Fax: +254-20-2240066/341935/344333
Email: communication@mfa.go.ke
Website: www.mfa.go.ke
When replying please quote Ref. No. and date



HARAMBEE AVENUE
P.O.Box 30551-00100
NAIROBI, KENYA

MINISTRY OF FOREIGN AFFAIRS

Ref. No. MFA/FIN.2/4 Vol. IX (9)

11th March, 2020

Auditor – General
Anniversary Towers
P.O Box 30084-0010
NAIROBI

Dear *AG,*

**RE: REVISED FINAL REPORTS AND FINANCIAL STATEMENTS FOR THE
PERIOD ENDING 30TH JUNE 2019**

Forwarded herewith please find the above Final Financial Statements from this Ministry.

Yours, *[Signature]*

[Signature]
Amb. Macharia Kamau, CBS
PRINCIPAL SECRETARY

Encls.

Copy to: Dr. Margaret Nyakang'o
Office of the Controller of Budget
The National Treasury
NAIROBI



**NATIONAL GOVERNMENT ENTITY
MINISTRY OF FOREIGN AFFAIRS**

REPORTS AND FINANCIAL STATEMENTS

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

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

REVISED FINAL REPORT

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

	Page
Table of Contents	
REVISED FINAL REPORT	i
I. KEY ENTITY INFORMATION AND MANAGEMENT	1
MINISTRY OF FOREIGN AFFAIRS ORGANIZATIONAL STRUCTURE	4
HON. ABABU NAMWAMBA, EGH CHIEF ADMINISTRATIVE SECRETARY, MINISTRY OF FOREIGN AFFAIRS	6
I. FOREWORD BY THE CABINET SECRETARY	9
II. REPORT OF THE INDEPENDENT AUDITORS ON THE MINISTRY OF FOREIGN AFFAIRS	12
III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES	13
IV. STATEMENT OF RECEIPTS AND PAYMENTS	14
V. STATEMENT OF ASSETS AND LIABILITIES	15
VI. STATEMENT OF CASH FLOWS	16
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	17
VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT	19
IX. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT	19
X. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES	20
XI. SIGNIFICANT ACCOUNTING POLICIES	22
XII. NOTES TO THE FINANCIAL STATEMENTS	27
15. OTHER IMPORTANT DISCLOSURES	32

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Ministry of Foreign Affairs was formed in May, 2016 vide Executive order No.1/2016. At cabinet level, the Ministry of Foreign Affairs is represented by the Cabinet Secretary, who is responsible for the general policy and strategic direction of the Ministry of Foreign Affairs.

The mandate of the Ministry of Foreign Affairs is to pursue Kenya's Foreign policy in accordance with the Constitution of Kenya, with overarching objectives of protecting and promoting the nation's interest abroad.

Vision

A peaceful, prosperous and globally competitive Kenya.

Mission

To project, promote and protect Kenya's interests and image globally through innovative diplomacy, and contribute towards a just, peaceful and equitable world.

Core Values

Customer focus: We shall treat our customers with courtesy, respect and promptness.

Patriotism: Our staff shall exercise loyalty and uphold allegiance to the Republic of Kenya at all times.

Team spirit: We shall promote teamwork to enhance service delivery. The Ministry will further inculcate a sense of shared and collective responsibility for the execution of the Ministry's mandate.

Professionalism: Our members of staff shall exercise high level of professional competence and confidentiality in all their work.

Ethics and Integrity: We will embrace transparency and accountability in all operations of the Ministry.

Equity and fairness: We shall promote justice, impartiality and diversity in all our dealings

(b) Key Management

The Ministry of Foreign Affairs day-to-day management is under the following key organs:

- Principal Secretary;
- Political and Diplomatic Secretary;
- Secretary, Administration;
- Directors and;
- Heads of Departments

(c) Fiduciary Management

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

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

NO	DESIGNATION	NAME
1	Cabinet Secretary	Amb. Monica K. Juma DPHIL, CBS
2	Principal Secretary	Amb. Macharia Kamau, CBS
3	Political and Diplomatic Secretary	Amb. Tom Amolo. MBS
4	Secretary, Administration	Mr. Arthur Osiya
5	Chief Of Protocol	Amb. Tabu Irina
6	Director, Foreign Service Academy	Amb. Galma Boru
7	Director, Africa & AU	Amb. John Tipis
8	Director, Asia, Australasia & Pacific Islands	Mr. Kiptness Lindsay
9	Director, Conference & Events	Amb. Ben H. Ogutu
10	Director, Europe & Common Wealth	Amb. Simon Nabukwesi
11	Director, Middle East	Amb. Arthur Andambi
12	Director, Liaison, Parliamentary & County	Amb. Gathogo W. Chege
13	Director, UN and Multilateral	Amb. Salim Salim
14	Director, Americas	Ms. Immaculate Wambua
15	Director, Economic & Commercial Diplomacy	Amb. Weru Johnson
16	Director, Office Of The Great Lakes Region	Amb. Mohammed A. Mahat, MBS
17	Director, East African Community	Amb. Nyambura Kamau
18	Director, Peace And Security	Mr. John M. Kilonzi
19	Director, Diaspora & Consular Affairs	Amb. Oyugi Michael
20	Head, Legal Affairs And Host Country	Ms. Stella Munyi
21	Head, Finance	Mr. James Aloyo
22	Head, Asset Management	Dr. Margaret Gachuru
23	Head, Public Affairs & Communication	Mr. Mwangangi Munyasias
24	Head, Human Resource Management & Development	Dr. Nzavi Lilian
25	Head, Accounts	Mr. Vincent L. Kirwa
26	Head, Central Planning & Project Monitoring	Ms. Christine Nzumbu
27	Head, Foreign Dispatch Unit	Ms. Caroline Muruga
28	Head, Welfare	Mrs. Josephine Mwangi
29	Head, Telephone Service	Mr. Douglas Kiura
30	Head, Supply Chain Management	Mr. Zedekiah Ogendi
31	Head, ICT	Ms. Angela Lung'aho
32	Head, Cultural Diplomacy	Amb. Ann Wanjohi

(d) Fiduciary Oversight Arrangements

The key fiduciary oversight arrangements for the Ministry of Foreign Affairs are the following:

- Defence and Foreign relations committee
- Audit and finance committee activities
- Parliamentary committee activities
- Development partner oversight
- Other oversight activities

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

(e) Entity Headquarters

P.O. Box 30551 - 00100
Old Treasury Building
Harambee Avenue
Nairobi, KENYA

Entity Contacts

P.O. Box 30551 - 00100
Old Treasury Building
Harambee Avenue
Nairobi, KENYA

(f) Entity Bankers

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

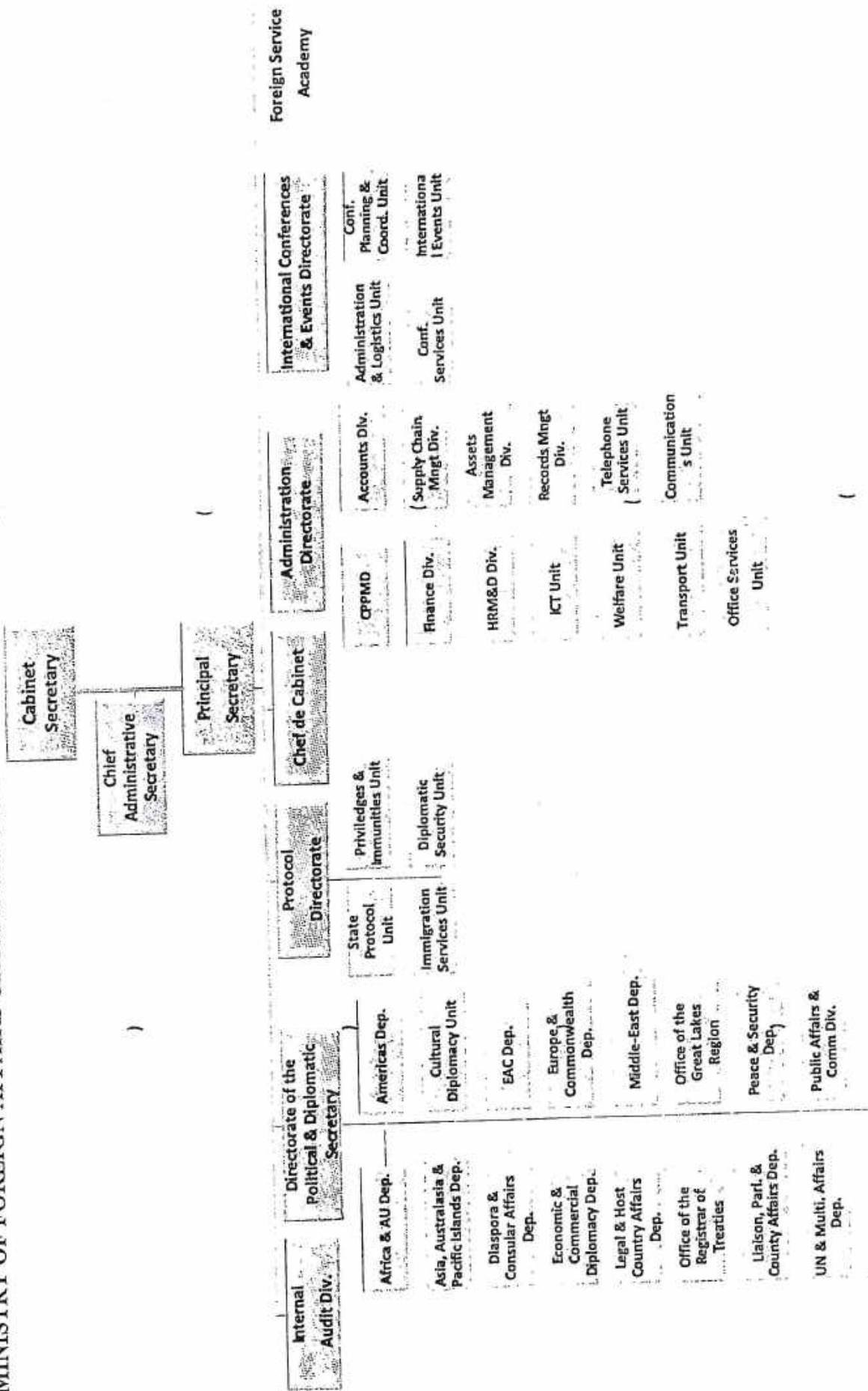
(g) Independent Auditors

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

(h) Principal Legal Adviser

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

MINISTRY OF FOREIGN AFFAIRS ORGANIZATIONAL STRUCTURE



HEADS OF MISSION

AMB. MONICA JUMA, DPHIL, CBS CABINET SECRETARY, MINISTRY OF FOREIGN AFFAIRS



Amb Monica Juma, Dphil, CBS was appointed Cabinet Secreatry, Ministry of Foreign Affairs on 26th January 2018. Prior to this, she served as Principal Secretary, in the same Ministry from January 2016 following a reshuffle of Cabinet Secretaries by H.E. the President. Amb Juma holds a Doctor of Philosophy from the University of Oxford, Master of Arts (MA) and Bachelor of Arts (BA) from the University of Nairobi, and Certificate in Refugees Studies from Oxford. She is also a Senior Research Fellow at the Department of Political Science, University of Pretoria (South Africa); and an Adjunct faculty member at the African Centre for Strategic Studies of the National Defence University, Washington D.C.

She previously served as the Principal Secretary at the Ministry of Interior and Coordination of National Government and as Principal Secretary in the Ministry of Defence. Dr. Juma served as Ambassador to the Federal Democratic Republic of Ethiopia, the Republic of Djibouti and Permanent Representative of Kenya to the African Union, Inter-Governmental Authority on Development (IGAD) and United Nations Economic Commission for Africa (UNECA), based out of Addis Ababa.

HON. ABABU NAMWAMBA, EGH CHIEF ADMINISTRATIVE SECRETARY, MINISTRY OF FOREIGN AFFAIRS



Hon. Ababu Namwamba, EGH, has served as the Chief Administrative Secretary (CAS), Ministry of Foreign Affairs since January 2018. He holds a Master of Laws (LLM) Degree from American University, Washington College of Law, Washington D.C. He also has a Diploma in Legal Practice, Kenya School of Law, and a Bachelor of Laws (LLB) Degree from the University of Nairobi.

He previously served as a Member of Parliament (MP) for Budalangi Constituency in the 10th and 11th Parliament. During the two terms in Parliament he chaired the Justice and Legal Affairs Committee, the Public Accounts Committee (PAC) and served as the vice chair of the Parliamentary Select Committee on Constitutional Review. Hon. Namwamba also served as Minister for Sports and Youth Affairs of the Republic of Kenya.

AMB. MACHARIA KAMAU, PRINCIPAL SECRETARY, MINISTRY OF FOREIGN
AFFAIRS OF THE REPUBLIC OF KENYA



Amb. Macharia Kamau, CBS, was appointed as the Principal Secretary in the Ministry of Foreign Affairs in February 2018. He is a career diplomat with rich experience. Before the appointment, he had served as Kenya's Permanent Representative to the United Nations in New York since 2010.

As Kenya's Permanent Representative to the United Nations, Amb. Kamau was instrumental in developing the Sustainable Development Goals and the 2030 Agenda for Sustainable Development as Co-Chair and Co-Facilitator respectively. He also served as Chair of the Peace Building Commission, President of the UNICEF Board, President of the Conference of State Parties to the Convention on the Rights of Persons with Disabilities and President of the United Nations Forest Forum, among other responsibilities.

Prior to that, he served as Kenya's Permanent Representative to Kenya Mission to the United Nations Office in Nairobi, the United Nations Environment Programme and United Nations HABITAT.

Ambassador Kamau has a cross section of expertise and skills built in excess of 36 Years in areas dealing with Political, Development and Policy Work, Strategic Planning, Negotiation and UN Reform.

He has served at middle and senior levels across a number of the UN agencies including UNDP, UNICEF, GF and UN Transition Assistance Group, all undertaken across several regions in Africa, Europe, Latin America and the Caribbean as well as North America.

He served for 16 Years in Senior Country Leadership and Management at UNDP and UNICEF; 7 Years as the United Nations Resident Coordinator and UNDP Representative (Botswana and Rwanda); 6 Years as the United Nations Children Fund Representative (Eastern Caribbean and South Africa); 3 Years as the Chief, UN and External Relations, Office of Executive Director, UNICEF HQ, New York among others.

He has also demonstrated exemplary leadership in global negotiations and has been credited with the super consensus building during his co-chairing and co-facilitator of the negotiations that concluded the Sustainable Development Goals as well as co-chairing the Ad Hoc Group on Forest Financing. He also chaired the UN Peace building Commission and served as a member of the Senior Advisory Group to the UN Secretary-General on UN Troop Contributing Countries. Amb. Kamau also served

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

as Special Envoy of the President of the General Assembly on Climate Change and UN Secretary General on El Niño and Climate.

Amb. Macharia Kamau was also an International Consultant to the Bill and Melinda Gates Foundation and the United Nations AIDS. He is the recipient of several awards and medals including the Elizabeth Haub Award, Gold Medal, for Environmental Diplomacy in 2014, and Moran of the Burning Spear by the President of the Republic of Kenya in 2012.

He holds an undergraduate degree in History and Economics from College of Wooster and Masters Degree in Social Policy and Planning from Harvard University.

Amb. Macharia Kamau has authored several articles and is the co-author a book titled: Transforming Multilateral Diplomacy: the inside story of the Sustainable Development Goals.

I. FOREWORD BY THE CABINET SECRETARY

I am delighted to once again present the Ministry's report and financial statements for the financial year ending 30th June 2019. In this year, the Ministry was allocated Kshs 14.61bn for recurrent and Kshs 1.93bn for development expenditure. These were adjusted during the revised budget to Kshs 16.12bn and Kshs 2.23bn for recurrent and development respectively. Subsequently, the Ministry utilized Kshs 15.09bn for recurrent and Kshs 1.91bn for development translating to an absorption rate of 97% and 99% for recurrent and development respectively. The overall being 98% up from 89.5% recorded the financial year 2017/2018.

The financial statements provide an in-depth analysis on how the funds allocated for the Ministry were appropriated to deliver its mandate and strategic objectives as outlined in the Executive Order No. 1 of June 2018 and the Strategic Plan. I satisfactorily note that the Ministry recorded an exemplary performance during 2018/19 financial year as per the following highlights of the key achievements:

Kenya's Foreign Policy is primarily centred on Pan Africanism and as such, we continued to champion regional and continental integration in 2018/19 financial year. The promotion of regional economic integration was dominantly through follow up on implementation of the existing bilateral frameworks such as: Kenya-Namibia cooperation in the exploitation of the Blue Economy; Kenya-Ethiopia Special Status Agreement; etc. Further, H.E. the President's leadership and campaign on continental integration remained steadfast with the African Continental Free Trade Area (AFCFTA) coming into force during the period under review after ratification by the required 22 countries. Kenya's role as a regional, continental and global leader was also re-affirmed last financial year when H.E. the President held engagements with three (3) world leaders and permanent members of the United Nations Security Council, namely; USA, United Kingdom and China. In the furtherance of economic diplomacy, the Ministry organized various business forums on the sidelines of both inward and outward state visits held to market the trade and investment opportunities especially within the Big Four Agenda sectors. Kenya also participated in the 38th Extra Ordinary East African Community Council of Ministers, 20th Ordinary Summit of the EAC Heads of State as well as EAC-COMESA-SADC TFTA.

Global and regional peace and security remains a key pillar of our Foreign Policy. The Horn of Africa region, especially Somalia has historically become as area of security concern. During the period under review, Kenya continued to pay particular interest in fight against terrorism, a vice that is rampant in the region. We continued to work closely with AMISOM Troop contributing countries, the AU, IGAD, the EU as well as the UN. In an endeavour to advance various facets of regional and global peace and security, Kenya also held bilateral meetings with Eritrea and Ethiopia (further supporting the rapprochement within the context of IGAD) as well as Somalia. Further, Kenya is keen to share her experience and also contribute to global peace and security. In this regard, the Country commenced preparations for the official launch of the candidature for a non-permanent seat of the UN Security Council for the period 2021-2022 at the election to be held in June 2020 in New York.

In the advancement of multilateral ties and enhancing the status of Nairobi as the only United Nations headquarters in the global South, Kenya hosted the 4th Session of the United Nations Environmental Assembly (UNEA IV) as well as the 1st United Nations Habitat Assembly. On the

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

same spirit of promoting Nairobi as an economic and diplomatic hub, Kenya was proud to host the first global conference on the sustainable blue economy in November 2018. Kenya also successfully hosted the One Planet Summit in March 2019.

In recognition of the Kenyan Diaspora's key role in national development, the Ministry continued to strengthen its engagement with Kenyans in the diaspora through diaspora investment conferences, meetings as well as enhanced the provision of consular services. Through Diaspora conferences and other structured engagements, diaspora remittance inflows to Kenya have been on an upward trend, with Ksh.174.7 billion and Ksh. 269.8 billion worth of remittances recorded in 2017 and 2018 respectively. In an endeavour to protect Kenyans seeking employment in the Middle East Region, Bilateral Labour Agreement (BLA) with the Kingdom of Saudi Arabia signed in 2017 was operationalized within the period under review.

On management of international treaties and in accordance with Article 132 (1)(iii) of the Constitution of Kenya, the Ministry prepared and published the 6th Annual President's Report on the progress made in fulfilling the international obligations of the Republic. The report is usually submitted by H.E. the President to the National Assembly for debate. Further, the Ministry prepared and published the 3rd Cabinet Secretary Report on Treaties ratified by Kenya during 2018/19 financial year pursuant to Section 15(1) of the Treaty Making and Ratification Action. The Cabinet Secretary Report was submitted for debate to the National Assembly in June 2019.

To promote and protect Kenya's cultural heritage, Kenya and Ethiopia held Joint Technical Experts Panel Meeting (JTEP) to cultivate synergy and a common approach amongst Kenya Government Stakeholders on the state of conservation of Lake Turkana World Heritage site. The meeting was in preparation of the 43rd session of the World Heritage Committee that was held in Baku, Azerbaijan from 30th June- 10th July 2019. The Ministry also facilitated participation of four Kenyan cultural troupes in cultural events held in Spain, India and Egypt and participated in the Regional Ministerial Conference on the Protection of Underwater Cultural Heritage for Sustainable development in East Africa and adjacent Indian Ocean Islands in Malindi.

In projecting Kenya's image and prestige abroad, the Ministry has acquired various properties with the most recent one being the acquisition of a chancery in Geneva. During the period under review, construction of a chancery and staff houses in Mogadishu, Somalia and construction of new Ambassador's Residence and four staff houses in Pretoria, South Africa was also completed. Additionally, the Ministry continued to undertake comprehensive modernization of various government owned properties that include chanceries, staff houses and Ambassadors' residences. Currently, the portfolio of Government owned properties abroad comprise 23 chanceries, 21 Ambassador's residences and 57 staff houses.

To enhance engagement with our stakeholders, the Ministry institutionalized the Cabinet Secretary quarterly briefings for Diplomatic Corps and media. The briefings are aimed at informing the public and members of the Diplomatic Corps on the direction of Kenya's foreign Policy and outcomes of our diplomatic engagements. The Ministry facilitated the Diplomatic Corps and foreign governments' engagements with County Governments and participated in the 6th Annual Devolution Conference.

To enhance good governance, transparency and accountability in the management of financial resources, the Ministry strengthened business process by introducing controls and close

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

supervision in alignment to the Public Finance Management Act. We have also strengthened our internal audit function through establishment of the Ministerial Audit Taskforce as well as Risk Management Committee. The Taskforce has, since its establishment, facilitated timely preparation and submission of the statutory reports to the Office of the Controller of Budget and Auditor General, The National Treasury and the Public Accounts Committee of the National Assembly and timely response to any arising audit issues. On the other hand, the Risk Management Committee developed a ministerial risk register which is a management tool critical in helping the Ministry position itself better towards achieving its Mission statement of projecting, promoting and protecting Kenya's interests and image globally.

The main challenges that hampered effective execution of the Ministry's mandate include: human resource gaps; inadequate budgetary allocation; lack of exchequer; poor connectivity between the headquarters and Missions abroad making financial monitoring and reporting a challenge since Missions are not networked with the Ministry Headquarters and foreign exchange losses resulting from currency fluctuations.

The period under review was instrumental in improving Kenya's global image and diplomatic engagements. The excellent performance was achieved through the leadership of H.E. the President and the great support and teamwork from my colleagues in the Ministry. Together, we will continue to constantly engage in the process of protecting and pursuing our national interests.

AMB. MONICA JUMA, DPHIL, CBS
CABINET SECRETARY

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.

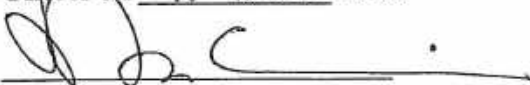
The Accounting Officer in charge of the Ministry of Foreign Affairs is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. 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 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 Ministry of Foreign Affairs 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 Ministry of Foreign Affairs' 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 Ministry of Foreign Affairs further confirms the completeness of the accounting records maintained for the Ministry of Foreign Affairs, 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 Ministry of Foreign Affairs 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 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 Ministry of Foreign Affairs' financial statements were approved and signed by the Accounting Officer on 11th March 2020.


Principal Secretary
Amb. Macharia Kamau, CBS


Deputy Accountant General
Mr. Vincent L. Kirwa
ICPAK Member Number: 10999

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MINISTRY OF FOREIGN AFFAIRS FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the Ministry of Foreign Affairs set out on pages 14 to 32, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and summary statements of appropriation - recurrent, development and 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 Ministry of Foreign Affairs 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 the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Long Outstanding Imprests

The statement of assets and liabilities as at 30 June, 2019 reflects a balance of Kshs.4,800,429 under accounts receivables – outstanding imprests. Examination of records held at Kenya Missions in Stockholm and Berlin revealed long outstanding imprests amounting to Kshs.2,956,653. Some of the imprests have been outstanding for 30 years and thus making their recoverability doubtful as summarized below:

Mission	Period of Issue	Foreign Currency	Equivalent in Kshs.
Stockholm	2016 - 2017	SEK 211,704.48	2,286,408
Berlin	1989 - 1997	Euros.10,340.94	670,245
Total			2,956,653

In the circumstances, the recoverability of imprests totalling Kshs.2,956,653 included in the accounts receivables – outstanding imprests balance of Kshs.4,800,429 could not be confirmed.

2. Unapproved Expenditure and Irregular Prior Year Adjustment

As previously reported, the Ministry of Foreign Affairs expenditure estimates (Supplementary II) for 2017/2018 reflected a development budget of Kshs.207,786,113 for the Kenya High Commission in Pretoria in respect of construction of the High Commissioner's residence and staff houses. A review of expenditure records revealed that payments amounting to Kshs.439,635,853.55 were made to the contractor for the construction works in the 2017/2018 financial year, leading to unapproved expenditure of Kshs.231,849,740.55 over and above the approved budgeted limit of Kshs.207,786,113.

To accommodate part of the expenditure that was not budgeted for in 2017/2018 financial year, Management irregularly made a prior year adjustment of Kshs.221,020,794 as disclosed in Note 15 to the financial statements. This prior year adjustment was contrary to International Public Sector Accounting Standard, Financial Reporting under the Cash Basis of Accounting, paragraph 1.5.3. The errors envisaged by the Standard for prior year adjustment may occur as a result of mathematical mistakes, misinterpretation of facts, mistakes in applying accounting policies or oversights. However, in the foregoing case, no error had occurred in the previous financial year to warrant a prior year adjustment in the financial statements for the year ended 30 June, 2018. In the circumstances, the Ministry did not comply with the Standards.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ministry of Foreign Affairs 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 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 audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I

confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Irregular Variation of Contract

The statement of receipts and payments for the year ended 30 June, 2019 reflects an expenditure of Kshs.1,618,676,563 in respect of acquisition of assets and which as disclosed in Note 9 to the financial statements includes an amount of Kshs.504,687,138 relating to refurbishment of buildings.

During the financial year 2018/2019, the Ministry contracted a firm to renovate offices at the Ministry's Headquarters at a contract price of Kshs.14,925,045. However, the contract price was varied to Kshs.18,141,407 representing an increase of Kshs.3,216,362 or 21.5 % of the contract price. The increase went beyond the allowed 15% and was made before the end of twelve months after signing the contract contrary to the requirements under Section 139 (3) and (4) of the Public Procurement and Asset Disposal Act, 2015.

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 all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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 processes and systems of internal control, risk management and 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 governance.

In preparing the financial statements, Management is responsible for assessing the Ministry's ability 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 Ministry or to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements 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 entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6)

of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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 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 Ministry's ability 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 Ministry to cease sustaining 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 Ministry 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

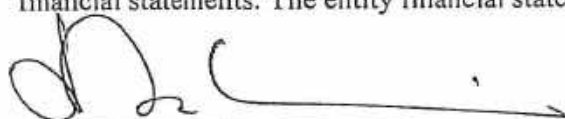
29 September, 2020

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

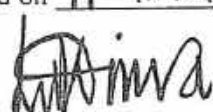
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019	2017-2018
		Kshs	Kshs
RECEIPTS			
Tax Receipts	1	27,808,256	30,859,548
Exchequer releases	2	15,829,946,907	12,817,556,146
Other Receipts	3	515,044,113	528,961,336
TOTAL RECEIPTS		16,372,799,276	13,377,377,030
PAYMENTS			
Compensation of Employees	4	7,111,430,570	6,183,389,872
Use of goods and services	5	6,730,050,612	5,182,308,563
Transfers to Other Government Units	6	230,212,301	122,503,137
Other grants and transfers	7	502,275,149	1,004,819,391
Social Security Benefits	8	10,668,619	16,001,348
Acquisition of Assets	9	1,618,676,563	484,865,571
TOTAL PAYMENTS		16,203,313,813	12,993,887,882
SURPLUS/(DEFICIT)		169,485,462	383,489,149

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 11th March 2020 and signed by:



Principal Secretary
Amb. Macharia Kamau, CBS

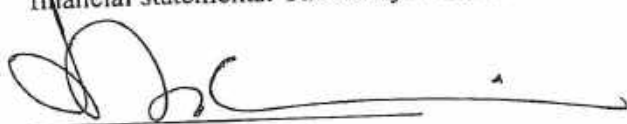


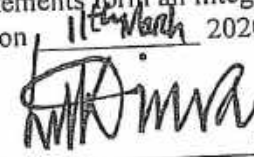
Deputy Accountant General
Mr. Vincent L. Kirwa
ICPAK Member Number: 10999

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019 Kshs	2017-2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10A	2,570,708,636	2,351,302,406
Cash Balances	10B	849,160	5,097,050
Total Cash and cash equivalent		2,571,557,796	2,356,399,456
Accounts receivables – Outstanding Imprests	11	4,800,429	322,544
		—	—
TOTAL FINANCIAL ASSETS		2,576,358,225	2,356,722,000
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	12	190,695,095	140,544,333
NET FINANCIAL ASSETS		2,385,663,130	2,216,177,667
REPRESENTED BY			
Fund balance b/fwd	13	2,216,177,667	2,053,709,312
Prior year adjustment	14	—	(221,020,794)
Surplus/Deficit for the year		169,485,462	383,489,149
NET FINANCIAL POSSITION		2,385,663,129	2,216,177,667

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 11th March 2020 and signed by:


 Principal Secretary
 Amb. Macharia Kamau, CBS

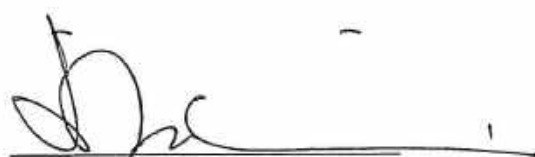

 Deputy Accountant General
 Mr. Vincent L. Kirwa
 ICPAK Member Number: 10999

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

VI. STATEMENT OF CASH FLOWS

		2018-2019	2017-2018
		Kshs	Kshs
Receipts for operating income			
Tax Revenues	1	27,808,256	30,859,548
Exchequer Releases	2	15,829,946,907	12,817,556,146
Other Revenues	3	515,044,113	528,961,336
Payments for operating expenses		16,372,799,276	13,377,377,030
Compensation of Employees	4	7,111,430,570	6,183,389,872
Use of goods and services	5	6,730,050,612	5,182,308,563
Transfers to Other Government Units	6	230,212,301	122,503,137
Other grants and transfers	7	502,275,149	1,004,819,391
Social Security Benefits	8	10,668,619	16,001,348
Adjusted for:			
Changes in Receivables		(4,477,885)	(139,102)
Changes in Payables		50,150,762	73,338,782
Adjustments during the year	14	-	(221,020,794)
Net cash flow from operating activities		1,833,834,902	720,533,605
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	9	(1,618,676,563)	(484,865,571)
Net cash flows from Investing Activities		(1,618,676,563)	(484,865,571)
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		215,158,339	235,668,034
Cash and cash equivalent at BEGINNING of the year	10A	2,356,399,456	2,120,731,421
Cash and cash equivalent at END of the year	10A	2,571,557,795	2,356,399,456

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 11th March 2020 and signed by:



Principal Secretary
Amb. Macharia Kamau, CBS



Deputy Accountant General
Mr. Vincent L. Kirwa
ICPAK Member Number: 10999

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

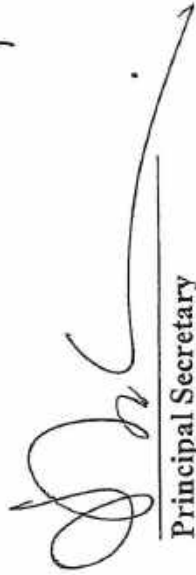
Receipt/Expense Item	Original Budget	Adjustments	Revised Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
RECEIPTS						
Tax Receipts - A.I.A.	21,177,000	21,869,000	43,046,000	27,808,256	15,237,744	65
Exchequer releases	9,821,311,863	8,284,014,735	18,105,326,598	15,829,946,907	2,275,379,691	87
Proceeds from Sale of Assets - A.I.A.	0	3,408,000	3,408,000	0	3,408,000	0
Other Receipts - A.I.A.	255,610,451	282,526,489	538,136,939	515,044,113	23,092,826	96
TOTAL RECEIPTS	10,098,099,314	8,591,818,224	18,689,917,537	16,372,799,276	2,317,118,261	88
PAYMENTS						
Compensation of Employees	3,630,235,000	4,030,235,000	7,660,470,000	7,111,430,570	549,039,431	93
Use of goods and services	4,022,322,020	3,700,634,791	7,722,956,810	6,730,050,612	992,906,198	87
Transfers to Other Government Units	255,160,889	55,160,889	310,321,778	230,212,301	80,109,477	74
Other grants and transfers	347,405,480	363,305,480	710,710,960	502,275,149	208,435,811	71
Social Security Benefits	5,334,853	5,334,853	10,669,705	10,668,619	1,086	100
Acquisition of Assets	1,837,641,073	106,820,511	1,944,461,583	1,618,676,563	325,785,020	83
TOTAL PAYMENTS	10,098,099,314	8,261,491,523	18,359,590,836	16,203,313,813	2,156,277,023	88
Surplus/ Deficit		330,326,701	330,326,701	169,485,462	160,841,239	

Notes

- I) Tax Receipts - A.I.A:- These are majorly VAT refunds by host government in Kenya Missions Abroad. Due to shift of policy to have officers accommodated in furnished apartments, there has been a reduction of high value purchases hence the realization of only 65% absorption rate.
- II) Exchequer Releases: - The 87% absorption rate realized by the Ministry is due to budget cuts in the supplementary estimates that negatively affected usage of vital items of the budget. Equally, the Ministry did not receive the entire allocation. However, the Ministry recorded an increase from 79% realized in the previous financial year.

III) Payments:- The rate of 88% realized by the Ministry was occasioned by the delayed execution of deployment of officers posted to the Missions abroad whose funds had been already set aside for their settlement. Also, various reasons regarding non-payment of merchants at the end of the period (as annexed in the pending bills report) contributed to the underutilization posted.

The entity financial statements were approved on 11th March 2020 and signed by:


Principal Secretary

Amb. Macharia Kamau, CBS



Deputy Accountant General
Mr. Vincent L. Kirwa
ICPAK Member Number: 10999

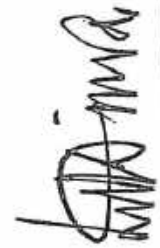
VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
					e-c-d	f-d/c%
RECEIPTS						
Tax Receipts - A.I.A	21,177,000	21,869,000	43,046,000	27,808,256	15,237,744	65
Exchequer releases	7,883,571,863	7,984,014,735	15,867,586,598	14,023,876,907	1,843,709,691	88
Proceeds from Sale of Assets - A.I.A	0	3,408,000	3,408,000	0	3,408,000	0
Other Receipts - A.I.A	255,610,451	282,526,489	538,136,939	515,044,113	23,092,826	96
TOTAL RECEIPTS	8,160,359,314	8,291,818,224	16,452,177,537	14,566,729,276	1,885,448,261	89
PAYMENTS						
Compensation of Employees	3,630,235,000	4,030,235,000	7,660,470,000	7,105,348,526	555,121,474	93
Use of goods and services	4,022,322,020	3,350,634,791	7,372,956,810	6,098,039,108	1,274,917,702	83
Transfers to Other Government Units	55,160,889	55,160,889	110,321,778	104,198,758	6,123,020	94
Other grants and transfers	347,405,480	363,305,480	710,710,960	502,275,149	208,435,811	71
Social Security Benefits	5,334,853	5,334,853	10,669,705	10,668,619	1,086	100
Acquisition of Assets	99,901,073	156,820,511	256,721,583	135,065,895	121,655,688	53
TOTAL PAYMENTS	8,160,359,314	7,961,491,523	16,121,850,836	13,955,596,056	2,166,254,780	87
Surplus/ Deficit		330,326,701	330,326,701	611,133,220	(280,806,519)	

The entity financial statements were approved on 11th March 2020 and signed by:



Principal Secretary
 Amb. Macharia Kamau, CBS



Deputy Accountant General
 Mr. Vincent L. Kirwa
 ICPAK Member Number: 10999

IX. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
RECEIPTS						
Exchequer releases	1,937,740,000	300,000,000	2,237,740,000	1,806,070,000	431,670,000	81
TOTAL RECEIPTS	1,937,740,000	300,000,000	2,237,740,000	1,806,070,000	431,670,000	81
PAYMENTS						
Use of goods and services	0	350,000,000	350,000,000	304,576,000	45,424,000	87
Transfers to Other Government Units	200,000,000	0	200,000,000	126,013,544	73,986,456	63
Acquisition of Assets	1,737,740,000	(50,000,000)	1,687,740,000	1,483,610,667	204,129,333	88
TOTAL PAYMENTS	1,937,740,000	300,000,000	2,237,740,000	1,914,200,211	323,539,789	86
Surplus/Deficit				(108,130,211)	108,130,211	

The entity financial statements were approved on 11th March 2020 and signed by:



Principal Secretary
Amb. Macharia Kamau, CBS



Deputy Accountant General
Mr. Vincent L. Kirwa
ICPAK Member Number: 10999

Reports and Financial Statements
For the year ended June 30, 2019

X. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2018 Kshs	Adjustments Kshs	Final Budget 2019 Kshs	Actual on comparable basis 30 June, 2019 Kshs	Budget utilization difference Kshs
0000000000	0		0	25,000.00	(25,000.00)
000000000000	0		0	25,000.00	(25,000.00)
0714000000	2,078,801,069		2,078,801,069	1,915,131,341.45	163,669,727.55
0714010000	2,078,801,069		2,078,801,069	1,915,131,341.45	163,669,727.55
0715000000	15,873,988,639		15,873,988,639	13,970,837,151.25	1,617,359,863.85
0715010000	12,382,498,261		12,382,498,261	10,649,342,042.00	1,447,364,595.10
0715020000	1,587,740,000		1,587,740,000	1,442,369,188.30	145,370,811.70
0715030000	34,690,902		34,690,902	38,516,371.65	(3,825,469.65)
0715040000	1,440,221,427		1,440,221,427	1,460,554,888.85	(20,333,461.85)
0715050000	78,838,049		78,838,049	75,478,660.45	3,359,388.55
0715060000	350,000,000		350,000,000	304,576,000.00	45,424,000.00
0741000000	78,062,534		78,062,534	72,538,991.65	5,523,542.35
0741010000	78,062,534		78,062,534	72,538,991.65	5,523,542.35
0742000000	328,738,594		328,738,594	244,781,328.65	83,957,265.35
0742010000	128,738,594		128,738,594	118,767,784.95	9,970,809.05
0742010000	200,000,000		200,000,000	126,013,543.70	73,986,456.30
	18,359,590,836		18,359,590,836	16,203,313,813.00	2,156,277,023.00

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 International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the Ministry of Foreign Affairs. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012 and also comprise of the following development projects implemented by the entity:

3. Reporting Currency

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

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the Entity for all the years presented.

a) Recognition of Receipts

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

x Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

SIGNIFICANT ACCOUNTING POLICIES

λ Transfers from the Exchequer

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

λ External Assistance

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

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

λ 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 payments when the event occurs and the related cash has actually been paid out by the Entity.

λ Compensation of Employees

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

λ Use of Goods and Services

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

λ Interest on Borrowing

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

CONTD' - SIGNIFICANT ACCOUNTING POLICIES

λ 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.

λ Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Third Party Payments

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

7. 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.

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS

Reports and Financial Statements

For the year ended June 30, 2019

CONTD' - SIGNIFICANT ACCOUNTING POLICIES

As at 30th June 2019, this amounted to Kshs. 23,247,987 compared to Kshs. 138,224,333 in prior period as indicated on note 10A.

There were no other restrictions on cash during the year.

8. 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.

9. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

10. Pending Bills

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law and there were two supplementary adjustments to the original budget during the year.

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

Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers.

12. Comparative Figures

Where necessary, comparative figures for the previous financial year have been amended or

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

reconfigured to conform to the required changes in presentation.

CONTD' - SIGNIFICANT ACCOUNTING POLICIES

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2019.

14. Errors

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

During the year, errors that have been corrected are disclosed under note 26 explaining the nature and amounts.

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

XII. NOTES TO THE FINANCIAL STATEMENTS

1 TAX REVENUES

		2018 - 2019	2017 - 2018
		Kshs	Kshs
Taxes on Goods and Services		27,808,256	30,859,548
Total		27,808,256	30,859,548

These are funds collected by the Kenya Missions abroad from refund of VAT from the host countries on purchase of various items meeting the minimum threshold.

2 EXCHEQUER RELEASES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Total Exchequer Releases for quarter 1	3,673,124,230	3,369,322,688
Total Exchequer Releases for quarter 2	3,274,842,852	1,695,601,558
Total Exchequer Releases for quarter 3	4,027,212,500	3,412,231,300
Total Exchequer Releases for quarter 4	4,854,767,325	4,340,400,600
Total	15,829,946,907	12,817,556,146

The Ministry had a budget of Ksh. 18,359,590,836 (Recurrent vote Kshs. 16,121,850,836 and Development vote Kshs. 2,237,740,000) for the financial year 2018/2019. However, only Kshs. 15,829,946,907 out of expected Kshs. 18,105,326,598 was received as exchequer resulting to a deficit of Kshs. 2,275,379,691

3 OTHER REVENUES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Rents	124,493,925	103,312,111
Other Property Income e.g leases, rates	148,167	4,521,820
Sale of Market Establishment	936,977	16,898,409
Receipts from Administrative Fees and Charges - Collected as AIA	389,465,044	404,228,996
Total	515,044,113	528,961,336

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 COMPENSATION OF EMPLOYEES

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Basic salaries of permanent employees	876,753,922	770,543,327
Basic wages of temporary employees	1,599,003,818	1,457,890,840
Personal allowances paid as part of salary	4,109,244,465	3,546,981,390
Personal allowances provided in kind	226,806,756	180,733,393
Pension and other social security contributions	9,901,628	6,010,128
Employer Contributions Compulsory national social security schemes	62,519,880	42,835,741
Employer Contributions Compulsory national health insurance schemes	213,695,102	171,017,411
Use of Goods	13,505,000	7,377,642
Total	7,111,430,570	6,183,389,872

5 USE OF GOODS AND SERVICES

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services	300,489,952	337,833,201
Communication, supplies and services	220,938,090	153,137,040
Domestic travel and subsistence	227,494,476	177,004,676
Foreign travel and subsistence	1,938,675,847	1,151,161,260
Printing, advertising and information supplies & services	36,831,614	13,387,293
Rentals of produced assets	2,219,927,795	2,316,890,657
Training expenses	25,534,809	41,936,668
Hospitality supplies and services	1,009,034,770	379,553,590
Insurance costs	51,317,255	46,990,752
Specialized materials and services	24,193,436	18,148,008
Office and general supplies and services	138,625,706	44,096,378
Fuel Oil and Lubricants	74,663,046	73,375,429
Other operating expenses	284,469,874	260,971,695
Routine maintenance – vehicles and other transport equipment	64,604,598	92,067,586
Routine maintenance – other assets	113,249,344	75,754,332
Total	6,730,050,612	5,182,308,563

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 GRANTS AND TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Current Grants to Government Agencies and other Levels of Government	104,198,758	102,835,666
Capital Grants to Government Agencies and other Levels of Government	126,013,544	19,667,471
TOTAL	230,212,301	122,503,137

7 OTHER GRANTS AND TRANSFERS

Explanation	2018 - 2019	2017 - 2018
	Kshs	Kshs
Membership dues and subscriptions to international organizations	3,289,349	541,185,861
Membership dues and subscriptions to international organizations	0	10,649,766
Scholarships and other educational benefits	498,985,800	452,983,764
Total	502,275,149	1,004,819,391

8 SOCIAL SECURITY BENEFITS

Explanation	2018 - 2019	2017 - 2018
	Kshs	Kshs
Government pension and retirement benefits	10,668,619	16,001,348
Total	10,668,619	16,001,348

9 ACQUISITION OF ASSETS

Non-Financial Assets	2018 - 2019	2017 - 2018
	Kshs	Kshs
Purchase of Buildings	980,883,173	0
Refurbishment of Buildings	504,687,138	366,706,154
Purchase of Vehicles and Other Transport Equipment	76,132,821	88,445,884
Overhaul of Vehicles and Other Transport Equipment	1,125,407	480,251
Purchase of Furniture and Institutional Equipment	29,843,772	13,850,514
Purchase of Office Furniture and General Equipment	26,004,252	9,890,298
Purchase of Specialised Plant, Equipment and Machinery	-	5,492,470
Total	1,618,676,563	484,865,571

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit e.t.c	Exc rate (if in foreign currency)	2018 - 2019 Kshs	2017 - 2018 Kshs
Central Bank of Kenya, 1000302337, Recurrent KShs		Recurrent		100,086,429	2,301,308
Kenya Missions Abroad , 6530103, Recurrent A/c	—	Recurrent	—	2,007,868,903	1,971,087,917
Central Bank of Kenya, 1000302356, Development KShs		Development		213,930	6,929,240
Kenya Missions Abroad, 6540102, Development Kshs		Development		271,784,279	232,759,808
Central Bank of Kenya, 1000302372, Deposit KShs		Deposit		190,755,095	138,224,333
Total				2,570,708,636	2,351,302,406

10B: CASH IN HAND

	2018 - 2019 Kshs	2017 - 2018 Kshs
Cash in Hand – Held in domestic currency	849,160	5,097,050
Total	849,160	5,097,050

Cash in hand should also be analyzed as follows:

	849,160 Kshs	5,097,050 Kshs
Ministry Headquarters	849,160	5,097,050
Total	849,160	5,097,050

NATIONAL GOVERNMENT ENTITY – MINISTRY OF FOREIGN AFFAIRS
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	2018 -2019	2017 - 2018
	Kshs	Kshs
Government Imprests	4,800,429	322,544
Total	4,800,429	322,544

12. ACCOUNTS PAYABLE

Description	2018 -2019	2017 - 2018
	Kshs	Kshs
Deposits	6,712,581	138,224,333
R/D CHEQUES	0	2,320,000
AGENCY ACCOUNTS	183,982,514	0
Total	190,695,095	140,544,333

13. FUND BALANCE BROUGHT FORWARD

Description	2018 -2019	2017 - 2018
	Kshs	Kshs
Bank accounts	2,351,302,406	2,116,103,504
Cash in hand	5,097,050	4,627,917
Accounts Receivables	322,544	183,442
Accounts Payables	(140,544,333)	(67,205,551)
Total	2,216,177,667	2,053,709,312

14. PRIOR YEAR ADJUSTMENTS

Description of the error	2018 -2019	2017 - 2018
	Kshs	Kshs
Adjustments on payables	0	(221,020,794)
Total	-	(221,020,794)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

16. 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)

Guidance Notes:

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

NOTE: KINDLY REFER TO THE ATTACHED ANNEX: Mgmt. com. (1)



Principal Secretary
 Amb. Macharia Kamau, CBS



Deputy Accountant General
 Mr. Vincent L. Kirwa
 ICPAK Member Number: 10999

ANNEX 7- REPORTS GENERATED FROM IFMIS

The following financial Reports Generated from IFMIS should be generated and 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
- xi. GOK IFMIS Budget Execution by Programmes and Sub-programmes



Trial Balance

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To ADJ2-18

Account No and Description	Current Period		Previous period	
	Debit Kshs	Credit Kshs	Debit Kshs	Credit Kshs
1110100 Receipt of Income Tax from Individuals	0.00	0.00	0.00	0.00
1110000 Taxes on Income, Profits and Capital Gains	0.00	0.00	0.00	0.00
1140100 VAT on Domestic Goods and Services	0.00	27,808,256.25	0.00	28,064,786.10
1140200 VAT on Imported Goods and Services	0.00	0.00	0.00	2,794,761.50
1140000 Taxes on Goods and Services	0.00	27,808,256.25	0.00	30,859,547.60
1410100 Interest Received	0.00	0.00	0.00	0.00
1410400 Rents on land, houses and buildings	0.00	124,493,924.90	0.00	103,312,111.25
1410500 Other Property Income collected as AIA	0.00	148,167.00	0.00	4,521,820.00
1410000 Property Income	0.00	124,642,091.90	0.00	107,833,931.25
1420100 Sales of Market Establishment	0.00	936,977.00	0.00	16,898,408.50
1420300 Administrative Fees and Charges collected as AIA	0.00	389,465,043.75	0.00	404,228,996.30
1420000 Sales of Goods and Services	0.00	390,402,020.75	0.00	421,127,404.80
1450100 Paid to Exchequer	0.00	0.00	0.00	0.00
1450200 Receipts Not Classified Elsewhere	0.00	0.00	0.00	0.00
1450000 Other Receipts Not Elsewhere Classified	0.00	0.00	0.00	0.00
2110100 Basic Salaries - Permanent Employees	876,753,921.80	0.00	770,543,326.40	0.00
2110200 Basic Wages - Temporary Employees	1,599,003,817.50	0.00	1,459,387,657.45	0.00
2110300 Personal Allowances paid as part of Salary	4,109,244,464.60	0.00	3,533,029,527.90	0.00
2110400 Personal Allowances paid as Reimbursements	226,806,755.60	0.00	181,459,578.75	0.00
2110500 Personal Allowances provided in Kind	9,901,627.60	0.00	6,010,128.05	0.00
2110000 Wages and Salary Contributions	6,821,710,587.10	0.00	5,950,430,218.55	0.00
2120100 Employer Contributions to Compulsory National Social Security Schemes	62,519,880.00	0.00	42,835,741.30	0.00
2120200 Employer Contributions to Compulsory Health Insurance Schemes	213,695,102.05	0.00	171,569,523.65	0.00
2120300 Social Benefit Schemes Outside Government	13,505,000.35	0.00	7,377,641.50	0.00
2120000 Social Contributions	289,719,982.40	0.00	221,782,906.45	0.00
2210100 Utilities, Supplies and Services	300,489,952.20	0.00	338,447,488.90	0.00
2210200 Communication, Supplies and Services	220,938,089.55	0.00	152,544,984.35	0.00
2210300 Domestic Travel and Subsistence, and Other Transportation Costs	227,494,476.25	0.00	177,083,135.95	0.00
2210400 Foreign Travel and Subsistence, and other transportation costs	1,938,675,846.95	0.00	1,153,007,290.70	0.00
2210500 Printing, Advertising and Information Supplies and Services	36,831,613.85	0.00	13,387,292.75	0.00
2210600 Rentals of Produced Assets	2,219,927,794.85	0.00	2,324,147,333.95	0.00
2210700 Training Expenses	25,534,808.90	0.00	41,936,687.65	0.00
2210800 Hospitality Supplies and Services	1,009,034,770.10	0.00	379,834,103.10	0.00
2210900 Insurance Costs	51,317,254.50	0.00	46,990,752.15	0.00
2211000 Specialised Materials and Supplies	24,193,435.90	0.00	18,148,008.15	0.00
2211100 Office and General Supplies and Services	138,625,706.25	0.00	44,096,377.50	0.00
2211200 Fuel Oil and Lubricants	74,663,045.95	0.00	73,384,433.10	0.00
2211300 Other Operating Expenses	284,469,873.90	0.00	260,977,454.00	0.00
2210000 Goods and Services	6,552,196,669.15	0.00	5,023,985,322.25	0.00
2220100 Routine Maintenance - Vehicles	64,604,598.15	0.00	92,069,985.70	0.00
2220200 Routine Maintenance - Other	113,249,344.40	0.00	75,754,331.70	0.00

Account No and Description	Current Period		Previous period	
	Debit	Credit	Debit	Credit
Assets				
2220000 Routine Maintenance	177,853,942.55	0.00	167,824,297.40	0.00
2620100 Membership Fees and Dues and Subscriptions to International Organizations	3,289,348.55	0.00	543,828,113.40	0.00
2620200 Membership Fees and Dues and Subscriptions to International Organizations (Continued)	0.00	0.00	10,649,766.00	0.00
2620000 Grants and Other Transfers to International Organizations	3,289,348.55	0.00	554,477,879.40	0.00
2630100 Current Grants to Government Agencies and other Levels of Government	104,198,757.75	0.00	102,835,665.80	0.00
2630200 Capital Grants to Government Agencies and other Levels of Government	126,013,543.70	0.00	19,667,470.90	0.00
2630000 Grants & Transfer To Other Govt. Units	230,212,301.45	0.00	122,503,136.70	0.00
2640100 Scholarships and other Educational Benefits	498,985,800.20	0.00	453,191,941.65	0.00
2640000 Other Transfers and Emergency Relief	498,985,800.20	0.00	453,191,941.65	0.00
2710100 Government Pension and Retirement Benefits	10,668,619.45	0.00	16,912,176.30	0.00
2710000 Social Security Benefits	10,668,619.45	0.00	16,912,176.30	0.00
3110100 Purchase of Buildings	980,883,172.60	0.00	0.00	0.00
3110300 Refurbishment of Buildings	504,687,137.80	0.00	368,706,154.15	0.00
3110700 Purchase of Vehicles and Other Transport Equipment	76,132,621.05	0.00	88,445,884.10	0.00
3110800 Overhaul of Vehicles and Other Transport Equipment	1,125,417.25	0.00	480,250.50	0.00
3110900 Purchase of Household Furniture and Institutional Equipment	29,843,771.90	0.00	13,850,514.15	0.00
3111000 Purchase of Office Furniture and General Equipment	26,004,252.00	0.00	9,890,297.75	0.00
3111100 Purchase of Specialised Plant, Equipment and Machinery	0.00	0.00	5,492,469.90	0.00
3110000 Acquisition of Fixed Capital Assets	1,618,676,562.60	0.00	484,865,570.55	0.00
Assets				
3510600 Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00	0.00	0.00
3510800 Receipts from the Sale Plant Machinery and Equipment	0.00	0.00	0.00	0.00
3510000 Receipts from the Sale of Fixed Assets	0.00	0.00	0.00	0.00
6530100 Recurrent Bank Accounts	2,107,955,332.05	0.00	1,973,389,025.00	0.00
6530000 Recurrent Bank Accounts	2,107,955,332.05	0.00	1,973,389,025.00	0.00
6540100 Development Bank Accounts	271,998,208.50	0.00	239,689,048.35	0.00
6540000 Development Bank Accounts	271,998,208.50	0.00	239,689,048.35	0.00
6550100 Deposit Bank Accounts	190,755,095.20	0.00	138,224,333.00	0.00
6550000 Deposit Bank Account	190,755,095.20	0.00	138,224,333.00	0.00
6580100 Cash in Hand	849,159.70	0.00	5,097,050.00	0.00
6580000 Cash in Hand	849,159.70	0.00	5,097,050.00	0.00
6710100 Debtors & Advances - Employees	0.00	0.00	0.00	0.00
6710000 Domestic Debtors & Advances	0.00	0.00	0.00	0.00
6740100 Other Debtors & Pre-payments	0.00	0.00	0.00	2,320,000.00
6740000 Other Debtors & Pre-payments	0.00	0.00	0.00	2,320,000.00
6760100 Imprests	0.00	4,800,429.25	322,544.20	0.00
6760000 Government Imprests	0.00	4,800,429.25	322,544.20	0.00
6770100 Ministerial Agency Accounts	0.00	183,982,514.10	0.00	0.00
6770000 Agency Accounts	0.00	183,982,514.10	0.00	0.00
6780100 Suspense & Clearance Account	0.00	0.00	0.00	0.00
6780000 Suspense & Clearance Account	0.00	0.00	0.00	0.00
6790100 Other Current System A/cs	0.00	0.00	0.00	0.00
6790000 Other Current Assets (System r	0.00	0.00	0.00	0.00
7310100 General Deposits Items	0.00	6,712,581.10	0.00	138,164,333.00
7310000 Deposits	0.00	6,712,581.10	0.00	138,164,333.00
7320000 Other Liabilities	0.00	0.00	0.00	0.00
7320100 Salary Deductions	0.00	0.00	0.00	0.00
7320200 Other General Liabilities	0.00	0.00	0.00	0.00
7320000 Other Liabilities	0.00	0.00	0.00	0.00
7380100	0.00	0.00	0.00	0.00

Account No and Description	Current Period		Previous period	
	Debit	Credit	Debit	Credit
7380000 Withholding Taxes	0.00	0.00	0.00	0.00
7390100 System Required Liabilities	0.00	0.00	0.00	0.00
7399900	0.00	0.00	0.00	0.00
7390000 System Required Liabilities A/cs	0.00	0.00	0.00	0.00
9910100 General Provisions	0.00	0.00	0.00	0.00
9910200 Exchequer Provisions	0.00	47,878,603,053.00	0.00	32,048,656,146.00
9910000 Provisions	0.00	47,878,603,053.00	0.00	32,048,656,146.00
9999900	29,842,079,337.45	0.00	17,396,265,912.85	0.00
9990000 Opening Balance Reserves	29,842,079,337.45	0.00	17,396,265,912.85	0.00
Total	16,566,152,653.75	16,566,152,653.75	50,511,892,672.60	50,511,892,672.60

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

Prepared By: _____ Date: _____
Reviewed By: _____ Date: _____
Approved By: _____ Date: _____

MINISTRY OF FOREIGN AFFAIRS
R.1052 BANK RECONCILIATION STATEMENT
FOR THE PERIOD ENDING 30TH JUNE, 2019

<u>RECURRENT - R.1052</u>			
	Kshs	Kshs	Kshs
Balance as per Bank Statement 30th June 2019			60,026,089.95
Less:			
1 Payment in Cash Book not in Bank Statement (Unpresented Cheques)	531,472,516.60		
2 Receipts in Bank Statement not in Cash Book	4,416,500.00	535,889,016.60	
Add: 3 Payment in Bank Statement not in Cashbook	106,207,806.40		
4 Receipts in the Cashbook not in the Bank Statement	469,741,549.00	575,949,355.40	40,060,338.80
Balance as per Cash Book			100,086,428.75

I certify that I have verified the Bank Balance in the Cash Book with the Bank statement and that the above Reconciliation

is correct
 PREPARED BY


 GRACE W. KINGATHIA

DATE 19-07-2019

CHECKED BY


 TOM O. NDHINE

DATE 19-7-19

APPROVED BY


 VINCENT L. KIRWA
 SENIOR ASSISTANT ACCOUNTANT GENERAL

DATE 19/07/19

REPUBLIC OF KENYA BANK RECONCILIATION

Period : 01-JUL-18 To : 30-JUN-19

Central Bank of Kenya, Branch : Haile Selassie

REC-MINISTRY OF FOREIGN AFFAIRS
Account Number : 1000302337

Page

Balance as per bank certificate

1. Payment in Cash Book not yet recorded in Bank Statement
(Unpresented Cheques)

77,186,420.15

2. Receipts in Bank Statement not yet recorded in Cash Book

151,699,963.65

3. Payment in Bank Statement not yet recorded in Cash Book

752,795,016.45

4. Receipts in Cash Book not yet Recorded in Bank Statement

347,776,314.05

Bank Balance as per Cash Book

1,018,085,995.60

538,553,749.70

Reconciled by: Signature: Date:
Reviewed by: Signature: Date:
Approved by: Signature: Date:

REPUBLIC OF KENYA
BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

REC-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302337

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

Cheque		Payee	Amount
No	Date		
40032831	12-JUN-19	THE STAR PUBLICATIONS LIMITED	940,926.71
40032832	12-JUN-19	COMMISSIONER OF VAT	51,323.31
40032833	12-JUN-19	DAKI HALAKE HUKA	45,000.00
40032834	12-JUN-19	HUSSEIN GUYO TASSI	45,000.00
40032835	12-JUN-19	DOMINIC ISAMU MUSYOKI	30,000.00
40032836	12-JUN-19	JOSEPH OGARO MUKASA	45,000.00
40032837	12-JUN-19	GEORGE NGANGA NGUGI	45,000.00
40032838	12-JUN-19	LORNAH NYAMBURA MUTHUO	30,000.00
40032839	12-JUN-19	EDISH OBONYO	45,000.00
40032840	12-JUN-19	WINFRED KAVUTHA KASINA	30,000.00
40032841	12-JUN-19	JAMES NJERU MWEA	45,000.00
40032842	12-JUN-19	JAPHET ARIEDI	45,000.00
40032843	12-JUN-19	EVANCE OMONDI BOLO	30,000.00
40032844	12-JUN-19	OSMAN SINGIR EISIMGALALE	45,000.00
40032845	12-JUN-19	ZIPPORAH WANGECI WANJOHI	45,000.00
40032846	12-JUN-19	MARGARET GAKIRA MUHORO	45,000.00
40032847	12-JUN-19	CHRISTOPHER NZAU MBUSU	45,000.00
40032848	12-JUN-19	ISAAC RUKUNGU KIIRU	60,000.00
40032849	12-JUN-19	JACKSON RODGERS MAKEO	45,000.00
40032850	12-JUN-19	JANE MERAB ANYONA	30,000.00
40032851	12-JUN-19	JACKLINE MOCHURA MARANGA	60,000.00
40032852	12-JUN-19	GEOFFREY WAMALWA LUBISIA	45,000.00
40032853	12-JUN-19	DANIEL NDIRANGU WABURI	45,000.00
40032854	12-JUN-19	BENARD KIPLAGAT YEGON	60,000.00
40032855	12-JUN-19	ROBERT OUNA ORIAMA	30,000.00
40032856	12-JUN-19	ABEL MUTWIRI KIAMBATI	30,000.00
40032857	12-JUN-19	MOSES KIMOTHU MUCHIRI	45,000.00
40032858	12-JUN-19	ROSELIDA APUDO OTIENO	45,000.00
40032859	12-JUN-19	ELIZABETH OMBOTO ONDICHO	30,000.00
40032860	12-JUN-19	CHARLES BWIVUYA CHAHILU	45,000.00
40032861	12-JUN-19	DAVID MAINA WAHOME	45,000.00
40032862	12-JUN-19	FRANCIS MUNENE GATHENYA	30,000.00
40032863	12-JUN-19	LOI KENDA LUVANDA	45,000.00
40032864	12-JUN-19	JAMES GICHANGI MUTERU	45,000.00
40032865	12-JUN-19	ROBERT MACHARIA GITAH	30,000.00
40032866	12-JUN-19	FRANCIS MUIA KYENGO	30,000.00
40032867	12-JUN-19	GODWILL OLIVER OCHIENG ANYIKO	45,000.00
40032868	12-JUN-19	ALEX MAINGI MUNYITHYA	30,000.00
40032869	12-JUN-19	EPHRAIM LUSIGI AMBANI	30,000.00
40032870	12-JUN-19	FRED KIILU MWANGANGI	45,000.00
40032871	12-JUN-19	CHARLES OLUOCH NDEGE	45,000.00
40032872	12-JUN-19	JULIUS MUSYOKA SIMU	45,000.00
40032874	12-JUN-19	MARK ODWAR SIWO	30,000.00
40032875	12-JUN-19	ROBBY NEKESA MAKOKHA	45,000.00
40032876	12-JUN-19	TERESIA NJERI NGARI	45,000.00
40032877	12-JUN-19	JACKLINE KATHAMBI	30,000.00
40032878	12-JUN-19	EDWARD KALUU NZEKI	30,000.00
40032879	12-JUN-19	CHARO THOYA BAYA	45,000.00
40032880	12-JUN-19	CLEMENT MWANIA MASILA	30,000.00
40032881	12-JUN-19	JANE WAMBUI MACHARIA	60,000.00
40032882	12-JUN-19	CATHERINE WAITHIRA KIBARA	12,000.00
40032883	12-JUN-19	GREEN BAY TRAVEL LIMITED	813,120.00
40032884	12-JUN-19	Charlies Corp Limited	35,247.40
40032885	12-JUN-19	Charlies Corp Limited	34,137.95
40032886	12-JUN-19	Decasa Hotel Limited	15,106.05

REPUBLIC OF KENYA
BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

REC-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302337

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

Cheque		Payee	Amount
No	Date		
40032887	12-JUN-19	Decasa Hotel Limited	25,603.45
40032888	12-JUN-19	Decasa Hotel Limited	15,106.05
40032889	12-JUN-19	NGURUMAH TOURS AND TRAVEL LTD	38,750.00
40032890	12-JUN-19	COMMISSIONER OF VAT	823.95
40032891	12-JUN-19	COMMISSIONER OF VAT	1,396.55
40032892	12-JUN-19	COMMISSIONER OF VAT	823.95
40032893	12-JUN-19	COMMISSIONER OF VAT	9,931.05
40032894	12-JUN-19	COMMISSIONER OF VAT	823.95
40032895	12-JUN-19	COMMISSIONER OF VAT	1,922.60
40032896	12-JUN-19	GREEN BAY TRAVEL LIMITED	564,215.00
40032897	12-JUN-19	COMMISSIONER OF VAT	1,862.05
40032898	12-JUN-19	LUTHEKAM SOLUTIONS	1,289,655.15
40032899	12-JUN-19	MOVENPICK CATERERS LIMITED	15,106.05
40032900	12-JUN-19	THE TRAVEL LOUNGE LIMITED	654,525.00
40032901	12-JUN-19	JUMEIRAH SAFARIS LIMITED	182,068.95
40032902	12-JUN-19	COMMISSIONER OF VAT	70,344.85
40032903	12-JUN-19	GLOBUS TOURS AND TRAVEL LIMITED	217,060.00
40032904	12-JUN-19	Charlies Corp Limited	20,141.40
40032905	12-JUN-19	Decasa Hotel Limited	20,141.40
40032906	12-JUN-19	SOARING EAGLES VENTURES	523,448.30
40032907	12-JUN-19	SAROVA WHITESANDS BEACH RESORT and SPA	66,379.30
40032908	12-JUN-19	COMMISSIONER OF VAT	30,775.85
40032909	12-JUN-19	COMMISSIONER OF VAT	1,098.60
40032910	12-JUN-19	COMMISSIONER OF VAT	4,655.15
40032911	12-JUN-19	COMMISSIONER OF VAT	1,098.60
40032912	12-JUN-19	COMMISSIONER OF VAT	3,620.70
40032913	12-JUN-19	OSIRUA LIMITED	85,344.85
40032914	12-JUN-19	DORO SUPPLIERS	564,224.15
40032915	12-JUN-19	COMMISSIONER OF VAT	28,551.70
40032916	12-JUN-19	GEORGE KIITI NZIOKA	45,000.00
40032917	12-JUN-19	DAVID MWONE KITUI	30,000.00
40032918	12-JUN-19	RICHARD MWAILU MUTHAMA	45,000.00
40032919	12-JUN-19	MOSES OCHANDA AHOLA	45,000.00
40032920	12-JUN-19	HEZEKIAH KIROWO OGOLLA	45,000.00
40032921	12-JUN-19	BENDETER NGINA MUTETI	45,000.00
40032922	12-JUN-19	JOSEPHINE WAMBUI MUCHIRA	60,000.00
40032923	12-JUN-19	ESTHER WATANA NDEGWA	60,000.00
40032924	12-JUN-19	FLORENCE WETENDE SHAMALA	60,000.00
40032925	12-JUN-19	TOM OCHIENG OULA	45,000.00
40032926	12-JUN-19	MARYANNE WAIRIMU GICHURU	30,000.00
40032927	12-JUN-19	LIVINGSTONE ISAVWA MULINDI	30,000.00
40032928	12-JUN-19	TIMOTHY MUGENDI RUCHAH	45,000.00
40032929	12-JUN-19	PETER NJOROGE NGIGI	60,000.00
40032930	12-JUN-19	ALFAYO OTIENO OKALO	45,000.00
40032931	12-JUN-19	MUNGANIA NANCY KATHURE	30,000.00
40032932	12-JUN-19	GEORGE MENINGISHO TUMNA	60,000.00
40032933	12-JUN-19	JANET WANJA GICHOHI	30,000.00
40032934	12-JUN-19	CORZON MUSYIMI MUSINGILA	60,000.00
40032935	12-JUN-19	JAMES KANYWITHIA KABITHIURI	45,000.00
40032936	12-JUN-19	JOHN LANGAT KIBET	45,000.00
40032937	12-JUN-19	WILSON NCEENE MUGAMBI	30,000.00
40032938	12-JUN-19	DAVIS PETERSON KIBET	30,000.00
40032939	12-JUN-19	RONALD WABWILE MISIKO	30,000.00
40032940	12-JUN-19	CATHERINE KATHINI MUMO	30,000.00
40032941	12-JUN-19	JOSPHINE WANGUI NDIRANGU	60,000.00

BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

REC-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302337

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

Cheque		Payee	Amount
No	Date		
40032942	12-JUN-19	MARSLINE NAFULA SAMUKOYA	45,000.00
40032943	12-JUN-19	ARNISTAIRS SABWAMI CHEBUKOSI	45,000.00
40032944	12-JUN-19	FREDERICK MUTUA NDAVUTA	45,000.00
40032945	12-JUN-19	CYRUS KIPNGETICH KOECH	45,000.00
40032946	12-JUN-19	WANJIRU EDITH HINGA	45,000.00
40032947	12-JUN-19	HELENAH WAVINYA NTHEEU	45,000.00
40032948	12-JUN-19	PATRICIA GATWIRI KIRUJA,	60,000.00
40032949	12-JUN-19	JEREMIAH GITHAE MWENJI	45,000.00
40032950	12-JUN-19	GEOFFREY KIPSIGEI CHIRCHIR	45,000.00
40032951	12-JUN-19	DENIS ONDONGA MOSE	45,000.00
40032953	12-JUN-19	EVANS MOENDA ONDIGI	45,000.00
40032954	12-JUN-19	CHIRE EKARI	30,000.00
40032955	12-JUN-19	JOSHUA KAGEMA GITHINJI	45,000.00
40032956	12-JUN-19	PETER KIPROP KORIR	45,000.00
40032957	12-JUN-19	NANCY NJERI MUGI	30,000.00
40032958	12-JUN-19	ABDIKHEIR ISSACK LIBAN	30,000.00
40032959	12-JUN-19	CHARLES LEIYO KEIS	45,000.00
40032960	12-JUN-19	MAURICE MUTHAMA MUTUA	45,000.00
40032961	12-JUN-19	HEZRON KIPYEGON	30,000.00
40032962	12-JUN-19	NICHOLUS NJOROGI NJUGUNA	45,000.00
40032963	12-JUN-19	DOUGLAS KAMENDI MWANGI	30,000.00
40032964	12-JUN-19	ALPHONSE CHAPURUKHA NYONGESA	30,000.00
40032965	12-JUN-19	MARINA MUSEO MUTUTO	60,000.00
40032966	12-JUN-19	GRACE KOECH CHEROTICH	45,000.00
40032967	12-JUN-19	PETER MORURI ONCHARI	45,000.00
40032968	12-JUN-19	ELIJAH MACHARIA MWANGI	45,000.00
40032969	12-JUN-19	MARY WANGARI THIONG'O	45,000.00
40032970	12-JUN-19	JOSHUA MUKOMA MUSYOKI	45,000.00
40032971	12-JUN-19	SARAH ASEKAH KUSHINDI	60,000.00
40032972	12-JUN-19	WILLIAM MUTHENGI MATITI	30,000.00
40032973	12-JUN-19	BEATRICE CHEPKURUI	45,000.00
40032974	12-JUN-19	ATAI JOINT SUPPLIES LIMITED	512,068.95
40032975	12-JUN-19	Decasa Hotel Limited	12,084.85
40032976	12-JUN-19	COMMISSIONER OF VAT	27,931.05
40032977	12-JUN-19	COMMISSIONER OF VAT	659.15
40032978	12-JUN-19	NATIONAL BANK	15,107,660.00
40032979	12-JUN-19	BENJAMIN SAFARI MWAMBIRE	56,000.00
40032980	12-JUN-19	MARGARET WARUGURU NJOGU	13,000.00
40032981	12-JUN-19	CHARLES BWIVUYA CHAHILU	10,000.00
40032982	12-JUN-19	ALICE WARUGURU MURIU	10,000.00
40032983	12-JUN-19	JOSEPHINE WAMBUI MUCHIRA	10,000.00
40032984	12-JUN-19	CHARLES KIMANI WAICHARI	29,900.00
40032985	12-JUN-19	CECILIA MBURI MURIITHI	12,000.00
40032986	12-JUN-19	DAISY APONDI AYODO	20,000.00
40032987	12-JUN-19	EMILY WANDIA NDWIGA	7,920.00
40032988	12-JUN-19	JOAN WAMUCII KIRAGU	10,000.00
40032989	12-JUN-19	ESTHER ANYANGO OYUGI	10,000.00
40032990	12-JUN-19	JOSEPHINE CHEPKEMOI SIRWAY	15,000.00
40032991	12-JUN-19	MARINA MUSEO MUTUTO	30,000.00
40032992	12-JUN-19	FLORENCE ATIENO ODERO	10,000.00
40032993	12-JUN-19	IRENE MOSHIRA TIYALO	11,975.00
40032994	12-JUN-19	ISABELLA NJERI GATIBARU	22,500.00
40032995	12-JUN-19	JENNIFER SAHADO NTIRISWA	10,000.00
40032996	12-JUN-19	THOMAS BONIFACE AMOLO	372,589.00
40032997	13-JUN-19	JONATHAN KILWAKE KAKAI	45,000.00

MINISTRY OF FOREIGN AFFAIRS
DEPOSIT (E1052) BANK RECONCILIATION STATEMENT
FOR THE PERIOD ENDING 30TH JUNE, 2019.

DEPOSIT (E1052)

	Kshs.	Kshs.	Kshs.
Balance as per Bank Statement 30th June, 2019			142,937,246.69
Less: 1 Payments in Cash Book not in Bank Statement	300,322,081.80		
2 Receipts in Bank Statement not in Cash Book	180,155,806.15	180,177,890.95	
Add: 3 Payments in Bank Statement not in Cash Book	50,663,631.60		
4 Receipts in Cash Book not in Bank Statement	10,125,000.00	60,788,631.60	(419,689,259.35)
Balance as per Cash Book			23,247,987.34

I certify that I have verified the Bank balance in the Cash book with the Bank statement and that the Reconciliation is correct.

PREPARED BY



GRACE W. KINGATHIA

DATE: 19-07-2019

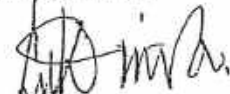
CHECKED BY



TOM O. NDHINE

DATE: 19-7-19

APPROVED BY



VINCENT L. KIRWA

DATE: 19/07/19

SENIOR ASSISTANT ACCOUNTANT GENERAL

REPUBLIC OF KENYA
BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

DEP-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302372

Balance as per bank certificate	442,937,246.69
Less --	
1. Payment in Cash Book not yet recorded in Bank Statement (Unpresented Cheques)	239,006,720.15
2. Receipts in Bank Statement not yet recorded in Cash Book	2,429,099,813.15
Add --	
3. Payment in Bank Statement not yet recorded in Cash Book	20,750,772.40
4. Receipts in Cash Book not yet Recorded in Bank Statement	32,538,612.90
Bank Balance as per Cash Book	-2,171,879,901.31

Reconciled by: Signature: Date:

Reviewed by : Signature: Date:

Approved by: Signature: Date:

BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

DEP-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302372

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

Cheque		Payee	Amount
No	Date		
60000936	11-DEC-18	MERCY ATIENO ODONGO OUNDA	277,927.00
60001173	05-FEB-19	COMMISSIONER OF VAT	409,241.40
60001174	05-FEB-19	PRIDE INN HOTELS AND INVESTMENT LIMITED	7,502,758.60
60001175	05-FEB-19	FAIRMONT THE NORFOLK	7,865,216.20
60001176	05-FEB-19	INTERCONTINENTAL NAIROBI	110,142.20
60001177	05-FEB-19	COMMISSIONER OF VAT	7,474.10
60001178	05-FEB-19	COMMISSIONER OF VAT	429,011.80
60001179	05-FEB-19	COMMISSIONER OF VAT	6,007.70
60001180	05-FEB-19	INTERCONTINENTAL NAIROBI	137,025.80
60001181	06-FEB-19	COMMISSIONER OF VAT	36,710.10
60001182	06-FEB-19	FAIRVIEW HOTEL LIMITED	673,019.80
60001188	07-FEB-19	COMMISSIONER OF VAT	18,258.60
60001189	07-FEB-19	COMMISSIONER OF VAT	258,050.60
60001191	07-FEB-19	COMMISSIONER OF VAT	3,735.30
60001192	07-FEB-19	COMMISSIONER OF VAT	9,155.10
60001196	07-FEB-19	COMMISSIONER OF VAT	66,258.60
60001197	07-FEB-19	COMMISSIONER OF VAT	129,300.00
60001199	11-FEB-19	KENYATTA INTERNATIONAL CONVENTION CENTRE	91,061,150.10
60001201	11-FEB-19	RADISSON BLU HOTEL	2,088,966.70
60001203	11-FEB-19	INTERCONTINENTAL NAIROBI	7,036,057.00
60001205	11-FEB-19	TIN TIN RESTUARANT LIMITED	128,017.25
60001207	12-FEB-19	PATRICIA MUKIRI MWITHIGA	6,000.00
60001208	12-FEB-19	NAHUM SAUL NYAWARA	6,000.00
60001209	12-FEB-19	EVELYNE BOSIBORI ONG'AYO	6,000.00
60001210	12-FEB-19	VICTORIA CHEPKORIR ROTICH	6,000.00
60001211	12-FEB-19	BEATRICE WANJUHI MWAURA	6,000.00
60001212	12-FEB-19	SALLY JEMUTAI KIBOR	6,000.00
60001213	12-FEB-19	JAMES ONDIEKI OMOSA RWOTI	6,000.00
60001214	12-FEB-19	JOSEPH MUSYOKA MASILA	6,000.00
60001215	12-FEB-19	HELLEN ADHIAMBO GICHUHI	6,000.00
60001216	12-FEB-19	MARGARET NDUTA IRAKI	6,000.00
60001217	12-FEB-19	CHARLES KIMANI WAICHARI	6,000.00
60001218	12-FEB-19	PETER SIMIYU NALANDA	6,000.00
60001219	12-FEB-19	JOHNSON MWANGI WERU	6,000.00
60001220	12-FEB-19	MICHAEL ADIPO OKOTH OYUGI	6,000.00
60001221	12-FEB-19	MACHARIA KAMAU	6,000.00
60001222	12-FEB-19	DAVID MAINA KAMAU	6,000.00
60001223	12-FEB-19	GEORGE MWARIMBO KWANYA	6,000.00
60001224	12-FEB-19	JOAN WANJIRU KABURI	6,000.00
60001225	12-FEB-19	LUCY SAU KIUTE	6,000.00
60001226	12-FEB-19	JOSEPHINE NJAMBI WAMBUGU	6,000.00
60001227	12-FEB-19	VASHTI NADAYAT LECHUTA	6,000.00
60001228	12-FEB-19	ROSE MAKENA MUCHIRI	6,000.00
60001229	12-FEB-19	JOSEPHINE WANJIRU MWANGI	6,000.00
60001230	12-FEB-19	JOHN TIPIS	6,000.00
60001231	12-FEB-19	ANGELA KAHUNGUKA LUNGAHO	6,000.00
60001232	12-FEB-19	JACQUELINE ADHIAMBO OKOTH	6,000.00
60001233	12-FEB-19	DEBORA NASHITSAKHA LUBANGA	6,000.00
60001234	12-FEB-19	GREPHAS ONYANGO OGUTU	6,000.00
60001235	12-FEB-19	OCHIENG SOSPETER NGOYA	6,000.00
60001236	12-FEB-19	ANTHONY ANDAJE	6,000.00
60001237	12-FEB-19	FLORENCE ALUSHULA N. MASIDZA	6,000.00
60001238	12-FEB-19	BENSON HENRY OUMA OGUTU	6,000.00
60001239	12-FEB-19	WANJIKU JANE KARIUKI	6,000.00

F.O. 30

BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

DEP-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302372

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

Cheque		Payee	Amount
No	Date		
60001240	12-FEB-19	NAIRIMAS SHARON OLESEIN	6,000.00
60001241	12-FEB-19	TOBIAS OTIENO OGWENO	6,000.00
60001242	12-FEB-19	ROYAL MEDIA SERVICES LIMITED	2,750,000.00
60001245	12-FEB-19	NANCY PENDO SIFA	6,000.00
60001247	12-FEB-19	Decasa Hotel Limited	716,137.95
60001249	12-FEB-19	Decasa Hotel Limited	492,473.80
60001273	12-FEB-19	COMMISSIONER OF VAT	57,444.85
60001274	13-FEB-19	COMMISSIONER OF VAT	58,444.15
60001277	13-FEB-19	COMMISSIONER OF VAT	191,937.95
60001279	13-FEB-19	COMMISSIONER OF VAT	11,935.35
60001707	01-MAR-19	PATRICIA MUKIRI MWITHIGA	54,000.00
60001710	01-MAR-19	LTESEKWA LANYASUNYA	6,000.00
60001747	10-APR-19	PUBLIC TRUSTEE NAIROBI	2,660,816.95
60001748	10-APR-19	PUBLIC TRUSTEE NAIROBI	2,934,706.85
60001749	12-APR-19	SWEET TOOTH INDUSTRIES LIMITED	1,059,698.30
60001750	12-APR-19	COMMISSIONER OF VAT	57,801.70
60001751	12-APR-19	COMMISSIONER OF VAT	60,413.80
60001752	12-APR-19	CANYIS ENTERPRISES	1,107,586.20
60001760	21-MAY-19	PUBLIC TRUSTEE NAIROBI	4,115,292.80
60001812	14-JUN-19	NANCY WAIRIMU NGUMBA	55,000.00
60001813	14-JUN-19	PHYLIS JEPKOSGEI KANDIE	25,000.00
60001814	14-JUN-19	JOSEPH OGARO MUKASA	24,000.00
60001815	14-JUN-19	HEZRON KIPYEGON	28,000.00
60001816	14-JUN-19	DOUGLAS KAMENDI MWANGI	28,000.00
60001817	14-JUN-19	ALPHONSE CHAPURUKHA NYONGESA	28,000.00
60001818	14-JUN-19	BELDINAH KOCHWA OTIENO	25,000.00
60001819	14-JUN-19	JAMES NDIRANGU WAWERU	104,000.00
60001820	14-JUN-19	IMMACULATE NDUKU MUSILI WAMBUA	25,000.00
60001821	14-JUN-19	JACTONE OTIENO ONYANGO	25,000.00
60001822	14-JUN-19	MOSES MAZE SAFARI	25,000.00
60001823	14-JUN-19	IBRAHIM KHAMIS ADAN	40,000.00
60001824	14-JUN-19	NANCY NJERI MUGI	28,000.00
60001825	14-JUN-19	EDWIN KARIUKI KAMAU	40,000.00
60001826	14-JUN-19	JUMAL LITO JIAVERA	40,000.00
60001827	14-JUN-19	EILEEN CHEPKURUI LANGAT	55,000.00
60001828	14-JUN-19	JOHN WAMBUA KITU	55,000.00
60001829	14-JUN-19	JOSEPHINE-BITTIALY SALERI	55,000.00
60001830	14-JUN-19	JOSEPHINE NJAMBI WAMBUGU	55,000.00
60001831	14-JUN-19	JOSEPHINE WANJIRU MWANGI	88,000.00
60001832	14-JUN-19	MUNGANIA NANCY KATHURE	28,000.00
60001833	14-JUN-19	JANET KANAGA MWERA	24,000.00
60001834	14-JUN-19	WILLY MAINA NJOROGI	28,000.00
60001835	14-JUN-19	BRYAN NYANKERANIA OMBESE	40,000.00
60001836	14-JUN-19	JUNE KHAKASI OSIRU	40,000.00
60001837	14-JUN-19	ISABELLE LUCILE GOGO	75,000.00
60001838	14-JUN-19	ALBERT WAFULA SIFUNA	25,000.00
60001839	14-JUN-19	GILLIAN KERUBO ORENGE	40,000.00
60001840	14-JUN-19	SUSAN WAIRIMU KIBATHI	32,000.00
60001841	14-JUN-19	MARY WANGARI THIONG'O	20,000.00
60001842	14-JUN-19	JANE WANGARI WAGARA	32,000.00
60001843	14-JUN-19	CATHERINE KATHINI MUMO	28,000.00
60001844	14-JUN-19	SIMON WANYONYI NABUKWESI	64,000.00
60001845	14-JUN-19	FRANCIS MUNENE GATHENYA	16,000.00
60001846	14-JUN-19	PETER MUSEMBI MWENDWA	25,000.00
60001847	14-JUN-19	ZAKIA ISSA SENUSSI	60,000.00

MINISTRY OF FOREIGN AFFAIRS
D.1052 BANK RECONCILIATION STATEMENT
FOR THE PERIOD ENDING 30TH JUNE 2019

DEVELOPMENT D.1052

Balance as per Bank Statement 30th June, 2019

Less:1 Payment in Cash Book not in
Statement (Unpresented Cheques)

2 Receipts in Bank Statement
not in Cash Book

Add:3 Payment in Bank Statement not in Cashbook

4 Receipts in the Cashbook not in the
Bank Statement

Balance as per Cash Book

Bank

Kshs	Kshs	Kshs
		873,079.80
660,500.00		
-	660,500.00	
1,350.00		
-	1,350.00	(659,150.00)
		213,929.80

I certify that I have verified the Bank Balance in the Cash Book with the Bank statement and that the above Reconciliation

is correct

PREPARED BY



GRACE W. KINGATHIA

DATE... 19-07-2019



CHECKED BY



M O. NDHINE

DATE... 19-7-19

APPROVED BY



KENT L. KIRWA

FOR ASSISTANT ACCOUNTANT GENERAL

DATE... 19/07/19

REPUBLIC OF KENYA
BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

DEV-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302356

Balance as per bank certificate	873,079.80
Less --	
1. Payment in Cash Book not yet recorded in Bank Statement (Unpresented Cheques)	
2. Receipts in Bank Statement not yet recorded in Cash Book	70,451,022.00
Add --	
3. Payment in Bank Statement not yet recorded in Cash Book	16,615,398.50
4. Receipts in Cash Book not yet Recorded in Bank Statement	32,200,000.00
Bank Balance as per Cash Book	-20,762,543.70

Reconciled by: Signature: Date:

Reviewed by : Signature: Date:

Approved by: Signature: Date:

BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

DEV-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302356

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

Cheque		Payee	Amount
No	Date		
			Total :

2. RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK

Receipts		Amount
No	Date	
REV	20-DEC-18	Transfer
CHARGES	20-DEC-18	Transfer
NONREF	18-FEB-19	Exchequer issue
FT19144TG32B	10-MAY-19	Exchequer issue
Total :		70,451,022.00

3. PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK ~

Cheque		Amount
No	Date	
NONREF	03-AUG-18	Transfer
50000143	18-FEB-19	TRFS Payments /BENM/ WITHHOLDING TAX
40030773	15-APR-19	Outward KEPSS MT 102 /BENM/ CATHERINE NYABOKE NYAKOE 006971
40030313	15-APR-19	Outward KEPSS MT 102 /BENM/ JUMEIRAH SAFARIS LIMITED 006912
40030953	15-APR-19	Outward KEPSS MT 102 /BENM/ JAMES GICHANGI MUTERU IMP3544122
40030689	15-APR-19	Outward KEPSS MT 102 /BENM/ BUSH AND BEACH TRAVEL AND SAFARIS L 006944
40030684	15-APR-19	Outward KEPSS MT 102 /BENM/ ENTRADA TOURS AND TRAVEL LTD 007016
40030690	15-APR-19	Outward KEPSS MT 102 /BENM/ ENTRADA TOURS AND TRAVEL LTD 007015
40030683	15-APR-19	Outward KEPSS MT 102 /BENM/ GREEN BAY TRAVEL LIMITED 007364
40030814	15-APR-19	Outward KEPSS MT 103 /BENM/ VITAS LIMITED 007251
40030951	15-APR-19	Outward KEPSS MT 103 /BENM/ ISSACK ALI GURE IMP3544140
50000297	16-MAY-19	Outward KEPSS MT 102 /BENM/ PATRICIA MUKIRI MWITHIGA IMP3544462
50000290	16-MAY-19	Outward KEPSS MT 102 /BENM/ ENOCH MWIRIGI GATOBU IMP3544457
50000292	16-MAY-19	Outward KEPSS MT 102 /BENM/ JOSEPHINE BITTIALY SALERI IMP3544459
50000293	16-MAY-19	Outward KEPSS MT 102 /BENM/ ROBERT KIPROTICH KEMBOI IMP3544483
50000289	16-MAY-19	Outward KEPSS MT 102 /BENM/ DANIEL ONDIEKI CHARANA IMP3544479
50000285	16-MAY-19	Outward KEPSS MT 102 /BENM/ ALLAN KASHERO MUYE IMP3544458
50000284	16-MAY-19	Outward KEPSS MT 102 /BENM/ MOSES MURIITHI MWENDA IMP3544481
50000294	16-MAY-19	Outward KEPSS MT 102 /BENM/ JIMMY TITUS NGOTA IMP3544484
50000287	16-MAY-19	Outward KEPSS MT 102 /BENM/ JACKSON NYAGAKA ONKOBA IMP3544456

P.O. 30

BANK RECONCILIATION

From Date : 01-JUL-18 To : 30-JUN-19

DEV-MINISTRY OF FOREIGN AFFAIRS

Bank : Central Bank of Kenya , Branch : Haile Selassie , Account Number : 1000302356

3. PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK

Cheque		Amount
No	Date	
Total :		16,615,398.50

4. RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT

Receipts		Amount
No	Date	
FT19130FX564	10-MAY-19	20,600,000.00
FT19049HSRNG	18-FEB-19	11,600,000.00
Total :		32,200,000.00



STATEMENT OF RECEIPTS AND PAYMENTS

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To JUN-18

	Note	Current Period	Previous Period
RECEIPTS			
Tax Receipts	1	27,808,256.25	30,859,547.60
Social Security Contribution	2	0.00	0.00
Proceeds from Domestic and Foreign Grants	3	0.00	0.00
Exchequer releases	4	15,829,946,907.00	12,817,556,146.00
Transfers from Other Government Entities	5	0.00	0.00
Proceeds from Domestic Borrowings	6	0.00	0.00
Proceeds from Foreign Borrowings	7	0.00	0.00
Proceeds from Sales of Assets	8	0.00	0.00
Reimbursements and Refunds	9	0.00	0.00
Returns of Equity Holdings	10	0.00	0.00
Other Receipts	11	515,044,112.65	528,961,336.05
TOTAL RECEIPTS		16,372,799,275.90	13,377,377,029.65
PAYMENTS			
Compensation of Employees	12	7,111,430,569.50	6,172,213,125.00
Use of goods and Services	13	6,730,050,611.70	5,191,809,619.65
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	230,212,301.45	122,503,136.70
Other Grants and Transfers	16	502,275,148.75	1,007,669,821.05
Social Security Benefits	17	10,668,619.45	16,912,176.30
Acquisition of Assets	18	1,618,676,562.60	484,865,570.55
Finance Costs, including Loan Interest	19	0.00	0.00
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00
Other payments	21	0.00	0.00
TOTAL PAYMENTS		16,203,313,813.45	12,995,973,449.25
SURPLUS/DEFICIT		169,485,462.45	381,403,580.40

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

Prepared By: _____

Date: _____

Reviewed By: _____

Date: _____

Approved By: _____

Date: _____



Statement of Financial Position

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To JUN-18

	Note	Current Period	Previous Period
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	22A	2,570,708,635.75	2,351,302,406.35
Cash Balances	22B	849,159.70	5,097,050.00
Total Cash And Cash Equivalents		2,571,557,795.45	2,356,399,456.35
Accounts Receivables - Outstanding Imprest and Clearance Accounts	23	(188,782,943.35)	(1,997,455.80)
TOTAL FINANCIAL ASSETS		2,382,774,852.10	2,354,402,000.55
Financial Liabilities			
Accounts Payables - Deposits	24	6,712,581.10	138,164,333.00
NET FINANCIAL ASSETS		2,376,062,271.00	2,216,237,667.55
REPRESENTED BY			
Fund Balance b/fwd	25	2,216,237,667.55	1,834,842,087.15
Prior Year Adjustment	26	0.00	0.00
Surplus/Deficit for the Year		169,485,462.45	381,403,580.40
NET FINANCIAL POSITION		2,385,723,130.00	2,216,245,667.55

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

Prepared By: _____

Date: _____

Reviewed By: _____

Date: _____

Approved By: _____

Date: _____



STATEMENT OF CASH FLOW

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To JUN-18

	Note	Current Period	Previous Period
		Kshs	Kshs
Receipts and operating income			
Tax Receipts	1	27,808,256.25	30,859,547.60
Social Security Contribution	2	0.00	0.00
Proceeds from Domestic and Foreign Grants	3	0.00	0.00
Exchequer releases	4	15,829,946,907.00	12,817,556,146.00
Transfers from Other Government Entities	5	0.00	0.00
Reimbursements and Refunds	9	0.00	0.00
Returns of Equity Holdings	10	0.00	0.00
Other Receipts	11	515,044,112.65	528,961,336.05
Payments for Operating Expenses			
Compensation of Employees	12	7,111,430,569.50	6,172,213,125.00
Use of goods and Services	13	6,730,050,611.70	5,191,809,619.65
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	230,212,301.45	122,503,136.70
Other Grants and Transfers	16	502,275,148.75	1,007,669,821.05
Social Security Benefits	17	10,668,619.45	16,912,176.30
Finance Costs, including Loan Interest	19	0.00	0.00
Other payments	21	0.00	0.00
Adjusted for :			
Adjustments during the year		55,333,735.65	894,928,296.90
Prior year adjustments		0.00	0.00
Net Cash From Operating Activities	A	1,843,495,760.70	1,761,197,447.85
Cash Flow From Investing Activities			
Proceeds from Sales of Assets	8	0.00	0.00
Acquisition of Assets	18	1,618,676,562.60	484,865,570.55
Net Cash Flow From Investing Activities	B	(1,618,676,562.60)	(484,865,570.55)
Cash Flow From Borrowing Activities			
Proceeds from Domestic Borrowings	6	0.00	0.00
Proceeds from Foreign Borrowings	7	0.00	0.00
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00
Net Cash Flow From Financing Activities	C	0.00	0.00
NET INCREASE IN CASH AND CASH EQUIVALENT	A+B+C	224,819,198.10	1,276,331,877.30
Cash and Cash Equivalent at BEGINNING of The Year		2,356,399,456.35	1,080,075,579.05
Cash and Cash Equivalent at END of The Year	22A+22B	2,571,557,795.45	2,356,399,456.35

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

Prepared By: _____

Date: _____

Reviewed By: _____

Date: _____

Approved By: _____

Date: _____



NOTES TO THE FINANCIAL STATEMENTS

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To JUN-18

1 Tax Receipts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Taxes on Income, Profits and Capital Gains	1110000	0.00	0.00
Taxes on Payroll and Workforce	1120000	0.00	0.00
Taxes on Property	1130000	0.00	0.00
Taxes on Goods and Services	1140000	27,808,256.25	30,859,547.60
Taxes on International Trade and Transactions	1150000	0.00	0.00
Other Taxes (not elsewhere classified)	1160000	0.00	0.00
TOTAL		27,808,256.25	30,859,547.60

2 Social Security Contribution

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

3 Proceeds from Domestic and Foreign Grants

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

4 Exchequer releases

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Exchequer Releases/ Provisioning Account	9910201	15,829,946,907.00	12,817,556,146.00
TOTAL		15,829,946,907.00	12,817,556,146.00

5 Transfers from Other Government Entities

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

6 Proceeds from Domestic Borrowings

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

7 Proceeds from Foreign Borrowings

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

8 Proceeds from Sales of Assets

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

9 Reimbursements and Refunds

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Refund from World Food Programme (WFP)	4540101	0.00	0.00
Reimbursement of Audit Fees	4540102	0.00	0.00
Reimbursement on Messing Charges (UNICEF)	4540103	0.00	0.00
Reimbursement from World Bank - ECD	4540104	0.00	0.00
Reimbursement from Individuals and Private Organizations	4540105	0.00	0.00

Item Description	Item Code	Current Period	Previous Period
Reimbursement from Local Government Authorities	4540106	0.00	0.00
Reimbursement from Statutory Organizations	4540107	0.00	0.00
Reimbursement within Central Government	4540108	0.00	0.00
Reimbursement Using Bonds	4540109	0.00	0.00
Reimbursements and Refunds - Other (Budget)	4540199	0.00	0.00
TOTAL		0.00	0.00

10 Returns of Equity Holdings

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

11 Other Receipts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Interest Received	1410100	0.00	0.00
Profits and Dividends	1410200	0.00	0.00
Withdrawals from Income of Quasi-corporations	1410300	0.00	0.00
Rents on land, houses and buildings	1410400	124,493,924.90	103,312,111.25
Other Property Income collected as AIA	1410500	148,167.00	4,521,820.00
	4415000	0.00	0.00
Sales of Market Establishment	1420100	936,977.00	16,898,408.50
Administrative Fees and Charges	1420200	0.00	0.00
Administrative Fees and Charges collected as AIA	1420300	389,465,043.75	404,228,996.30
Incidental Sales by Non-Market Establishments	1420400	0.00	0.00
Incidental Sales by Non-Market Establishments Collected as AIA	1420500	0.00	0.00
Receipts from Sale of Incidental Goods	1420600	0.00	0.00
Fines, Penalties, Forfeitures and other Charges	1430100	0.00	0.00
Current Grants from International NGOs paid through Exchequer	1440100	0.00	0.00
Capital Grants from International NGOs paid through Exchequer	1440200	0.00	0.00
Current Grants from International NGOs collected as AIA	1440300	0.00	0.00
Capital Grants from International NGOs collected as AIA	1440400	0.00	0.00
Other Voluntary Transfers for Current purposes	1440500	0.00	0.00
Other Voluntary Transfers for Capital purposes	1440600	0.00	0.00
Paid to Exchequer	1450100	0.00	0.00
Receipts Not Classified Elsewhere	1450200	0.00	0.00
	1510200	0.00	0.00
	1510300	0.00	0.00
	1520100	0.00	0.00
Business Permits	1520200	0.00	0.00
Cesses	1520300	0.00	0.00
Poll Rates	1520400	0.00	0.00
Plot Rents	1520500	0.00	0.00
Other Local Levies	1520600	0.00	0.00
Administrative Services Fees	1530100	0.00	0.00
Various Fees	1530200	0.00	0.00
Council's Natural Resources Exploitation	1530300	0.00	0.00
Sales Of Council Assets	1530400	0.00	0.00
Lease / Rental Of Council's Infrastructure Assets	1530500	0.00	0.00
Other Miscellaneous Revenues	1530600	0.00	0.00
Other Miscellaneous Revenues	1540100	0.00	0.00
Insurance Claims Recovery	1540200	0.00	0.00
Medium Term Loans (1-3 Yr Repayment)	1540300	0.00	0.00
Long Term Loans (Over 3 Yr Rpayment)	1540400	0.00	0.00
Transfers From Reserve Funds	1540500	0.00	0.00
Donations	1540600	0.00	0.00
Fund Raising Events	1540700	0.00	0.00
Other Revenues From Financial Assets Loan	1540800	0.00	0.00
	1541000	0.00	0.00
Market/Trade Centre Fee	1550100	0.00	0.00
Vehicle Parking Fees	1550200	0.00	0.00
Housing	1560100	0.00	0.00
Social Premises Use Charges	1560200	0.00	0.00
School Fees	1570100	0.00	0.00
Other Education-Related Fees	1570200	0.00	0.00
Other Education Revenues	1570300	0.00	0.00
Public Health Services	1580100	0.00	0.00

Item Description	Item Code	Current Period	Previous Period
Public Health Facilities Operations	1580200	0.00	0.00
Environment & Conservancy Administration	1580300	0.00	0.00
Slaughter Houses Administration	1580400	0.00	0.00
Water Supply Administration	1580500	0.00	0.00
Sewerage Administration	1580600	0.00	0.00
Other Health & Sanitation Revenues	1580700	0.00	0.00
Technical Services Fees	1590100	0.00	0.00
External Services Fees	1590200	0.00	0.00
	1930100	0.00	0.00
System Required Revenue A/cs	1990100	0.00	0.00
TOTAL		515,044,112.65	526,961,336.05

12 Compensation of Employees

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Basic Salaries - Permanent Employees	2110100	876,753,921.80	770,543,326.40
Basic Wages - Temporary Employees	2110200	1,599,003,817.50	1,459,387,657.45
Personal Allowances paid as part of Salary	2110300	4,109,244,464.60	3,533,029,527.90
Personal Allowances paid as Reimbursements	2110400	226,806,755.60	181,459,578.75
Personal Allowances provided in Kind	2110500	9,901,627.60	6,010,128.05
Employer Contributions to Compulsory National Social Security Schemes	2120100	62,519,880.00	42,835,741.30
Employer Contributions to Compulsory Health Insurance Schemes	2120200	213,696,102.05	171,569,523.65
Social Benefit Schemes Outside Government	2120300	13,505,000.35	7,377,641.50
TOTAL		7,111,430,569.50	6,172,213,125.00

13 Use of goods and Services

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Utilities, Supplies and Services	2210100	300,489,952.20	338,447,488.90
Communication, Supplies and Services	2210200	220,938,089.55	152,544,984.35
Domestic Travel and Subsistence, and Other Transportation Costs	2210300	227,494,476.25	177,083,135.95
Foreign Travel and Subsistence, and other transportation costs	2210400	1,938,675,846.95	1,153,007,290.70
Printing, Advertising and Information Supplies and Services	2210500	36,831,613.85	13,387,292.75
Rentals of Produced Assets	2210600	2,219,927,794.85	2,324,147,333.95
Training Expenses	2210700	25,534,808.90	41,936,667.65
Hospitality Supplies and Servi	2210800	1,009,034,770.10	379,834,103.10
Insurance Costs	2210900	51,317,254.50	46,990,752.15
Specialised Materials and Supp	2211000	24,193,435.90	18,148,008.15
Office and General Supplies and Services	2211100	138,625,706.25	44,096,377.50
Fuel Oil and Lubricants	2211200	74,663,045.95	73,384,433.10
Other Operating Expenses	2211300	284,469,873.90	260,977,454.00
Routine Maintenance - Vehicles	2220100	64,604,598.15	92,069,965.70
Routine Maintenance - Other Assets	2220200	113,249,344.40	75,754,331.70
Exchange Rate Losses	2230100	0.00	0.00
TOTAL		6,730,050,611.70	5,191,809,619.65

14 Subsidies

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

15 Transfers to Other Government Units

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Current Grants to Government Agencies and other Levels of Government	2630100	104,198,757.75	102,835,665.80
Capital Grants to Government Agencies and other Levels of Government	2630200	126,013,543.70	19,667,470.90
Other Current Transfers, Grants and Subsidies	2640400	0.00	0.00
Other Capital Grants and Trans	2640500	0.00	0.00
TOTAL		230,212,301.45	122,503,136.70

16 Other Grants and Transfers

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants and Transfers to Foreign Governments	2610100	0.00	0.00
Membership Fees and Dues and Subscriptions to International Organizations	2620100	3,289,348.55	543,828,113.40
Membership Fees and Dues and Subscriptions to International Organizations (Continued)	2620200	0.00	10,649,766.00
Scholarships and other Educational Benefits	2640100	498,985,800.20	453,191,941.65
Emergency Relief and Refugee Assistance	2640200	0.00	0.00
Grants to Small Businesses, Cooperatives, and Self Employed	2640300	0.00	0.00
	2649900	0.00	0.00
TOTAL		502,275,148.75	1,007,669,821.05

17 Social Security Benefits

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Government Pension and Retirement Benefits	2710100	10,668,619.45	16,912,176.30
Social Security Benefits	2710200	0.00	0.00
Employer Social Benefits	2710300	0.00	0.00
Refund of Pension to UK Government	2720100	0.00	0.00
Refund of Contributions to WCPS and other Ex-Gratia	2720200	0.00	0.00
TOTAL		10,668,619.45	16,912,176.30

18 Acquisition of Assets

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Purchase of Buildings	3110100	980,883,172.60	0.00
Construction of Building	3110200	0.00	0.00
Refurbishment of Buildings	3110300	504,687,137.80	366,706,154.15
Construction of Roads	3110400	0.00	0.00
Construction and Civil Works	3110500	0.00	0.00
Overhaul and Refurbishment of Construction and Civil Works	3110600	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	3110700	76,132,821.05	88,445,884.10
Overhaul of Vehicles and Other Transport Equipment	3110800	1,125,407.25	480,250.50
Purchase of Household Furniture and Institutional Equipment	3110900	29,843,771.90	13,850,514.15
Purchase of Office Furniture and General Equipment	3111000	26,004,252.00	9,890,297.75
Purchase of Specialised Plant, Equipment and Machinery	3111100	0.00	5,492,469.90
Rehabilitation and Renovation of Plant, Machinery and Equipment	3111200	0.00	0.00
Purchase of Certified Seeds, Breeding Stock and Live Animals	3111300	0.00	0.00
Research, Feasibility Studies, Project Preparation and Design, Project Supervision	3111400	0.00	0.00
Rehabilitation of Civil Works	3111500	0.00	0.00
Purchase of Specialised Plant	3112200	0.00	0.00
Acquisition of Strategic Stocks	3120100	0.00	0.00
Acquisition of Other Inventori	3120200	0.00	0.00
Acquisition of Land	3130100	0.00	0.00
Acquisition of Other Intangible Assets	3130200	0.00	0.00
Domestic Lending and On-lending	4110000	0.00	0.00
Domestic Equity Participation	4120000	0.00	0.00
Other Domestic Accounts Receivable	4130000	0.00	0.00
Foreign Lending and On- Lending	4140000	0.00	0.00
Foreign Equity Participation	4150000	0.00	0.00
Other Foreign Accounts Receivable	4160000	0.00	0.00
TOTAL		1,518,676,562.60	484,865,570.55

19 Finance Costs, including Loan Interest

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

20 Repayment of Principal on Domestic and Foreign Borrowing

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

21 Other payments

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

22A Bank Balances

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Special Accounts	6510000	0.00	0.00
Treasury Bank Accounts (Exchequer and CRF Accounts)	6520000	0.00	0.00
Recurrent Bank Accounts	6530000	2,107,955,332.05	1,973,389,025.00
Development Bank Accounts	6540000	271,998,208.50	239,689,048.35
Deposit Bank Account	6550000	190,755,095.20	138,224,333.00
Project Specific Bank Accounts	6570000	0.00	0.00
Foreign Currency and Foreign D	6590101	0.00	0.00
TOTAL		2,570,708,635.75	2,351,302,406.35

22B Cash Balances

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Cash in Hand	6580000	849,159.70	5,097,050.00
Foreign Currency and Foreign D	6590201	0.00	0.00
TOTAL		849,159.70	5,097,050.00

23 Accounts Receivables - Outstanding Imprest and Clearance Accounts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Domestic Debtors & Advances	6710000	0.00	0.00
Debtors & Advances - Govt Owne	6720000	0.00	0.00
Foreign Debtors & Advances	6730000	0.00	0.00
Other Debtors & Pre-payments	6740000	0.00	2,320,000.00
Government Imprests	6760000	4,800,429.25	322,544.20
Agency Accounts	6770000	163,982,514.10	0.00
Suspense & Clearance Account	6780000	0.00	0.00
Other Current Assets (System r	6790000	0.00	0.00

Item Description	Item Code	Current Period	Previous Period
TOTAL		188,782,943.35	2,642,544.20

24. ACCOUNTS PAYABLE

Item Description	Item code	Current Period	Previous Period
		Kshs	Kshs
Other Liabilities	7320000	0.00	0.00
Deposits	7310000	6,712,581.10	138,164,333.00
Withholding Taxes	7380000	0.00	0.00
System Required Liabilities A/cs	7390000	0.00	0.00
TOTAL		6,712,581.10	138,164,333.00

25. FUND BALANCES BROUGHT FORWARD

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Opening Balance Bank	22A	2,351,302,406.35	1,895,082,710.80
Opening Balance Cash	22B	5,097,050.00	(815,007,131.75)
Opening Balance Receivables - Imprest and Clearance Accounts	23	(1,997,455.80)	(9,494,357.55)
Opening Balance - Deposits	24	(138,164,333.00)	764,260,865.65
TOTAL		2,216,237,667.55	1,834,842,087.15

26. PRIOR YEAR ADJUSTMENTS

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
County Transfers	9910300	0.00	0.00
Exchequer Provisions	9910200	0.00	0.00
TOTAL		0.00	0.00



Statement of Budget Execution

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
RECEIPTS								
Tax Receipts	1	21,177,000.00	0.00	21,869,000.00	43,046,000.00	27,808,256.25	15,237,743.75	64.60%
Social Security Contribution	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic and Foreign Grants	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Exchequer releases	4	0.00	0.00	0.00	0.00	15,829,946,907.00	(15,829,946,907.00)	0.00%
Transfers from Other Government Entities	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic Borrowings	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Foreign Borrowings	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Sales of Assets	8	0.00	0.00	3,408,000.00	3,408,000.00	0.00	3,408,000.00	0.00%
Reimbursements and Refunds	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Returns of Equity Holdings	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other Receipts	11	255,610,450.50	0.00	262,526,488.50	538,136,939.00	515,044,112.85	23,092,826.35	95.71%
Total		276,787,450.50	0.00	307,603,488.50	584,590,939.00	16,372,799,275.90	(15,788,206,336.90)	2800.73%
PAYMENTS								
Compensation of Employees	12	3,630,235,000.00	0.00	4,030,235,000.00	7,660,470,000.00	7,111,430,569.50	549,039,430.50	92.83%
Use of goods and Services	13	4,022,322,019.50	0.00	3,700,634,790.50	7,722,956,810.00	6,730,050,611.70	992,906,198.30	87.14%
Subsidies	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers to Other Government Units	15	255,160,889.00	0.00	55,160,889.00	310,321,778.00	230,212,301.45	80,109,476.55	74.19%
Other Grants and Transfers	16	347,405,480.00	0.00	363,305,480.00	710,710,960.00	502,275,148.75	208,435,811.25	70.67%
Social Security Benefits	17	6,334,852.50	0.00	5,334,852.50	10,669,705.00	10,668,619.45	1,085.55	99.99%
Acquisition of Assets	18	1,837,641,072.50	0.00	106,820,510.50	1,944,461,583.00	1,618,676,562.60	325,785,020.40	83.25%
Finance Costs, including Loan Interest	19	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other payments	21	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Total		10,098,089,313.50	0.00	8,261,491,522.50	18,359,590,836.00	16,203,313,813.45	2,156,277,022.55	88.26%



Statement of Budget Execution

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

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

Prepared By: _____

Date: _____

Reviewed By: _____

Date: _____

Approved By: _____

Date: _____



Statement of Budget Execution - Recurrent Expenditure

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
RECEIPTS								
Tax Receipts	1	21,177,000.00	0.00	21,669,000.00	43,046,000.00	27,806,256.25	15,237,743.75	64.60%
Social Security Contribution	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic and Foreign Grants	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Exchequer releases	4	0.00	0.00	0.00	0.00	14,023,876,907.00	(14,023,876,907.00)	0.00%
Transfers from Other Government Entities	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic Borrowings	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Foreign Borrowings	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Sales of Assets	8	0.00	0.00	3,408,000.00	3,408,000.00	0.00	3,408,000.00	0.00%
Reimbursements and Refunds	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Returns of Equity Holdings	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other Receipts	11	255,610,450.50	0.00	282,526,488.50	538,136,939.00	515,044,112.65	23,092,826.35	95.71%
Total		276,787,450.50	0.00	307,803,488.50	584,590,939.00	14,566,729,275.90	(13,982,138,336.90)	2491.78%
PAYMENTS								
Compensation of Employees	12	3,630,235,000.00	0.00	4,030,235,000.00	7,660,470,000.00	7,105,348,526.20	555,121,473.80	92.75%
Use of goods and Services	13	4,022,322,019.50	0.00	3,350,634,790.50	7,372,956,810.00	6,409,617,081.70	963,339,728.30	86.93%
Subsidies	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers to Other Government Units	15	55,160,889.00	0.00	55,160,889.00	110,321,778.00	104,188,757.75	6,123,020.25	94.45%
Other Grants and Transfers	16	347,405,480.00	0.00	363,305,480.00	710,710,960.00	502,200,509.75	208,510,450.25	70.66%
Social Security Benefits	17	5,334,852.50	0.00	5,334,852.50	10,669,705.00	10,668,619.45	1,085.55	99.99%
Acquisition of Assets	18	99,901,072.50	0.00	156,820,510.50	256,721,583.00	135,032,747.15	121,688,835.85	52.60%
Finance Costs, including Loan Interest	19	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Other payments	21	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Total		8,180,359,313.50	0.00	7,951,491,522.50	16,121,850,836.00	14,267,056,242.00	1,854,794,594.00	88.50%



Statement of Budget Execution - Recurrent Expenditure

Entity: 1052-Ministry of Foreign Affairs

Current Period: JUL-18 To JUN-19

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

Prepared By: _____

Date: _____

Reviewed By: _____

Date: _____

Approved By: _____

Date: _____

MINISTRY OF FOREIGN AFFAIRS
2018-2019 MISSIONS' CASH BOOK BALANCES AS AT 30TH JUNE 2019 - RECURRENT

S/NO	HEAD	MISSION	LOCAL CURRENCY				FOREIGN CURRENCY				TOTAL BALANCES KSHS
			CASH	BANK	TOTAL	EXCHANGE RATE	KSHS	BANK	EXCHANGE RATE	KSHS	
1	070	NEW YORK	19.98	248,201.48	248,221.46	101.00	25,070,367.46	-	-	-	25,070,367.46
2	080	WASHINGTON	1,679.83	211.44	1,891.27	101.00	191,018.27	-	-	-	191,018.27
3	090	LONDON	54.06	256.93	311.01	131.00	40,742.31	-	-	-	40,742.31
4	100	MOSCOW	248,745.65	3,859,082.30	4,107,827.95	1.50	6,161,741.93	1,189,648.79	101.00	120,154,527.79	126,316,269.72
5	110	ADDIS ABABA	18,136.41	17,573.66	35,710.07	3.50	124,985.25	158,454.96	101.00	16,003,950.96	16,128,936.21
6	120	BERLIN	259.18	538,209.52	538,468.70	113.00	60,846,963.10	-	-	-	60,846,963.10
7	130	KINSHASA	47.68	13,236.04	13,283.72	101.00	1,341,655.72	483,000.00	0.06	28,980.00	1,370,635.72
8	140	LUSAKA	93,293.14	322,000.00	415,293.14	8.30	3,446,933.06	369,411.61	101.00	37,310,572.61	40,757,505.67
9	150	PARIS	2,198.19	790,516.87	792,715.06	113.00	89,576,801.78	-	-	-	89,576,801.78
10	160	NEW DELHI	45,150.39	6,637,175.90	6,682,326.29	1.45	9,689,373.12	341,319.94	101.00	34,473,313.94	44,162,687.06
11	170	STOCKHOLM	283.32	7,451,445.98	7,451,729.30	10.80	80,478,676.44	-	-	-	80,478,676.44
12	180	ABUJA	-	3,692.44	3,692.44	0.28	1,033.88	15,903.50	134.00	2,131,069.00	2,132,102.88
13	190	CAIRO	16,962.80	5,709.76	22,672.56	5.75	130,367.22	349,676.86	101.00	35,317,362.86	35,447,730.08
14	200	RIYADH	64.34	305.84	370.18	26.75	9,902.32	-	-	-	9,902.32
15	210	BRUSSELS	436.78	6,316.47	6,753.25	113.00	763,117.25	-	-	-	763,117.25
16	220	OTTAWA	6,646.76	85,500.24	92,147.00	72.00	6,634,584.00	-	-	-	6,634,584.00
17	230	TOKYO	69.72	11,956,765.00	11,956,834.72	90.80	11,239,424.64	-	-	-	11,239,424.64
18	240	BEIJING	41,170.07	964,416.70	1,005,586.77	15.00	15,083,801.55	137,950.54	101.00	13,933,004.54	29,016,806.09
19	250	ROME	1,036.69	235,172.29	236,208.98	113.00	26,691,614.74	-	-	-	26,691,614.74
20	260	KAMPALA	1,836,955.31	31,413,472.00	33,250,427.31	2.70	897,761.54	218,127.33	101.00	22,030,860.33	22,928,621.67
21	280	HARARE	2,417.10	283,139.45	285,556.55	101.00	28,841,211.55	-	-	-	28,841,211.55
22	300	KHARTOUM	48,143.92	1,516.75	49,660.67	2.10	104,287.41	84,793.34	101.00	8,564,127.34	8,668,414.75
23	310	ABU DHABI	1,249,358.54	1,533,786.98	2,883,145.52	27.40	78,998,187.25	-	-	-	78,998,187.25
24	320	DAR-ES-SALAAM	1,274,863.96	30,751,687.84	32,026,551.80	4.35	1,409,168.29	3,124.63	101.00	315,587.63	1,724,755.91
25	330	ISLAMABAD	498.97	3,754,994.06	3,755,493.02	0.72	2,703,954.57	5,733.80	101.00	579,113.80	3,283,068.77
26	340	THE HAGUE	0.03	269,071.62	269,071.65	113.00	30,405,096.45	-	-	-	30,405,096.45
27	350	GENEVA	650.27	53,014.53	53,664.80	101.00	5,420,144.80	-	-	-	5,420,144.80
28	370	LOS ANGELES	4.33	0.04	4.37	101.00	441.37	-	-	-	441.37
29	380	BUJUMBURA	1,076,131.56	59,909,737.00	60,985,868.56	5.50	3,476,194.51	229,898.19	101.00	23,219,717.19	26,695,911.70
30	390	TEL AVIV	157,828.67	122,288.64	280,117.31	27.70	7,759,249.49	103,504.40	101.00	10,453,944.40	18,213,193.89

S/NO	HEAD	MISSION	CASH	BANK	TOTAL	EXCHANGE RATE	KSHS	BANK	EXCHANGE RATE	KSHS	KSHS
31	400	PRETORIA	42,798.24	319,147.33	361,945.57	7.00	2,533,618.99	81,177.96	101.00	8,198,973.96	10,732,592.95
32	410	VIENNA	7,426.35	329,607.31	337,033.66	113.00	38,084,803.58			-	38,084,803.58
33	420	KUALA LUMPUR	41,801.73	215,258.74	257,060.47	24.60	6,323,687.56	418,016.88	101.00	42,219,704.88	48,543,392.44
34	430	KUWAIT	404,469	114,788,798	115,193,267	331.000	38,128,371.38			-	38,128,371.38
35	440	DUBLIN	6,919.93	187,912.90	194,832.83	113.00	22,016,109.79			-	22,016,109.79
36	450	MADRID	34.55	137,239.42	137,273.97	113.00	15,511,958.61			-	15,511,958.61
37	460	SEOUL	3,086,048.00	19,256,023.00	22,322,071.00	8.80	2,098,274.67	175,585.40	101.00	17,845,225.40	19,943,500.07
38	470	KIGALI	16,397.53	3,595,050.00	3,611,447.53	0.11	397,269.23	92,805.05	101.00	9,373,310.05	9,770,569.28
39	480	CANBERRA	1,288.81	413,610.22	414,899.03	71.00	29,457,831.13			-	29,457,831.13
40	490	TEHRAN	15,375,408.50		15,375,408.50	0.24	36,900.88	112,862.49	101.00	11,399,111.49	11,436,012.47
41	500	WINDHOEK	67.11	30,159,203.09	30,159,270.20	7.00	211,114,891.40			-	211,114,891.40
42	510	BRASILIA	370,011.38	63.90	370,075.28	25.75	9,529,438.46	610,042.90	101.00	61,614,332.90	71,143,771.36
43	520	BANGKOK	30,531.40	1,532,872.26	1,563,203.66	3.17	4,955,355.80	55,066.59	101.00	5,561,725.59	10,517,081.19
44	530	GABORONE	1,354.99	690,789.65	692,124.64	9.35	6,471,364.45	304,540.98	101.00	30,758,636.96	37,230,001.41
45	550	JUBA	11,894.00	188,182.25	200,076.25	0.80	160,061.00	505,971.29	101.00	51,103,100.29	51,263,161.29
46	560	DOHA	2,029.36	304,383.01	306,412.37	27.70	8,487,622.65	196,762.17	101.00	19,872,979.17	28,360,601.82
47	570	MUSCAT	169,864	56,975.342	57,145,206	262.00	14,972,043.97	252,122.38	101.00	25,464,360.38	40,436,404.35
48	580	ANKARA	17,007.39	67,299.55	84,306.94	18.00	1,517,524.92	675,075.98	101.00	68,182,673.98	69,700,198.90
49	590	DUBAI	1,818.24	1,247,540.30	1,249,358.54	27.40	34,232,424.00			-	34,232,424.00
50	600	ALGIERS	1,197,334.00	2,132,975.88	3,330,309.88	0.84	2,797,460.30	277,140.16	101.00	27,991,156.16	30,788,616.46
51	610	LUANDA	59,770.50	2,201,277.02	2,261,047.52	0.31	700,924.73	526,884.37	101.00	53,215,321.37	53,916,246.10
52	611	MOGADISHU		56,638.54	56,638.54	101.00	5,720,492.54			-	5,720,492.54
53	612	HAVANA	3,799.70	171,226.25	175,025.95	101.00	17,577,620.95	1,888.51	117.00	197,555.67	17,875,176.62
GRAND TOTAL							970,465,442.63			757,514,300.64	1,727,979,743.17

MINISTRY OF FOREIGN AFFAIRS

2018-2019 MISSIONS' CASH BOOK BALANCES AS AT 30TH JUNE 2019 - DEVELOPMENT

	MISSION	LOCAL CURRENCY				FOREIGN CURRENCY				GRAND TOTAL	
		CASH	BANK	TOTAL	EXCHANGE RATE	KSHS	BANK	EXCHANGE RATE	KSHS	KSHS	
1	LONDON	-	542,182.73	542,182.73	131.00	71,025,937.63	-	-	-	71,025,937.63	
2	ADDIS ABABA	-	-	-	3.65	-	89,005.95	101.00	8,989,601.96	8,989,601.96	
3	DAR-ES-SALAAM	-	-	-	4.35	-	118.65	101.00	11,984.66	11,984.66	
4	MOGADISHU	-	-	-	101.00	-	27.09	101.00	2,736.09	2,736.09	
	GRAND TOTAL					71,025,937.63			9,004,322.71	80,030,260.34	

MISSION'S GAINS AND LOSSES ON REMITTANCES - RECURRENT

FOR FINANCIAL YEAR 2018-2019

NO.	MISSION'S NAME	GAINS	LOSSES	NET
01	ABU DHABI		2,006,758.79	(2,006,758.79)
02	ABUJA		4,366,034.56	(4,366,034.56)
03	ADDIS ABABA		2,341,991.24	(2,341,991.24)
04	ALGIERS		2,251,428.25	(2,251,428.25)
05	ANKARA		2,865,338.90	(2,865,338.90)
06	BANGKOK		2,515,982.24	(2,515,982.24)
07	BEIJING		2,511,269.86	(2,511,269.86)
08	BERLIN		3,085,093.17	(3,085,093.17)
09	BRASILIA		4,408,767.18	(4,408,767.18)
10	BRUSSELS		3,408,989.16	(3,408,989.16)
11	BUJUMBURA		1,919,326.92	(1,919,326.92)
12	CAIRO		1,246,891.00	(1,246,891.00)
13	CANBERRA		1,424,260.37	(1,424,260.37)
14	DAR ES SALAAM		3,590,712.20	(3,590,712.20)
15	DOHA		3,058,697.54	(3,058,697.54)
16	DUBAI		3,524,000.50	(3,524,000.50)
17	DUBLIN		2,789,624.00	(2,789,624.00)
18	GABORONE		1,499,969.71	(1,499,969.71)
19	GENEVA		8,626,376.35	(8,626,376.35)
20	HARARE		1,392,497.45	(1,392,497.45)
21	HAVANA		4,347,628.83	(4,347,628.83)
22	ISLAMABAD		2,450,611.30	(2,450,611.30)
23	JUBA		3,794,878.71	(3,794,878.71)
24	KAMPALA		2,207,014.95	(2,207,014.95)
25	KHARTOUM		2,736,775.35	(2,736,775.35)
26	KIGALI		2,068,702.32	(2,068,702.32)
27	KINSHASA		3,285,272.71	(3,285,272.71)
28	KUALA LUMPUR		1,516,971.84	(1,516,971.84)
29	KUWAIT		1,953,671.19	(1,953,671.19)
30	LONDON	175,739.20		175,739.20
31	LOS ANGELES		2,801,715.32	(2,801,715.32)
32	LUANDA		2,626,842.75	(2,626,842.75)
33	LUSAKA		2,471,627.18	(2,471,627.18)
34	MADRID		1,533,136.51	(1,533,136.51)
35	MOGADISHU		4,021,897.75	(4,021,897.75)
36	MOSCOW		1,815,155.63	(1,815,155.63)
37	MUSCAT		2,528,735.34	(2,528,735.34)
38	NEW DELHI		4,732,746.73	(4,732,746.73)
39	NEW YORK		7,947,846.64	(7,947,846.64)
40	OTTAWA		12,901,281.97	(12,901,281.97)
41	PARIS		2,305,767.90	(2,305,767.90)
42	PRETORIA		3,534,324.59	(3,534,324.59)
43	RIYADH		3,446,617.97	(3,446,617.97)
44	ROME		84,729.56	(84,729.56)
45	SEOUL		3,338,517.90	(3,338,517.90)
46	STOCKHOLM	740,189.99	-	740,189.99
47	TEHRAN		1,855,945.00	(1,855,945.00)
48	TEL AVIV		2,050,485.35	(2,050,485.35)
49	THE HAGUE		1,263,282.10	(1,263,282.10)
50	TOKYO		5,413,153.33	(5,413,153.33)
51	VIENNA		2,317,520.95	(2,317,520.95)
52	WASHINGTON		5,690,943.13	(5,690,943.13)
53	WINDHOEK		3,985,523.19	(3,985,523.19)
	TOTAL	915,929.19	161,863,333.38	(160,947,404.19)



MINISTRY OF FOREIGN AFFAIRS

Ref. No. MFA/FIN2/119

2nd August 2019

The Director General
Accounting Services
The National Treasury
NAIROBI

CASH BALANCES HELD IN DEPOSIT ACCOUNT, VOTE 1052 – MINISTRY OF FOREIGN AFFAIRS A/C NO. 1000302372 – KSH.442,937,246.69 AS AT 30.06.2019

Reference is made to your letter Ref:AG 3/088 Vol.6/118 dated 10th July, 2017 item (iii) on the above subject.

The Ministry is forwarding the analysis of the deposit account as at the end of the Financial Year 2018/2019 as below.

MFA DEPOSIT ANALYSIS AS AT 30/6/2019

1.	Sponsorship for Kenya Diaspora Conference	762,766.09
2.	National Intelligence Services	890,800.00
3.	WTO	839,601.10
4.	Giz (German Development Corporation)	1,773,259.75
5.	Top Choice Surveillance Ltd	725,758.80
6.	Ministry of Planning	224,000.00
7.	Ministry of Education	306,900.00
8.	Kenya Mission's Abroad	84,165.55
9.	Ministry of Natural Resources	7,075,000.00
10.	KASNEB	355,716.00
11.	Ministry of Lands-Tanzania	35,603,946.30
12.	Ministry of Mining	1,494,000.00
13.	Ministry of Culture	147,800.00
14.	Ministry of Education	276,506.50
15.	Galana Trading Company-Retension Money	514,698.70
16.	MFA Welfare Association	2,100.00
17.	KASNEB	163,100.00
18.	Chinese Ministry of Foreign Affairs	14,319,200.00

REPUBLIC OF KENYA



ne: +254-20-342330
4-20-311482
ag@oagkenya.go.ke
er: www.kenao.go.ke

P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON MINISTRY OF FOREIGN AFFAIRS FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ministry of Foreign Affairs set out on pages 16 to 36, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statements of appropriation – recurrent, development and 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 effects 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 Ministry of Foreign Affairs as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with international public sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unapproved Expenditure and Irregular Prior Year Adjustment

The Ministry of Foreign Affairs expenditure estimates (Supplementary II) for 2017/2018 reflects a development budget of Kshs.207,786,113 for the Kenya High Commission in Pretoria in respect of construction of the ambassador's residence and staff houses. A review of expenditure records revealed that payments amounting to Kshs.439, 635,853.55 were made to the contractor for the construction works in 2017/2018 financial year, leading to unapproved expenditure of Kshs.231,849,740.55 over and above the approved budgeted limit of Kshs.207,786,113.

To accommodate part of the expenditure that was not budgeted for in 2017/2018 financial year, the management irregularly made a prior year adjustment of Kshs.221,020,794 as disclosed in Note 15 to the financial statements. According to the International Public Sector Accounting Standard: Financial Reporting under the Cash Basis of Accounting, Paragraph 3.3, only errors in the preparation of the financial statements of one or more prior periods discovered in the current period are required to be corrected by a prior year adjustment. The errors according to the Standard may occur as a result of mathematical mistakes, interpretation of facts, mistakes in applying accounting policies or oversights. However,

Report of the Auditor-General on the Financial Statements of The Ministry of Foreign Affairs for the year ended 30 June

in the foregoing case, no error had occurred in the previous financial year to warrant a year adjustment in the financial statements for the year ended 30 June 2018.

2. Pending Accounts' Payables / Bills

As disclosed under Note 16 to the financial statements, the Ministry of Foreign Affairs has pending accounts' payables / bills totalling Kshs.2,036,219,937.80 as at 30 June 2018 that were not settled in 2017/2018 financial year but were instead carried forward to 2018/2019 as summarized below:

Description	Amount Kshs.
Supply of Goods	254,328,520.65
Supply of Services	327,516,095.30
Staff Payables – Middle Management	64,500,433.40
Subscriptions to International Organizations	1,389,874,888.45
Total	2,036,219,937.80

Had the bills been paid and expenditure charged to the accounts for 2017/2018, the statement of receipts and payments for the year ended 30 June 2018 would have reflected a deficit of Kshs.1,652,730,790.80 instead of the surplus of Kshs.383,489,147 now shown. 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 the Ministry of Foreign Affairs in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified 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. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no key audit matters to communicate in my report.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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 all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and 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 governance.

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

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015. In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public 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 entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are

in place to address key roles and responsibilities in relation to government 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 statements as a whole are free from material misstatement, whether due to fraud 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, not a guarantee that an audit conducted in accordance with ISSAIs will always detect material misstatement and weakness when it exists. Misstatements can arise from 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 financial statements.

In addition to the audit of the financial statements, a compliance audit is planned to express a conclusion about whether, in all material respects, the actual financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an efficient way, in accordance with the provisions of Article 229(6) of the Constitution and submit an audit report in compliance with Article 229(7) of the Constitution.

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with 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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Ministry of Foreign Affairs 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 Ministry to cease sustaining 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 Ministry 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.



CPA Edward R. O. Ouko, CBS

AUDITOR-GENERAL

Nairobi

March 2019

of the Auditor-General on the Financial Statements of The Ministry of Foreign Affairs for the year ended 30 June



**MINISTRY OF FOREIGN AFFAIRS
FINANCE DIVISION**

MEMO

TO : Principal Secretary
FROM : Senior Chief Finance Officer
DATE : 9th August, 2019

PENDING BILLS STATUS REPORT FOR 2018/2019 FY

Enclose herewith please find the Ministry's pending bills status report as at 8th August, 2019.

This is the report submitted by the Pending Bills Verification Sub Committee of the Ministerial Budget Implementation Committee which was tasked to verify the ministry's pending bills together with payment status on the amounts payable.

To enable us to process payments for the bills recommended as payable, we hereby seek your authority to settle the bills as a first charge on the relevant operational items in the ministry's 2019/20 FY's budget.

Submitted for your kind consideration and approval.


James A. Alpyo
Senior Chief Finance Officer

REPUBLIC OF KENYA



MINISTRY OF FOREIGN AFFAIRS

REPORT ON PENDING BILLS

FOR THE FINANCIAL YEAR

2018/2019

[Handwritten signatures]

INTRODUCTION

1. The sub-committee of the Ministerial Budget Implementation Committee was appointed by the Principal Secretary on 18th July 2019. The mandate of the committee was to evaluate and make recommendations on the Ministry's pending bills for the Financial Year 2018/2019.
2. The sub-committee comprised of the following members: -

i.	Ms. Shilla Miriti	-Chairperson	- Finance
ii.	Mr. Isaac Tuukuo	-Secretary	-Supply Chain Management
iii.	Ms. Nahumi Mutua	-Member	-Supply Chain Management
iv.	Mr. Moses Safari	-Member	-Accounts
v.	Mr. David Siro	-Member	-Audit
3. The team was to undertake the exercise and submit the report to the Ministerial Budget Implementation Committee for consideration which will recommend to the Accounting Officer for approval and payment.
4. In carrying out its mandate, the committee was guided by the following terms of reference (ToRs):
 - a) Obtain all pending bills/claims incurred by the Ministry of Foreign Affairs as at 30th June 2019 and earlier.
 - b) Obtain adequate supporting documentation for bills/claims as described above.
 - c) Evaluate the pending bills as per (a) and (b) above.
 - d) Ascertain/establish the pending bill stock for the Ministry as at 30th June 2019 and advise on the amount payable.
 - e) Establish the causes of pending bills in the Ministry and provide recommendations on how to manage them in the future.
5. The sub-committee adapted the following approach as its *modus operandi*:
 - i. Obtained a comprehensive list of pending bills from accounts and supply chain divisions.
 - ii. Obtained documentations of the same and came up with a consolidated list.
 - iii. The sub-committee divided the bills into the following categories: -
 - a) Goods already delivered.

b) Services rendered.

iv. The committee adopted the following evaluation criteria to determine as to whether the bills are eligible for payment: -

S/No	GOODS	SERVICES
1	Professional Opinion/Requisition Memo	Purchase Order (PO)
2	Dully signed Purchase Order (PO)	Professional Opinion/Requisition Memo
3	Inspection and acceptance certificate	Dully signed Certification of service rendered form
4	Counter receipt voucher (S13)	Invoice and job cards
5	Invoice generated on or before 30 th June 2019 and delivery note	Valid Contract for works
6	Statutory registration documents(Valid Tax compliance, Certificate of reg/Incorporation, KRA Pin, AGPO Certificate)	Statutory registration documents(Valid Tax compliance, Certificate of reg/Incorporation, KRA Pin, AGPO Certificate)
7		Completion certificate

6. Pending Bills from Accounts

- The sub-committee started by verifying payment vouchers that were returned from Accounts section due to lack of Exchequer release for Development vote.
- The pending bill for recurrent amounting to Kshs. **1,339,200.00** was as a result of rejection by the IFMIS system.
- Bills amounting to Kshs. **188,564,229.49** were verified as tabulated below: -

	ITEM DESCRIPTION	BILLS PAYABLE	BILLS LACKING SUFFICIENT DOCUMENTAION	TOTAL AMOUNT
1	Supply of goods	42,686,417.00	9,250,350.00	51,936,767.00
2	Provision of services	84,000,320.28	52,627,142.21	136,627,462.49
	GRAND TOTAL	126,686,737.28	61,877,492.21	188,564,229.49



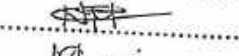
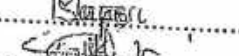

8 Recommendations and Way forward

- a) Movement registers should be utilized to track documents and improve efficiency.
- b) There should be set timelines within the relevant Departments to ensure payment processes take the shortest time possible.
- c) Departments should implement activities in their Annual Work plans within the set timelines to give sufficient time for processing of payments before closure of the financial year.
- d) Departments must consult with the Procurement Unit before securing goods or services to ensure the correct procurement processes are adhered to e.g. Hotel Services and air travel.
- e) There should be a re-engineering of all internal business processes to ensure efficiency and effectiveness.
- f) There should be adherence to the service delivery charters and stipulated Departmental ISO procedures.
- g) All requests being forwarded for approval to the Accounting Officer must have an approved Work plan and procurement plan.
- h) Market Survey should be carried out regularly to ensure the prices quoted by Suppliers are within the market range.
- i) The relevant Departments should ensure all documents have sufficient information before forwarding to Accounts for payments.

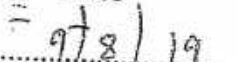
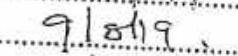
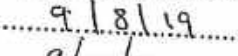
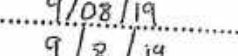
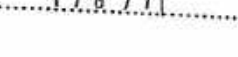
SUB-COMMITTEE MEMBERS

Ms. Shilla Miriti
Mr. Isaac Tuukuo
Ms. Nahumi Mutua
Mr. Moses Safari
Mr. David Siro

Signature

Date

SUMMARY OF PENDING BILLS FOR FY 2018/19

DESCRIPTION	AMOUNT
Goods Delivered	51,936,767.00
Services Rendered	136,627,462.49
Grand Total	188,564,229.49

[Handwritten signature] ~~###~~
[Handwritten signature]

GOODS

S/NO	SUPPLIER OF GOODS	SERVICE RENDERED	INVOICE NO.	P.O. NO.	AMOUNT	REMARKS
1	ALPHA CORE VENTURES	Furniture and Equipment	229	5128	1,644,000.00	Payable
2	ALGARVE ENTERPRISES	Office Furniture & Equipment	229	4808	1,603,000.00	Payable
3	AMANDA BRAND SERVICES	Banner and branded Tshirts	229	5195	955,000.00	Payable
4	BEREM AGENCIES	Supply of Assorted Items	140	5411	3,779,447.00	Payable
5	BLESSEM INVESTMENTS	Supply of stationery	49	5439	1,200,000.00	Payable
6	BLESSEM INVESTMENTS	Supply of passport booklets and gift	49	5410	3,195,600.00	Payable
7	BRIGHT CONCEPT VENTURES	Office Equipment	26	4450	1,599,500.00	Payable
8	CAMERA PIX LTD	Purchase of Books	2896	5212	1,200,000.00	Payable
9	CYGENE AGENCIES	Purchase of Television	070	5488	160,000.00	Attach inspection and acceptance certificate, professional opinion and S13
10	DYNAMAC ENTERPRISES	Tonnors	20	5451	761,000.00	Payable
11	DEBYMART ENTERPRISES	Tonnors	2265	5454	991,000.00	Payable
12	DURRANS SUPPLIERS	Tonnors	1123	5501	258,000.00	Payable
13	DYNASTY MERCHANT	Supply of black tea	049	5431	2,925,000.00	Payable
14	EPTON TECHNOLOGIES LTD	Tonnors	2106	4643	1,996,800.00	Payable
15	EVERBEST SUPPLIES AGENCIES	Tonnors	151	4644	399,000.00	Payable
16	EXTREME BUSINESS SOLUTION	Supply assorted items	XBS 1024	5445	774,680.00	Payable
17	JANIOS SERVICE AND SUPPLIES	Stationery	360	5442	774,680.00	Payable
18	JOE-STAR COMMUNICATION LTD	Office Equipment	4646	010643	970,800.00	Payable
19	JOYCED INVESTMENTS	Supply of Keyholders	58	5418	581,250.00	Payable
20	KAMEGO ENTERPRISES	Tonnors	198	4936	278,100.00	Payable
21	KEMKA INVESTMENTS	Supply and fitting of carpets	004	5506	735,000.00	Attach professional opinion
22	KEWAMAR ENTERPRISES	Stationery	1253	5207	1,042,000.00	Payable
23	LEADERS MERCHANTS	Office Equipment	286	5150	926,600.00	Payable
24	LEADERS MERCHANTS	Garden chairs, umbrellas and tables	461	5500	647,900.00	No Invoice, no delivery note. Attach inspection and acceptance certificate and S13
25	LEWOTECH ENTERPRISES	Tonnors	141	5503	765,000.00	Payable
26	LETIMBOKA ENTERPRISES	Tonnors	003	4778	294,000.00	Payable
27	LIBSCO INVESTMENT COMPANY LTD	Supply of Diplomatic Bags	122	5444	1,006,150.00	Payable
28	LINK AFRICA MEDIA	Tonnors	077	5430	774,680.00	Payable
29	LINKMAT INVESTMENTS	Stationery	37	5441	2,000,000.00	Payable
30	MAFLEX LTD	Supply of Kikoyis	525	5433	708,000.00	Payable
31	MEEKLINE LTD	Tonnors	303	4937	2,370,000.00	Payable
32	NECTARGEM CO.LTD	Office Furniture	5447	11123	597,000.00	Payable
33	NICKTRIN AGENCIES	Tonnors	4628	010654	816,000.00	Payable
34	PENYATI GENERAL SUPPLIES	Furniture and Equipment	168	5421	1,515,800.00	Payable
35	PETMART SERVICES LTD	Branded Tea pkts	017	5161	1,052,000.00	Payable
36	PRESTAN GENERAL SUPPLIES	Office Equipment	210	4935	826,000.00	Attach inspection and acceptance certificate for curtains and S13
37	RAMKEN INTERNATIONAL LTD	Mineral Water	1082	5511	554,980.00	Payable
38	REBEC ENTERPRISES	Purchase of fire proof safe	261	5498	1,201,150.00	Attach inspection and acceptance certificate, professional opinion and S13
39	SAMOSAI MOTORS LTD	Tonnors and office equipment	039	5504	525,600.00	Payable
40	TANIA SYSTEMS MANAGEMENT LTD	Assorted gifts	103	5429	456,000.00	Payable
41	TRIBAND ENTERPRISES	Office Equipment	9	5438	1,612,500.00	Payable
42	TUKI AGENCIES LTD	Katepa Tea leaves	155	4642	1,339,200.00	Payable
43	VENUS GLOBAL MERCHANTS	Tonnors	134	5502	1,881,300.00	No Invoice, no delivery note. Attach inspection and acceptance certificate and S13
44	VENUS GLOBAL MERCHANTS					
45	WHIL TECH INVESTMENT					
Total					1,956,000.00	Payable
					280,050.00	Payable
					51,936,767.00	

PENDING BILLS FOR FY 2018/19

SERVICES

S/N	SUPPLIER'S NAME	SERVICE RENDERED	INVOICE NO.	P.O. NO.	P.V. NO.	AMOUNT	REMARKS
1	ASH WHITE HOTEL LTD	Catering				32,744.00	Tax compliance expired and certificate of service not completed
2	ASH WHITE HOTEL LTD	Catering				26,550.00	Attach- Approval for the services, certificate of services rendered, registration documents and valid tax compliance Certificate
3	ASH WHITE HOTEL LTD	Catering				30,550.00	Attach- Approval for the services, certificate of services rendered, registration documents and valid tax compliance Certificate
4	ASH WHITE HOTEL LTD	Catering				42,480.00	Attach Statutory registration and Certificate of Service
5	ASH WHITE HOTEL LTD	Catering				26,550.00	Attach Statutory registration and Certificate of Service
6	ASH WHITE HOTEL LTD	Catering				15,950.00	Attach Statutory registration and Certificate of Service
7	ASH WHITE HOTEL LTD	Catering				15,950.00	Attach Statutory registration and Certificate of Service
8	ASH WHITE HOTEL LTD	Catering				102,400.00	Attach Statutory registration and Certificate of Service
9	ASH WHITE HOTEL LTD	Catering				2,462,445.00	Attach Statutory registration and Certificate of Service
10	BOMAS OF KENYA LTD	Air Tickets				148,800.00	Attach- Certificate of services rendered, tax compliance and registration documents.
11	BUSH AND BEACH TRAVEL AND SAFARIES LTD	Cultural Performance	BOX/2019/0055	5462		93,225.00	Attach- Certificate of services rendered, tax compliance and registration documents.
12	BUSH AND BEACH TRAVEL AND SAFARIES LTD	Air Tickets				93,225.00	Attach- Certificate of services rendered, tax compliance and registration documents.
13	BUSH AND BEACH TRAVEL AND SAFARIES LTD	Air Tickets				91,255.00	Attach- Certificate of services rendered, tax compliance and registration documents.
14	BUSH AND BEACH TRAVEL AND SAFARIES LTD	Air Tickets				150,975.00	Attach- Approved memo and Certificate of service to be fully signed
15	CHARLIE'S CORP LTD	Catering	MFA/2019/0066	4184		32,095.00	Attach- Certificate of Service, Registration Documents
16	CHARLIE'S CORP LTD	Catering	MFA/2019/0066			10,620.00	Attach- Certificate of services rendered, Registration Documents and valid tax compliance
17	CHARLIE'S CORP LTD	Catering	MFA/2019/0032			37,170.00	Attach- Certificate of services rendered, Registration Documents and valid tax compliance
18	CHARLIE'S CORP LTD	Catering	MFA/2019/0042			15,950.00	Attach- Certificate of services rendered, Registration Documents and valid tax compliance
19	CHARLIE'S CORP LTD	Catering	MFA/2019/0034			120,360.00	Attach- Certificate of services rendered, Registration Documents and valid tax compliance
20	CONFERENCE CATERES	Catering	MFA/2019/0065			16,592.00	Attach- Certificate of service, Registration Documents
21	CONFERENCE CATERES	Catering	2268		007167	12,272.00	Different Hotel In voucher and Invoice, Payable to movepick enters not conference enters
22	CONFERENCE CATERES	Catering	10784			61,360.00	Attach- Certificate of service
23	CONFERENCE CATERES	Catering	10813			10,620.00	Attach- Certificate of services rendered, tax compliance and registration documents.
24	CONFERENCE CATERES	Catering	10933			12,272.00	Attach- Certificate of services rendered, tax compliance and registration documents.
25	CONFERENCE CATERES	Catering	012104			130,448.00	Attach- Certificate of services rendered, tax compliance and registration documents.
26	CONFERENCE CATERES	Catering	012103			16,520.00	Attach- Certificate of services rendered, tax compliance and registration documents.
27	CONFERENCE CATERES	Catering	012103			12,744.00	Attach- Certificate of services rendered, tax compliance and registration documents.
28	CONFERENCE CATERES	Catering	012103			37,170.00	Attach- Certificate of services rendered, tax compliance and registration documents.
29	CONFERENCE CATERES	Catering	012103			15,950.00	Attach- Certificate of services rendered, tax compliance and registration documents.
30	CONFERENCE CATERES	Catering	012103			15,340.00	Attach- Certificate of services rendered, tax compliance and registration documents.
31	CONFERENCE CATERES	Catering	012103			7,676.00	Attach- Certificate of services rendered, tax compliance and registration documents.
32	CONFERENCE CATERES	Catering	012103			51,920.00	Attach- Certificate of services rendered, tax compliance and registration documents.
33	CONFERENCE CATERES	Catering	012103			1,200.00	Attach- Certificate of services rendered, tax compliance and registration documents.
34	CONFERENCE CATERES	Catering	012103			35,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
35	CROWNE PLAZA	Accommodation	202070			2,029,805.00	Attach- Certificate of services rendered, tax compliance and registration documents.
36	CROWNE PLAZA	Accommodation	202070				
37	CROWNE PLAZA	Conference Package & Accommodation	192974				
38	DAYA TRAVEL AND TOURS AGENCY	Catering	208208				
39	DAYA TRAVEL AND TOURS AGENCY	Air Tickets	13	4707	8054	901,999.00	Payable
40	DAYA TRAVEL AND TOURS AGENCY	Air Tickets	16	4711	010736	797,260.00	Payable
41	DAYA TRAVEL AND TOURS AGENCY	Air Tickets	006	4067	008002	35,125.00	Attach valid tax compliance and approved requisition memos
42	DECASA HOTEL	Catering	13			1,051,374.00	Attach- Certificate of services
43	DECASA HOTEL	Catering	2019/MFA/072			37,170.00	Attach- Certificate of services
44	DECASA HOTEL	Catering	2019/MFA/073			47,790.00	Attach- Certificate of service rendered and Registration Certificate and valid tax compliance certificate
45	DECASA HOTEL	Catering	2019/MFA/071			47,790.00	Attach- Certificate of services rendered, Registration Documents and valid tax compliance
46	DECASA HOTEL	Catering	2019/MFA/066			120,360.00	Attach- Certificate of services rendered, Registration Documents and valid tax compliance
47	DEEPSEA STUDIOS LTD	Catering	2019/MFA/070			31,860.00	Attach- Certificate of services rendered, tax compliance and registration documents.
48	DT DOBIE AND COMPANY LTD	Loro Desirn	D55/01/MFA	5389		50,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
49	DT DOBIE AND COMPANY LTD	Service of Motor Vehicle	16151540	5035		471,428.00	Attach- Certificate of services rendered, tax compliance and registration documents.
50	DT DOBIE AND COMPANY LTD	Service of Motor Vehicle	21091	43756	4334	592,223.00	Attach- Invoice
51	ENTRADA TOURS AND TRAVEL	Service of Motor Vehicle	21091	43756	4334	29,803.65	Payable
52	ENTRADA TOURS AND TRAVEL	Air Tickets	INV209			523,600.00	Payable
53	ENTRADA TOURS AND TRAVEL	Air Tickets	INV270			175,200.00	Attach- Certificate of services rendered, tax compliance and registration documents.
54	ENTRADA TOURS AND TRAVEL	Air Tickets	INV271			351,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
55	FAIRVIEW HOTEL LTD	Hotel Services	INV208			38,500.00	Payable
56	GLOBAL LTD	Air Tickets		5282	010640	297,800.00	Payable
				0001		1,628,000.00	Attach- Company Registration documents and Certificate of service

57	FIREWALL AFRICA COMPANY LTD	Office Rental	5328	10794	3,769,593.00	Payable	Attach- Certificate of services rendered, tax compliance and registration documents.
58	FD GLOBAL LTD	Air Tickets	4835	010777	955,200.00	Payable	
59	FLY HIGH AGENCY	Air Tickets	2719		618,900.00	Payable	
60	FLY HIGH AGENCY	Air Tickets	2579	4809	2,945,600.00	Payable	
61	FLY HIGH AGENCY	Air Tickets	2578	4900	4,455,280.00	Payable	
62	FLY HIGH AGENCY	Air Tickets	2570	4901	2,724,775.00	Payable	
63	FOUR POINTS BY SHERATON	Food and Beverages	2591		47,500.00	Payable	
64	FOUR POINTS BY SHERATON	Food and Beverages	2606		46,000.00	Payable	
65	FOUR POINTS BY SHERATON	Food and Beverages	35931		33,000.00	Payable	
66	FOUR POINTS BY SHERATON	Food and Beverages	26077		9,650.00	Payable	
67	FOUR POINTS BY SHERATON	Food and Beverages	26525		77,053.00	Payable	
68	FOUR POINTS BY SHERATON	Food and Beverages	34061		10,800.00	Payable	
69	GLOBAL DESTINATIONS TOURS AND TRAVEL	Air Tickets	0056		150,430.00	Payable	
70	GLOBAL DESTINATIONS TOURS AND TRAVEL	Payment of pending bill	535	4410	623,150.00	Payable	
71	GLOBAL TOURS AND TRAVEL	Air Tickets	INV-16056	4874	247,160.00	Payable	
72	GLOBAL TOURS AND TRAVEL	Air Tickets	INV-15971	4875	79,745.00	Payable	
73	GLOBAL TOURS AND TRAVEL	Air Tickets	00016333	5466	320,000.00	Payable	
74	GOLDEN JUBILEE LTD	Catering	171590	2916	438,400.00	Payable	
75	GOLDEN JUBILEE LTD	Conference Package & Accommodation	157808	5255	120,000.00	Payable	
76	GOLDEN JUBILEE LTD	Conference Package & Accommodation	157807		30,000.00		
77	GOLDEN JUBILEE LTD	Conference Package & Accommodation	157809		30,000.00		
78	GOLDEN JUBILEE LTD	Conference Package & Accommodation	159139		1,050,500.00		
79	GOLDEN JUBILEE LTD	Conference Package & Accommodation	190966		9,000.00		
80	GREENBAY BAY	Air Tickets	3934		479,630.00	Payable	
81	GREENBAY BAY	Air Tickets	3932		397,775.00	Payable	
82	GREENBAY BAY	Air Tickets	3916		1,736,335.00	Payable	
83	GREENBAY BAY	Air Tickets	3915		476,400.00	Payable	
84	GREENBAY BAY	Air Tickets	3913		448,130.00	Payable	
85	HERON PORTICO	Accommodation	3455	4462	80,100.00	Payable	
86	HERON PORTICO	Accommodation	81208		17,100.00	Payable	
87	HERON PORTICO	Accommodation	81042		18,000.00	Payable	
88	HERON PORTICO	Accommodation	81041		18,000.00	Payable	
89	HERON PORTICO	Accommodation	81043		18,000.00	Payable	
90	HERON PORTICO	Accommodation	81039		18,000.00	Payable	
91	HERON PORTICO	Accommodation	81040		18,000.00	Payable	
92	INTERCONTINENTAL HOTEL	Catering	623456		10,000.00	Payable	
93	INTERCONTINENTAL HOTEL	Catering	623239		42,750.00	Payable	
94	INTERCONTINENTAL HOTEL	Catering	594024		236,950.00	Payable	
95	INTERCONTINENTAL HOTEL	Catering	623800	4325	58,500.00	Payable	
96	INTERCONTINENTAL HOTEL	Catering	594024	010714	20,400.00	Payable	
97	INTERCONTINENTAL HOTEL	Catering	594024	4556	189,700.00	Payable	
98	INTERCONTINENTAL HOTEL	Catering	594024	010644	210,150.00	Payable	
99	INTERCONTINENTAL HOTEL	Catering	594024		219,900.00	Payable	
100	INTERCONTINENTAL HOTEL	Catering	594024		185,200.00	Payable	
101	INTERCONTINENTAL HOTEL	Catering	594024		303,650.00	Payable	
102	INTERCONTINENTAL HOTEL	Catering	594024		131,500.00	Payable	
103	INTERCONTINENTAL HOTEL	Catering	594024		48,750.00	Payable	
104	INTERCONTINENTAL HOTEL	Catering	594024		195,000.00	Payable	
105	INTERCONTINENTAL HOTEL	Catering	594024		178,200.00	Payable	
106	INTERCONTINENTAL HOTEL	Catering	594024		5,100.00	Payable	
107	INTERCONTINENTAL HOTEL	Catering	594024		11,000.00	Payable	
108	INTERCONTINENTAL HOTEL	Catering	594024		1,300.00	Payable	
109	INTERCONTINENTAL HOTEL	Catering	594024		74,711.50	Payable	
110	INTERCONTINENTAL HOTEL	Catering	594024		8,800.00	Payable	
111	INTERCONTINENTAL HOTEL	Catering	594024		22,650.13	Payable	
112	INTERCONTINENTAL HOTEL	Catering	594024		25,000.01	Payable	
113	INTERCONTINENTAL HOTEL	Catering	594024		150,000.00	Payable	
114	INTERCONTINENTAL HOTEL	Catering	594024		11,000.00	Payable	
					66,201.00		

115	INTERCONTINENTAL HOTEL	Catering	551374	38,559.00	Attach- Approval memo, certificate of service and registration documents
116	INTERCONTINENTAL HOTEL	Catering	558322	19,500.00	Attach- Certificate of service
117	INTERCONTINENTAL HOTEL	Catering	558970	27,499.97	
118	INTERCONTINENTAL HOTEL	Catering	558564	323,655.50	
119	INTERCONTINENTAL HOTEL	Catering	540104	59,000.00	
120	INTERCONTINENTAL HOTEL	Catering	559481	111,284.50	
121	INTERCONTINENTAL HOTEL	Catering	540166	163,253.32	
122	INTERCONTINENTAL HOTEL	Catering	591364	90,850.00	
123	INTERCONTINENTAL HOTEL	Catering	593663	42,060.00	
124	INTERCONTINENTAL HOTEL	Catering	599014	104,000.00	
125	INTERCONTINENTAL HOTEL	Catering	503186	97,500.00	
126	INTERCONTINENTAL HOTEL	Catering	610716	32,500.00	
127	INTERCONTINENTAL HOTEL	Catering	611769	91,950.00	
128	INTERCONTINENTAL HOTEL	Catering	613079	50,100.00	
129	INTERCONTINENTAL HOTEL	Catering	617905	77,200.00	
130	INTERCONTINENTAL HOTEL	Catering	620537	91,000.00	
131	INTERCONTINENTAL HOTEL	Catering	621444	32,500.00	
132	INTERCONTINENTAL HOTEL	Catering	622183	62,500.00	
133	INTERCONTINENTAL HOTEL	Catering	620536	48,750.00	
134	INTERCONTINENTAL HOTEL	Catering	621879	44,000.00	
135	INTERCONTINENTAL HOTEL	Catering	621948	17,200.00	
136	INTERCONTINENTAL HOTEL	Catering	621978	162,500.00	
137	INTERCONTINENTAL HOTEL	Catering	623799	44,000.00	
138	INTERCONTINENTAL HOTEL	Catering	624162	50,000.00	
139	INTERCONTINENTAL HOTEL	Catering		100,000.00	
140	INTERCONTINENTAL HOTEL	Catering		81,250.00	
141	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	624009	196,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
142	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1741	485,400.00	Attach- Certificate of services rendered, tax compliance and registration documents.
143	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1740	125,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
144	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	207,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
145	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	2,520,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
146	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	675,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
147	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	2,179,060.00	Attach- Certificate of services rendered, tax compliance and registration documents.
148	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	1,538,100.00	Attach- Certificate of services rendered, tax compliance and registration documents.
149	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	78,800.00	Attach- Certificate of services rendered, tax compliance and registration documents.
150	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	16,600.00	Attach- Certificate of services rendered, tax compliance and registration documents.
151	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	3,291,830.00	Attach- Certificate of services rendered, tax compliance and registration documents.
152	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	1,791,600.00	Attach- Certificate of services rendered, tax compliance and registration documents.
153	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	35,011.00	Attach- Certificate of services rendered, tax compliance and registration documents.
154	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	36,100.00	Attach- Certificate of services rendered, tax compliance and registration documents.
155	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	143,500.00	Attach- Certificate of services rendered, tax compliance and registration documents.
156	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	503,159.00	Attach- Certificate of services rendered, tax compliance and registration documents.
157	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	5,052,649.00	Attach- Certificate of services rendered, tax compliance and registration documents.
158	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	2,197,822.00	Attach- Certificate of services rendered, tax compliance and registration documents.
159	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	876,392.00	Attach- Certificate of services rendered, tax compliance and registration documents.
160	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	224,500.00	Attach- Certificate of services rendered, tax compliance and registration documents.
161	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	528,150.00	Attach- Certificate of services rendered, tax compliance and registration documents.
162	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	46,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
163	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	250,000.00	Attach- Certificate of services rendered, tax compliance and registration documents.
164	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	329,482.21	Attach- Certificate of services rendered, tax compliance and registration documents.
165	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	165,672.00	Attach- Certificate of services rendered, tax compliance and registration documents.
166	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	10,620.00	Attach- Certificate of services rendered, tax compliance and registration documents.
167	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	89,208.00	Attach- Certificate of services rendered, tax compliance and registration documents.
168	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	37,170.00	Attach- Certificate of services rendered, tax compliance and registration documents.
169	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	39,240.00	Attach- Certificate of services rendered, tax compliance and registration documents.
170	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	573,480.00	Attach- Certificate of services rendered, tax compliance and registration documents.
171	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	33,984.00	Attach- Certificate of services rendered, tax compliance and registration documents.
172	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748	193,230.00	Attach- Certificate of services rendered, tax compliance and registration documents.
173	JUMERAH SAFARIS LIMITED	Hire of Motor Vehicle	1748		Attach- Expenditure form, certificate of services rendered

174	NATIONAL INTELLIGENCE SERVICE	Automation of Business Processes			50M	008413	10,000,000.00	Payable	
175	NAIROBI SERENA HOTEL	Accommodation	483717	5305	010917		744,130.00	Payable	
176	NORTH COAST BEACH HOTEL	Conference Package	8553	5362	010936		464,910.00	Payable	
177	NAS AIRPORT SERVICES LTD	Catering	NPIW/252230				133,204.00	Attach- Certificate of service	
178	NGURUMAH TOURS AND TRAVEL	Air Tickets	1989				779,000.00	Attach- Certificate of service	
180		Air Tickets	1953				763,405.00	Attach- Certificate of service and registration documents	
181	OJAO AGENCYS	Provision of banners, chair and tent		5392			339,000.00	Attach- Professional opinion, certificate of service rendered and PS approval	
182	OSIRUA LTD	Hire of Motor Vehicle	0081				112,000.00	Attach- Certificate of services rendered, tax compliance and registration documents	
183	OSIRUA LTD	Hire of Motor Vehicle	0082				59,000.00	Attach- Certificate of services rendered, tax compliance and registration documents	
184	PEARL BEACH HOTEL LTD	Hire of Motor Vehicle	0084	3138			708,000.00	Payable	
185	PRIDEINN PARADISE	Accommodation	21614	4549	9203		20,744,750.00	Payable	
186	PINNACLE TRAVEL & SAFARIS	Accommodation	40249				35,000.00	Attach- Certificate of services rendered, tax compliance and registration documents	
187	SANECO INTERNATIONAL	Air Tickets	117108				495,720.00	Memo to be traced from accounts. Wrong PO was issued by name Phile Performance	
188	SAROVA PANAFRIC	Repair and maintenance- Air Conditioners	049				865,000.00	Attach certificate of service, Professional Opinion	
189	SAWELA LODGES	Conference Package	282958				30,190.00	Attach- Certificate of services rendered, Tax compliance and Registration documents	
190	SAWELA LODGES	Conference Package	26619				365,000.00	Attach- Certificate of services rendered, Tax compliance and Registration documents	
191	SERO AFRICA LTD	Conference Package	3318	3718	003628		809,000.00	Need: authorization, Office	
192	SERO AFRICA LTD	Hire of Motor Vehicle	6098	5481			34,400.00	Attach- Approved memo and certificate of services	
193	STATE DEPARTMENT FOR LIVESTOCK NAIVASHA	Hire of Motor Vehicle	6097				60,800.00		
194	STATE DEPARTMENT FOR LIVESTOCK NAIVASHA	Conference Package	1121	5100	010551		230,000.00	Payable	
195	STATE DEPARTMENT FOR LIVESTOCK NAIVASHA	Conference Package	1294	3623	010650		104,400.00	Payable	
196	THE GARDENS & WEDDINGS	Entertainment- Blue Garbage collection			010616		1,400,000.00	Payable	
197	THE GARDENS & WEDDINGS	Cleaning, Sanitation and Garbage collection	MFA/GW-0034				318,277.00	Attach- Contract and Certificate of service	
198	THE GARDENS & WEDDINGS	Cleaning, Sanitation and Garbage collection	MFA/GW-0025				318,277.00		
199	THE GARDENS & WEDDINGS	Cleaning, Sanitation and Garbage collection	MFA/GW-0026				318,277.00		
200	THE GARDENS & WEDDINGS	Cleaning, Sanitation and Garbage collection	MFA/GW-0027				318,277.00		
201	THE GARDENS & WEDDINGS	Cleaning, Sanitation and Garbage collection	MFA/GW-0028				318,277.00		
202	THE GARDENS & WEDDINGS	Cleaning, Sanitation and Garbage collection	MFA/GW-0029				318,277.00		
203	THE GARDENS & WEDDINGS	Cleaning, Sanitation and Garbage collection	MFA/GW-0030				318,277.00		
204	THE GARDENS & WEDDINGS	Cleaning, Sanitation and Garbage collection	MFA/GW-0031				318,277.00		
205	TOP CHOICE SURVEILLANCE	Cleaning, Sanitation and Garbage collection	MFA/GW-0032				318,277.00		
206	TOYOTA KENYA LTD	Installation of CCTV	200702	5404			1,459,715.00	Contract to be fully signed.	
207	THE TRAVEL LOUNGE	Motor Vehicle Repair	70279368	3003	7600		314,505.00	Payable	
208	THE TRAVEL LOUNGE	Air Tickets	00002146				1,524,995.00	Attach- Certificate of services rendered, Tax compliance and Registration documents	
209	THE TRAVEL LOUNGE	Air Tickets	00002051				146,970.00		
210	THE TRAVEL LOUNGE	Air Tickets	00002198				69,870.00		
211	THE TRAVEL LOUNGE	Air Tickets	00002209				195,940.00		
212	THE TRAVEL LOUNGE	Air Tickets	00003012	011007			2,681,270.00	Payable	
213	THE TRAVEL LOUNGE	Air Tickets	00003013				395,525.00		
214	THE TRAVEL LOUNGE	Air Tickets	00003013				395,525.00		
215	THE TRAVEL LOUNGE	Air Tickets	00002103				633,140.00	Attach- Certificate of services rendered, tax compliance and registration documents	
216	THE TRAVEL LOUNGE	Air Tickets	00003019				1,197,900.00		
217	THE TRAVEL LOUNGE	Air Tickets	00002198				69,870.00		
218	THE TRAVEL LOUNGE	Air Tickets	00003044				410,935.00		
219	THE TRAVEL LOUNGE	Air Tickets	00003014				571,810.00		
220	THE TRAVEL LOUNGE	Air Tickets	00003016				726,240.00	Attach- Certificate of services rendered, tax compliance and registration documents	
221	THE TRAVEL LOUNGE	Air Tickets	00003054				284,450.00	Attach- Approved Memo, Certificate of services rendered	
222	THE TRAVEL LOUNGE	Air Tickets	00002198				69,870.00	Attach- Approved Memo, Certificate of services rendered	
223	URBAN COFFEE LTD	Catering	00001486				2,372,795.00	Attach- Approved Memo, Certificate of services rendered	
224	UTALI HOTEL	Accommodation	INV-000852	4958			31,850.00	Payable	
			PSH-H0160				211,000.00	Attach- Certificate of services rendered	

225	VILLA ROSA KEMPINSKI	Accommodation	121722		200,000.00	Attach- Certificate of services, Registration document and Valid tax compliance
226	VILLA ROSA KEMPINSKI	Accommodation	121718		27,500.00	
227	VIBRANT SOLUTION	Renovations	841	5393	183,280.00	Payable
228	VOLCANIC PLUMBING WORKS	Renovations and Painting Works		5485 011054	14,599,599.70	Payable
229	VIVIENNES Super Florists	Supply of Flowers	2274		130,000.00	Attach- Certificate of service
230	VIVIENNES Super Florists	Supply of Flowers	2275		27,000.00	Attach- Certificate of service
231	VIVIENNES Super Florists	Supply of Flowers	2141		30,000.00	Attach- Certificate of service
232	VILLA ROSA KEMPINSKI	Hire of Termination	109908		176,210.00	Attach- Registration documents and Tax compliance
	TOTAL				136,627,462.49	

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

Mgmt. Com. ①
3



MINISTRY OF FOREIGN AFFAIRS

RESPONSE TO ISSUES COVERED IN THE REPORT OF THE MANAGEMENT LETTER
2 ON FINAL AUDIT OF THE MINISTRY OF FOREIGN AFFAIRS FOR THE YEAR
ENDED 30TH JUNE 2019

REPORT DATE: DECEMBER 2019

Table of Contents

4.1 EXCHEQUER RELEASES DIFFERENCE OF KSHS. 53,790,639.00	2
4.2 ERRORS AND OMISSIONS IN THE FINANCIAL STATEMENTS	2

RESPONSES TO ISSUES COVERED IN THE REPORT ON THE MANAGEMENT LETTER 2
ON FINAL AUDIT OF THE MINISTRY OF FOREIGN AFFAIRS FOR THE YEAR ENDED
30TH JUNE 2019

4.1 EXCHEQUER RELEASES DIFFERENCE OF KSHS. 53,790,639.00

It is true that the statement of receipts and payments for the Ministry of Foreign Affairs for the year ended 30th June 2019 reflects exchequer releases totalling Kshs. 15,824,837,546.00. While the Ministry is not in a position to confirm the exchequer releases position as captured by the office of the controller of budget, the Ministry has obtained the exchequer remittance schedule from the exchequer office of the National Treasury to confirm on the correct position of the exchequer releases to the Ministry during the year under review.

The Ministry has reconciled the exchequer release schedule as obtained from the National Treasury with the schedule on the same as recorded by the Ministry and the reconciliation report has been availed for audit review. Appendix 4.1

4.2 ERRORS AND OMISSIONS IN THE FINANCIAL STATEMENTS

It is true that the 2018/2019 financial statements for the Ministry of Foreign Affairs presented for audit had a few errors and omissions. The Ministry has corrected the errors and omissions through preparation of amended financial statements for 2018/2019 financial year for the Ministry. The same has been availed for audit review. Appendix 4.2

It is our hope that you will find the above responses adequate in addressing the queries raised. Should you require, however, any additional information/explanations on the above, kindly do not hesitate to contact us for the same.



J. A. ALOYO

FOR: PRINCIPAL SECRETARY

Ends.



OFFICE OF THE AUDITOR-GENERAL

The Principal Secretary,
Ministry of Foreign Affairs,
P.O. Box 30551 - 00100
NAIROBI

29 November 2019

Dear Sir

MANAGEMENT LETTER 2 ON FINAL AUDIT OF THE MINISTRY OF FOREIGN AFFAIRS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

1.0 INTRODUCTION

The financial statements of the ministry of Foreign Affairs are subject to audit by the Auditor-General in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 7 of the Public Audit Act, 2015.

The audit of the ministry of Foreign Affairs for the year ended 30 June 2019 was completed and the purpose of this letter is to bring to your attention the findings that were revealed during the audit.

2.0 SCOPE AND DETERMINATION OF RESPONSIBILITY

The audit was conducted in accordance with International Standards for Supreme Audit Institutions. These standards require that the audit is planned and performed so as to obtain reasonable assurance that, in all material respects, fair presentation is achieved in the annual financial statements.

An audit includes:

- Examination on a test basis of evidence supporting the amounts and disclosures in the financial statements;
- Assessment of the accounting principles used and significant estimates made by management; and

- Evaluation of the overall financial statements presentation.

The audit will also include an examination, on a test basis, of evidence supporting compliance, in all material respects, with the relevant laws and regulations which came to our attention and are applicable to financial matters.

The matters mentioned in this letter are therefore those that were identified through tests considered necessary for the purpose of the audit and it is possible that there might be other matters and/or weaknesses that were not identified.

The financial statements, maintenance of effective control measures and compliance with laws and regulations are the responsibility of the Accounting Officer. Our responsibility is to express our opinion on these financial statements.

3.0 Respective Responsibilities of the management and the Auditor-General

The management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Public Sector Accounting Board Standards (cash basis) and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

The Responsibility of the Auditor-General is to express an independent opinion on the Financial Statements based on the audit findings.

4.0 AUDIT FINDINGS

The audit findings, which were identified during the course of the audit, are included below.

4.1 Exchequer Releases Difference of Kshs.53, 790,639.00

The Statement of Receipts and Payments as at 30 June 2019 reflects Exchequer releases totaling Kshs.15, 824,837,546.00. Audit review of exchequer releases by the controller of budget indicates that the ministry received a total of Kshs.15,771,046,907 being exchequer release for Recurrent Kshs.15,771,046,907.00 and development Kshs.1,806,070,000.00

No explanation has been provided for the resultant difference of Kshs.53, 790,639.00 between the two sets of records.

Risk:

In accurate financial statements

Recommendation:

The management should investigate, reconcile the difference and revise the financial statements to reflect a true and fair position.

4.2 Errors and Omissions in the Financial Statements

The 2018/2019 financial statements presented for audit had errors of not having edited the year to read the current year of audit and in addition some of the previous year's comparative figures were either omitted or wrongly captured contrary to Section 23 (1) d of the Public Finance Management Regulations, 2015.

Risk

The financial statements do not reflect a true and fair financial position of the ministry

Recommendation

The financial statements to be revised and presented for audit.

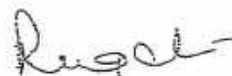
MANAGEMENT COMMENTS

It would be appreciated if your comments on these findings are submitted on or before 4 December 2019 for incorporation in the audit report.

APPRECIATION

We would like to express our appreciation for the courtesy extended and assistance rendered by the staff of the ministry of Foreign Affairs during the audit.

Yours faithfully



Pamela Mugalisi

For: Auditor- General

of the 1st of the month of the year
of the 1st of the month of the year
of the 1st of the month of the year
of the 1st of the month of the year

of the 1st of the month of the year
of the 1st of the month of the year
of the 1st of the month of the year
of the 1st of the month of the year

MINISTRY OF FOREIGN AFFAIRS
EXCHEQUER REPORT FOR FY 2018-2019

R1052		2018/2019	
DATE	REF	EXCHEQUER ISSUE IN KSHS	CUMMULATIVE IN KSHS
27.07.18	RE:4/1/18/19	16,500,000.00	16,500,000.00
27.07.18	RE:5/6/18/19	91,465,200.00	107,965,200.00
30.07.18	RE:6/2/18/19	38,800,000.00	146,765,200.00
10.08.18	RE:10/3/18/19	2,701,200,000.00	2,847,965,200.00
20.08.18	RE:15/3/18/19	85,600,000.00	2,933,565,200.00
22.08.18	RE:17/4/18/19	60,200,000.00	2,993,765,200.00
27.08.18	RE:19/2/18/19	85,863,000.00	3,079,628,200.00
31.08.18	RE:23/4/18/19	211,300,000.00	3,290,928,200.00
07.09.18	RE:28/5/18/19	89,600,000.00	3,380,528,200.00
12/9/2018	RE:30/2/18/19	84,500,000.00	3,465,028,200.00
17/9/2018	RE:32/2/18/19	10,900,000.00	3,475,928,200.00
25/9/2018	RE:34/5/18/19	45,900,000.00	3,521,828,200.00
26/9/2018	RE:35/6/18/19	88,896,030.00	3,610,724,230.00
28/9/2018	RE:37/1/18/19	62,400,000.00	3,673,124,230.00
5/10/2018	RE:40/2/18/19	50,800,000.00	3,723,924,230.00
9/10/2018	RE:43/2/18/19	72,200,000.00	3,796,124,230.00
12/10/2018	RE:45/3/18/19	41,300,000.00	3,837,424,230.00
18/10/2018	RE:47/4/18/19	25,000,000.00	3,862,424,230.00
13/10/2018	RE:51/1/18/19	119,000,000.00	3,981,424,230.00
29/10/2018	RE:54/3/18/19	85,034,100.00	4,066,458,330.00
30/10/2018	RE:55/2/18/19	55,200,000.00	4,121,658,330.00
31/10/2018	RE:57/3/18/19	85,500,000.00	4,207,158,330.00
8/11/2018	RE:60/5/18/19	105,500,000.00	4,312,658,330.00
13/11/2018	RE:62/2/18/19	77,000,000.00	4,389,658,330.00
19/11/2018	RE:66/3/18/19	92,000,000.00	4,481,658,330.00
22/11/2018	RE:68/4/18/19	75,000,000.00	4,556,658,330.00
2/11/2018	RE:69/1/18/19	1,070,300,000.00	5,626,958,330.00
23/11/2018	RE:70/2/18/19	381,338,752.00	6,008,297,082.00
5/11/2018	RE:71/1/18/19	381,300,000.00	6,389,597,082.00
17/01/2019	RE:93/2/18/19	48,500,000.00	6,438,097,082.00
25/01/2019	RE:100/3/18/19	88,822,600.00	6,526,919,682.00
1/01/2019	RE:104/3/18/19	53,500,000.00	6,580,419,682.00
15/02/2019	RE:113/2/18/19	2,613,400,000.00	9,193,819,682.00
2/02/2019	RE:120/2/18/19	57,700,000.00	9,251,519,682.00
7/2/2019	RE:123/5/18/19	153,700,000.00	9,405,219,682.00
1/3/2019	RE:127/3/18/19	84,000,000.00	9,489,219,682.00
1/03/2019	RE:132/1/18/19	28,100,000.00	9,517,319,682.00
5/03/2019	RE:133/3/18/19	147,100,000.00	9,664,419,682.00
27/03/2019	RE:138/4/18/19	35,600,000.00	9,700,019,682.00

27/03/2019	RE:139/4/18/19	87,089,900.00	9,787,109,582.00
04/04/2019	RE:144/3/18/19	55,200,000.00	9,842,309,582.00
11/04/2019	RE:149/4/18/19	104,800,000.00	9,947,109,582.00
17/4/2019	RE:150/5/18/19	102,380,200.00	10,049,489,782.00
17/4/2019	RE:150/4/18/19	86,566,300.00	10,136,056,082.00
30/4/2019	RE:155/2/18/19	61,500,000.00	10,197,556,082.00
10/5/2019	RE:160/5/18/19	43,800,000.00	10,241,356,082.00
15/5/2019	RE:161/2/18/19	53,300,000.00	10,294,656,082.00
16/5/2019	RE:163/5/18/19	101,400,000.00	10,396,056,082.00
20/5/2019	RE:165/2/18/19	18,800,000.00	10,414,856,082.00
25/5/2019	RE:165/3/18/19	145,660,500.00	10,560,516,582.00
12/06/2019	RE:178/4/18/19	27,500,000.00	10,588,016,582.00
12/06/2019	RE:179/4/18/19	2,830,300,000.00	13,418,316,582.00
27/06/2019	RE:187/1/18/19	93,655,400.00	13,511,971,982.00
28/06/2019	RE:188/1/18/19	48,600,000.00	13,560,571,982.00
05/07/2019	RE:192/7/18/19	463,304,925.00	14,023,876,907.00

D1052		2018/2019	
DATE	REF	EXCHEQUER ISSUE IN KSHS	CUMMULATIVE IN KSHS
12/10/2018	DE:19/3/18/19	5,500,000.00	5,500,000.00
16/10/2018	DE:20/1/18/19	247,370,000.00	252,870,000.00
19/10/2018	DE:23/3/18/19	5,500,000.00	258,370,000.00
26/11/2018	DE:42/1/18/19	300,000,000.00	558,370,000.00
18/02/2019	DE:74/2/18/19	11,600,000.00	569,970,000.00
27/02/2019	DE:82/1/18/19	575,000,000.00	1,144,970,000.00
15/03/2019	DE:89/5/18/19	43,100,000.00	1,188,070,000.00
10/5/2019	DE:109/3/18/19	20,600,000.00	1,208,670,000.00
2/6/2019	DE:124/1/18/19	597,400,000.00	1,806,070,000.00
		TOTAL	15,829,946,907.00

PAC RECOMMENDATIONS ON ACCOUNTS OF MINISTRY OF FOREIGN AFFAIRS FOR 2015/16 FINANCIAL YEAR

No.	FY	PARA	HEADING	PAC RECOMMENDATION	MINISTRY'S ACTION																		
1	2015/2016	176	Understatement of Receipts)	<p>The statement of receipts and payments reflects total receipts of Kshs.15,748,904,300 which include other receipts amounting to Kshs.618,008,706. The other receipts as disclosed under Note 4 to the financial statements relate to receipts from administrative fees and charges collected as Appropriations-in-Aid (A.I.A). Contrary to Regulation 43(c) of the Public Finance Management (National Government) Regulations, 2015, A.I.A totalling Kshs.128,791,097 collected at the Ministry's Headquarters and at six missions and embassies as detailed below were omitted from the financial statements:-</p> <table><tr><th>Mission /Embassy</th><th>Amount (Kshs)</th></tr><tr><td>Headquarters Administrative services</td><td>4,388,881</td></tr><tr><td>London</td><td>51,163,771</td></tr><tr><td>Lusaka</td><td>2,979,680</td></tr><tr><td>Abuja</td><td>38,401,852</td></tr><tr><td>Rome</td><td>7,821,910</td></tr><tr><td>Kampala</td><td>15,983,120</td></tr><tr><td>Muscat</td><td>8,051,883</td></tr><tr><td>Total</td><td>128,791,097</td></tr></table> <p>In this regard, therefore, the completeness and accuracy of the other receipts balance of Kshs.618,008,706 reflected in the financial statements cannot be confirmed.</p>	Mission /Embassy	Amount (Kshs)	Headquarters Administrative services	4,388,881	London	51,163,771	Lusaka	2,979,680	Abuja	38,401,852	Rome	7,821,910	Kampala	15,983,120	Muscat	8,051,883	Total	128,791,097	
Mission /Embassy	Amount (Kshs)																						
Headquarters Administrative services	4,388,881																						
London	51,163,771																						
Lusaka	2,979,680																						
Abuja	38,401,852																						
Rome	7,821,910																						
Kampala	15,983,120																						
Muscat	8,051,883																						
Total	128,791,097																						

			<p>Submission by Accounting Officer Understatement of Revenue at the Ministry Headquarters</p> <p>Amount of misstatement/error: Ksh 128,791,097.00</p> <p>The Accounting Officer stated that the Government allowed the ministry to collect fees from service rendered by the ministry in the missions as Appropriations in Aid and to utilise the funds to supplement exchange funding from the National Treasury. This is evidenced by the fact that the National Treasury provided budget items for these A.I.A. collections and incorporated the same in the budget which was, there-after approved by Parliament as such. In addition, the Ministry was not appointed as "Receiver of Revenue" during the year under review for the above collections. The Accounting Officer stated that it was true that during the year under focus, a total of Kshs. 128,791,097.00 was collected as A.I.A. from the Ministry's headquarters activities and from six missions abroad but was inadvertently omitted from the financial statements. This collection was originally captured in the financial statements but since the supporting documents were not available at the time, they were removed from the statements. The same has been incorporated in the Financial Statement for 2016/2017 and availed for audit verification.</p> <p>Committee Observations and Findings</p>	
				The Matter was resolved.

			<p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>The Committee noted that the revenues were eventually captured and reflected in 2016/2017 financial statement.</p> <p>The matter was marked as resolved.</p> <p>Committee Recommendations</p> <p>The accounting officer must at all times ensure that all revenues are reflected in the appropriate financial statements.</p> <p>(</p>	<p>The Ministry has since ensured that the data captured for purposes of preparation of Financial Statements is complete and that necessary amendments to the accounts are done before submission of the accounts for audit review.</p>
	177		<p>Compensation of Employees)</p>	<p>The statement of receipts and payments reflects payments totaling Kshs.6,583,386,161 under compensation of employees as further disclosed in Note 5 to the financial statements. The amount includes Foreign Service allowances that were paid irregularly as follows:</p>	
	177.1		<p>Overpayment of Foreign Services Allowance at Kenyan Embassy in Moscow)</p>	<p>During the year under review, the officers serving at Kenyan Embassy in Moscow were paid foreign service allowance under category A.2 - United States and Other Stations instead of the approved rate under category A.1 Euro Zone stations contrary to circular letter Ref: MFA/ADM.1.43A(38) of 22 November 2012 on payments of Foreign Service Allowances. This resulted in an over-payment of Kshs.8,567,214. No explanation has been given for this anomaly.</p> <p>(</p>	

			<p>Submission by Accounting Officer</p> <p>The Accounting Officer stated that it was true that following the re-categorization of Missions for purposes of payment of Foreign Service Allowances, Kenya Embassy Moscow was placed in Category A-Euro Zone. The Mission, however, adopted category A Dollar as opposed to their official classification thereby occasioning an over-payment of Kshs.8, 567,214 by 30th June 2016. To address this matter, the Ministry has instructed the Mission revert to its official category with immediate effect and to compile a list of the officers who benefited from the overpayment for purposes of instituting recoveries.</p>	
			<p>Committee Observations and Findings</p> <p>The matter was marked as resolved.</p>	The Matter was resolved.
			<p>Committee Recommendations</p> <p>The accounting officer must at all times ensure that foreign missions adhere to guidelines issued by the ministry.</p>	The Ministry has since availed to the Missions their applicable categorizations for purposes of allowances, and has regularly reminded the Missions to adhere to this regulations, through circulars. Non compliance with this regulations are met with commensurate penalties.
177.2	Payment of Foreign Service Allowance to an Ineligible Officer		Examination of records show that Ambassador of Kenya to South Sudan was recalled on 6 June 2013. Shipment and transfer allowances totalling	

			<p>Kshs.2,474,082 were paid to him through payment vouchers Nos.231 and 232 dated 31 March, 2016. However, the officer has continued to receive Foreign Service allowance and as of 30 June 2016 an amount of Kshs.15,024,000 had been paid to him contrary to Section D.19 of Kenya Foreign Service Regulations.</p>	
			<p>Submission by Accounting Officer (</p> <p>The Accounting Officer stated that it was true that Amb. Cleland Leshore Kenya's Ambassador to South Sudan was recalled on 6th June 2013 but continued earning Foreign Service Allowance after this period. This is because the Ambassador's tour of duty was extended and his Contract renewed up to 1st January, 2016. This was later further extended to 31st December, 2017 as per the attached copy of Local Agreement form GP.106 (Revised 1975) duly signed and the Appointment letter signed by the Cabinet Secretary. Additionally, the ambassador was rightfully paid Kshs.2,474,082 in respect of shipment and transfer allowances, which are entitlements paid to all officers at the end of their tours of duty. The ambassador has neither requested for nor benefitted more than once in respect of shipment and transfer allowances.</p>	
			<p>Committee Observations and Findings</p> <p>The matter was marked as resolved.</p>	The Matter was resolved.
			<p>Committee Recommendations</p> <p>The accounting officer must at all times ensure that proper explanations are given to the Auditor-General on time in order to avoid audit queries.</p>	The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary

				explanations provided and additional information availed promptly during the audit exercise.
				Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.
	178.	Use of Goods and Services	The statement of receipts and payments reflects payments totaling Kshs.6,703,810,253 under use of goods and services as further disclosed in Note 6 to the financial statements. The amount includes irregular payments as follows:	
	178.1	Event Organization and Management of the World Trade Organization Ministerial Conference Expenses	The tender committee on 19 February 2015 due to urgency of the matter approved use of direct procurement to procure services for event Organization and management of the World Trade Organization (WTO) Conference that was held from 15 to 19 December 2015. However, no plausible explanation for the use of direct procurement has been given as the tender was awarded five (5) months later on 10 June 2015, to a local firm at a contract price of Kshs.82,900,560. In addition, the general terms of reference under which the tender was quoted and awarded were later reviewed and re-categorized contrary to Section 59(3) of the Public Procurement and Disposal Act, 2005.	
			<p>Submission by Accounting Officer</p> <ul style="list-style-type: none"> Reasons for Direct Procurement <p>Time Constraint: After Kenya won the bid to host the 10th WTO Ministerial conference in December 2015, the cabinet later granted the</p>	

				approval for funding the said conference in January 2015. However, the time left to the date of conference for preparatory work was limited. As a key step in the preparation process, the WTO task force from its secretariat in Geneva visited Kenya from 3rd to 6th February 2015 and had a meeting with the National Preparatory Committee formed for that purpose, to discuss the requirements for hosting the conference. Key among the requirements was the urgent need to identify and procure an event organizer to manage centralized hotel bookings for delegates. This urgency was necessitated by the fact that delegations across the globe were making independent hotel bookings which was contrary to WTO requirements. The WTO Secretariat was expected to urgently send a note to delegations informing them of the identified event organizer. Based on this urgency and time constraint, GINADIN GROUP was procured as an event organizer and commenced the work immediately. Other key factors that informed direct procurement include the following:
				Security Considerations: Being an international conference, it was expected to be attended by dignitaries including presidents. The organizer was required to have been vetted and to have been found safe and fit for the task. Therefore, the Ministry had to use a firm that had previously been vetted.
				Past Experience: The government had a number of firms that it had used to organize events of

			<p>similar magnitude and nature and were found capable. The Ministry sought and obtained references of such firms to use for WTO. From the previous experience, GINADIN had managed high-level government and non-governmental conferences and bids such as AGOA conference, 7th global conference on health promotion, the First United Nations Environment Assembly among others</p>	
			<p>• Delay in signing of the contract: After the event organizer had been procured urgently using the direct procurement based on the reasons outlined above, the firm was notified to commence work immediately. However, the contract was not signed before start of work because it took time for the WTO sub-committee to agree on the Terms of Reference. Further, the TORs were to inform the cost of the contract and therefore it was prudent that they were negotiated before the contract was signed.</p>	
			<p>• Change of Terms of Reference The consultant had quoted Kshs. 380 million as per the original TORs. This was reduced to Kshs. 82,900,560 after negotiations and reduction of scope as per section 84 (1) and 85 (2) of PPD Act 2005.</p>	
			<p>Committee Observations and Findings (i) The Committee noted the urgency of the matter which informed the use of direct procurement. 209 Report on the Examination of the Report of the Auditor</p>	

			<p>General on the Financial Statements for the National Government for the Year ended 30th June 2016</p> <p>(ii) The Committee further noted the international character of the WTO event and the need for due diligence on the potential event organizers.</p> <p>The Ministry should ensure that there is a list of pre-qualified service providers in specialized services pursuant to Section 93 of the Public Procurement and Disposal Act 2015.</p> <p>Committee Recommendations</p> <p>The Ministry should ensure that there is a list of pre-qualified service providers in specialized services pursuant to Section 93 of the Public Procurement and Disposal Act 2015.</p>	<p>The Ministry continues to maintain an updated list of pre-qualified service providers pursuant to Section 93 of the Public Procurement and Disposal Act 2015 from which service providers are procured on need basis.</p> <p>Further the Ministry ensures strict adherence to the Public Procurement and Disposal Act and Regulations.</p>
			<p>Rental Expenditure at Kenya Missions and Embassies</p>	<p>Examination of records maintained at Kenyan Embassy in Thailand revealed that the former Ambassador returned to Kenya in July 2013. The embassy, however, continued paying rent for the house previously occupied by him. As a result, an amount of Kshs.8,700,000 had been paid as of 31 July 2014 for the unoccupied rental premises.</p>
	178.2			
	178.2.1		Bangkok, Thailand	

				<p>Submission by Accounting Officer</p> <p>The Accounting Officer stated that it was true that Amb. Richard Ekai left Bangkok in 2013 following his Appointment as the Principal Secretary, Ministry of Sports. Upon his departure from Bangkok, the Government appointed Mr. Ali Mohamed Yusuf as his replacement and sent his credentials to the host country as required by Protocol. Our Embassy in Bangkok was notified by the Ministry of Foreign Affairs Thailand that the appointment had been received and conveyed to the relevant authorities. With this information, the Mission was forced to hold onto the lease for the Ambassador's house since it was clear that a new ambassador would soon be reporting to the station. This decision was reinforced by the following considerations:-</p> <ul style="list-style-type: none"> • Ambassador's residences must be located in designated enclaves for security and diplomatic reasons. Given the high demand for houses in such locations, identification of new houses takes long and costs equivalent of two months' rent in urgency fees. • Taking a new house would entail paying higher rental charges as such movements allow the landlords to review rents upwards. • Vacating a house requires paid notice which in most cases amounts to two months' rent. When it became apparent that the appointment was taking long, however, the Mission sought and was granted authority to terminate the Lease 	
--	--	--	--	--	--

			<p>Submission by Accounting Officer</p> <p>The Accounting Officer stated that it was true that at the Kenyan embassy in South Korea, a residential house fell vacant on 31st December, 2016 when the occupant came back to the country after end of her tour of duty. However, an Administrative attaché was expected at the Mission soon after and therefore the Mission extended the lease for the house by negotiating to pay rental fee for 3 months instead of 6 months as the initial lease agreement indicated. This property offered value for money because of its location, size and relatively low rent. Three officers were posted to this mission vide posting order No.1/2017 dated 20th January, 2017 and they were to report by 1st March, 2017. The posting did not take effect as expected, thereby forcing the mission to terminate the lease soon thereafter.</p> <p>Committee Observations and Findings</p> <p>The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p> <p>Committee Recommendations</p> <p>The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p>	<p>The Matter was resolved.</p> <p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit</p>
--	--	--	---	---

			vide letter Ref. MFA.HSE/9/II dated 20th June 2014 in accordance with the terms of the lease. Subsequently, the lease was terminated and all household items transferred to a storage warehouse on 15th July, 2014.	
			Committee Observations and Findings (The explanation by the accounting officer was satisfactory. The matter was marked as resolved.	
			Committee Recommendations The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries. (The Matter was resolved
				The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.
				Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.
	178.2.2	Seoul, South Korea	Similarly, at Kenyan Embassy in South Korea, an officer returned to Kenya on 31 December 2016 and the house which was occupied by the officer continued to attract quarterly rent amounting to kshs1,111,980 despite being vacant. The embassy has so far incurred rental expenditure totaling kshs.2,223,960 for the duration that the house has remained vacant.	

[illegible]

			<p>)</p> <p>Committee Recommendations</p> <p>The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p>	<p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p>
	178.3	Irregular Payment for Contract for Digitization of the Ministry's Records	<p>)</p> <p>Examination of records maintained by the Ministry revealed that a contractor was awarded a contract on 6 February 2015 for digitization of records and document management systems at Kshs.40,159,548 for a duration of three (3) months. However, the contractor was paid an amount of Kshs.32,353,548 through payment voucher No. 64 dated 11 December 2015 before completion of the works. Further, the software licenses claimed to have been supplied were not made available for audit verification. In addition, the training that was supposed to be conducted never took place because the system failed and has since not been customized to meet the users' requirements. Above all, the contract whose execution period was three (3) months has not been completed two (2) years later.</p> <p>)</p> <p>Submission by Accounting Officer</p> <p>The Accounting Officer stated that it was true that a firm (Attain Solutions) was awarded a contract on 6th February 2015 for digitization of records and document management systems. In compliance with the terms of the contract, the</p>	<p>)</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>

			<p>contractor was to be paid Kshs 24.5 million upon signing/execution of the contract on 21st July 2015. The contractor was due for a further payment of Kshs 7.5 million upon installation and testing of the system and training of relevant staff on the operation of the system. These tasks were finalised by December 2015 upon which payment of the first 2 instalments totaling Kshs 32 million was released to the contractor in December 2015. It has been confirmed that the contractor supplied and installed Microsoft Office Server 2012 (Release 2013) as per specifications - this was the latest available Microsoft Office Server in the market during the year under review. The accounting officer noted that it has also been confirmed that the contractor supplied and installed the Microsoft Office Server and system storage together with their licenses which was used to enable installation. The contractor retained the licenses to await commissioning so as to save the ministry from the responsibility of renewing the licenses before project commissioning. The ministry, in liaison with the contractor mounted two training retreats (in Naivasha - August 2015 and Nakuru - April 2016) on digitization of records. The contractor, during these retreats, trained the identified officers on the concept and the key elements of the system before conducting system demonstrations. Recommendations made during the trainings have been used to improve the system before conducting the final demonstration, which has been done successfully. The ministry has appointed an implementation Committee to oversee full operationalization of the system. To allow for acquisition and installation of compatible equipment, to obtain and incorporate</p>
--	--	--	---

			<p>recommendations of the ICT authority and other government security institutions and then to operationalize the system, the contractor sought for a no cost extension of the contract which was granted and conveyed in writing. The relevant information and supporting documentation have been availed for audit review</p>	
			<p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved</p>	<p>The Matter was resolved.</p>
			<p>Committee Recommendations The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p>	<p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p>
	178.4	Payments Undelivered Solution Servers for Storage	<p>The Ministry awarded a tender for supply of two (2) storage solution servers at a price of Kshs.24,000,000 to a contractor through MTC Minute No. MFA/MTC/021/2014-2015. The entire amount was paid through payment voucher No. 57 dated 9 December 2015. Records confirming delivery, acceptance, installation and location of the servers have not been provided for</p>	<p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>

			<p>audit review. Consequently, the delivery and existence of the servers could not be confirmed.</p> <p>Submission by Accounting Officer The Accounting Officer submitted that it was true the Ministry awarded a tender for supply of two (2) storage solution servers at a price of Kshs. 24,000,000 to a contractor through MTC Minute No. MFA/MTC/021/2014-2015. The storage solution servers were promptly supplied and installed in the ministry's main server room on 2nd floor, ministry headquarters. Payment was processed upon successful installation and testing. The relevant supporting documentation has been availed for audit review.</p>	<p>The Matter was resolved</p> <p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>
			<p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p> <p>Committee Recommendations The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p>	
		179.	Refurbishment of Buildings at Kenya	

		High Commission Windhoek, Namibia	
179.1	Contract Price	Examination of contract records revealed that renovation of the Kenya House - Phase 2 in Windhoek, Namibia was awarded a contract sum of Kshs.289,416,280 (N\$ 38,081,090) in year 2010 to a contractor and was to be completed within fifteen (15) months.	
179.2	Delay in Completing the Works	Although the works commenced on 15 October, 2010 and were due to be completed on 24 January, 2012, the contractor had not handed over the works by February 2016. No justification has been provided for failure to recover the liquidated damages as required under Clause 27 of the conditions contract.	
		<p>Submission by Accounting Officer</p> <p>The Accounting Officer stated that it was true that the project experienced delays in completion due to the following challenges: a) Budget cuts and Irregular releases of exchange b) Contractor fatigue emanating from delays in payments, The works were, however completed and a certificate of completion issued. The ministry through the project manager notified the contractor during a site meeting of its intention to levy liquidated damages as per clause 27 of the conditions of contracts. The contractor in turn also notified the project manager of their intention to submit a contractual claim for interest on delayed payments and idle capacity during project suspensions. It was therefore mutually agreed that the Contractor</p>	

			<p>China Jiangsu be released from the project and none would levy any claims. The contractor therefore ceded the works to another contractor to finalize the remaining works.</p> <p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p> <p>Committee Recommendations The accounting officer must at all times liaise with the National Treasury to ensure that exchequer release for budgeted projects is done on time to avoid exposing the Government to contractual liabilities.</p>	<p>The Matter was resolved.</p> <p>The Ministry in liaison with The National Treasury releases development funding in a timely manner to avoid cases of contractual claims arising from delayed payments.</p>
	179.3	Site Inspection	<p>An audit inspection conducted on 7 March, 2017 revealed that defects identified in the snag list had not been corrected. Further, quality of work done may not have met the required standards as the building developed cracks soon after completion. In addition, a diligence check on the residential houses revealed that two (2) houses had been vandalized.</p> <p>Submission by the Accounting Officer The Accounting Officer stated that it was true that an audit inspection was conducted in March 2017 during which it was established that the required actions on the snag list had not been completed. The Contractor, Undenge, that was assigned the works by the original contractor China Jiangsu,</p>	

			<p>did not also complete the works. The Project Manager – State Department of Public Works then advised that the Contractor addresses specified defects and that the remaining defects be attended to under a separate contract. Subsequently, the Mission Contracted C.L.S Strauss construction company to undertake and finalize the snag list items. The contractor undertook some works but was terminated due to poor performance following evaluation by the project consultants. The Mission has embarked on the process of procuring another Contractor to complete outstanding works. The audit observation on the cracks developing on the building forced the mission to seek technical inspection and advice. The Consultant who was engaged for the upgrading and renovation works was requested for advice, and they engaged Emcom Consultants who were the initial structural engineers. The engineers upon inspection concluded that the cracks had nothing to do with structural damage and were superficial on the plaster. An inspection team from State Department of Public Works was sent later to the site and established that the cracks were on the expansion joints as per design and therefore had no effect on the structure of the building.</p>	
			<p>Committee Observations and Findings</p> <p>(i) The explanation by the accounting officer was satisfactory. However, the Committee noted that late involvement of the State Department of Public Works.</p> <p>(ii) The matter was marked as resolved.</p>	<p>The Matter was resolved.</p>

				<p>Committee Recommendations</p> <p>(iii) The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p> <p>(iv) The State Department of Public Works must be involved in such projects from the onset in order to provide the necessary quality assurance.</p>	<p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>
180.		Proposed Construction and Renovation of Buildings for High Commission of the Republic of Kenya in Pretoria, South Africa		<p>Records available indicate that Contract No. D04/NB/NB/1201 for construction of a new ambassador's residence, renovation of the Chancery, renovation and renewal of four (4) dilapidated staff houses and construction of four (4) new staff houses on plot Erf 318 Polaris Avenue was awarded on 1 July 2015 to M/s Unik Civil Engineering (pty) Ltd being the main contractor at a contract sum of Kshs. 734,400,000 (R102,000,000). Contract documents relating to M/s Tiki Architect (the project consultant) have, however, not been provided for audit verification.</p>	
180.1		Award of Contract		<p>Submission by the Accounting Officer</p> <p>The Accounting Officer stated that during the audit inspection, the project file which contained the contract documents for the main contractor, the</p>	

			consultant and the sub-contractors was availed for audit review. However, the contract for the consultant, M/s Tiki Architect, has been obtained from the project file and availed for audit review.	
			Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.	The Matter was resolved
			Committee Recommendations The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.	The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.
	180.2	Contract period	The project commenced on 18 August 2015 and was scheduled to be completed on 31 January 2017 after duration of eighteen (18) months. Submission by Accounting Officer The Accounting Officer stated that the project has experienced several challenges that caused a delay in completion which are as follows: a) Delay in release of exchequer, b) Dispute with the Iranian Embassy whose residence neighbor's the site for the residence of Kenya High Commission. A misunderstanding regarding two reciprocal servitudes for both properties caused a delay in approval of plans.	Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.

			<p>The Contractor thereafter applied for an extension of time which was granted, and the Contract is now current.</p> <p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p> <p>Committee Recommendations (i) The accounting officer must at all times liaise with the National Treasury to ensure that exchequer release for budgeted projects is done on time to avoid exposing the Government to contractual liabilities. (ii) The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p>	<p>The Matter was resolved.</p> <p>The Ministry in liaison with The National Treasury releases development funding in a timely manner to avoid cases of contractual claims arising from delayed payments.</p> <p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>
	180.3	Audit Inspection	<p>Although payments totalling Kshs.263,159,835 had been made to the contractor, an audit inspection undertaken on 10 March 2017 revealed that works on four houses under renovation stalled due to non-registration with</p>	
	180.3.1	Stalled Works		

			the National Home Builders Registration Council. No effort has been made to rectify the anomaly.	
			Submission by Accounting Officer The Accounting Officer stated that according to the Project Consultants, the Contractor delayed registration of the development of the four staff houses located at 318 Polaris with the National Home Builder's Registration Council. Construction was halted for a short while as the Contractor embarked on the process of making payments. Once the payment was effected, NHBRC authorized continuation of the works. This did not however affect the overall project completion period	
			Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.	The matter was resolved.
			Committee Recommendations The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.	The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise. Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.

180.3.2	Conflict on Construction Site	<p>Although the construction of the Ambassador's residence is in progress, a dispute on plot Nd. 261 Crowne Avenue has not been resolved between the Kenya High Commission in Pretoria and the Government of Iran.</p> <p>Submission by Accounting Officer: The Accounting Officer stated that the Government of Kenya bought property situated at 261 Crown Avenue in 1994. The property comprises three parcels of land namely ERF 1/1211, ERF 1844 and ERF 1281. The Deed of transfer for the property contains servitude (beneficial/subordinate interest) for the following:</p> <ul style="list-style-type: none"> i. The Kenyan property is granted a servitude over portion 3 of ERF 3/1211 (neighboring property) for right of way in favour of ERF 1/1211 (Kenya government land). The purpose of this servitude is to allow the Kenya government land access to the Road – Crown Avenue. ii. A portion of the Kenya government land, i.e. portion 1 of ERF 1/1211 was granted servitude for right of use in favour of ERF 3/1211 which is now the Iranian Ambassador's residence plot. <p>The servitudes were registered back in 1968 by the Surveyor General of South Africa pursuant to Section 75 of the South Africa Deeds Registry Act N. 47 of 1937. They are in perpetuity, and can only be removed by mutual consent of both Governments of Kenya and of Iran as per the South Africa law. The servitudes are reciprocal</p>
---------	-------------------------------	---

			<p>since Kenya is using the servitude on the Iranian land for access while Iran has right of use of a small portion of Kenya land.</p> <p>)</p> <p>When the ongoing project commenced, the Consultants applied for amalgamation of the three portions of land comprising Kenya government land, to allow flexibility in design. At this point the Iranians objected and approvals could not be granted. The matter was referred to South Africa's Department of International Relations and Cooperation, but meanwhile, the Consultant was advised to revise the drawings so that the developments did not touch on the disputed portion of land. This facilitated approval of the drawings and construction has since been ongoing. The residence is now at about 40% completion rate.</p> <p>)</p> <p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p> <p>)</p> <p>Committee Recommendations The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p> <p>)</p>	<p>The matter was resolved.</p> <p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>
--	--	--	---	---

	180.3.3	Delay in Delivery of the Project)	<p>M/s Tiki has been paid Kshs. 140,389,667, but an audit inspection revealed that works relating to civil and structural engineering have stalled due to disputes between the consultant and his employees. The conflict has delayed timely delivery of the project.</p> <p>Submission by Accounting Officer The Accounting Officer stated that the civil and structural engineers are employees of the Consultant M/S Tiki Architects and therefore have no contract with Kenya government. The said dispute was however in reference to non-payment of fee note No. 05 which at the time had not been settled by the Ministry. We have not been alerted that this dispute may have caused any disruption to work on the ground and the latest progress report indicates that work is progressing well</p> <p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p> <p>Committee Recommendations (i) The accounting officer must at all times liaise with the National Treasury to ensure that exchequer release for budgeted projects is done on time to avoid exposing the Government to contractual liabilities</p>	(
					<p>The Matter was resolved.</p> <p>The Ministry in liaison with The National Treasury releases development funding in a timely manner to avoid cases of contractual claims arising from delayed payments.</p>

			(ii) The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.	The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.
181	Construction of Chancery and High Commissioner's Residence in Islamabad-Pakistan			Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.
181.1	Award of Contract		The project was awarded to M/s Consol Construction Solutions on 12 May 2008 at an initial contract sum of PKRs 385,321,826 (Kshs.443,120,099). The works were scheduled to commence on 12 May 2008, and be completed on 11 September 2010.	
181.2	Contract Termination		The completion date of September, 2010 was revised thrice. However, the contractor did not enhance progress in construction work, resulting in termination of the contract on 30 July, 2014.	
			Submission by Accounting Officer The Accounting Officer stated that various extensions were granted for this project due to challenges relating to insecurity, delayed payments, disruptive weather conditions, several and long holidays such as Eid al-Fitr, among	

		<p>others. It should be noted, however, that the Mission took occupancy of the Chancery building by May 2010, which was long before the contract was terminated. Remaining works included part of the Ambassador's residence and auxiliary works.</p> <p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p> <p>Committee Recommendations (i) The accounting officer must at all times liaise with the National Treasury to ensure that exchequer release for budgeted projects is done on time to avoid exposing the Government to contractual liabilities (ii) The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p> <p>The contractor received advance payments (mobilization advance) of PKR 115,596,548 (Kshs.132,936,030) or 30% of the contract sum on 31 March 2008 which was, however, not recovered. In addition, records show that the contractor had been paid PKRs 449,324,929</p>	<p>The matter was resolved.</p> <p>The Ministry in liaison with The National Treasury releases development funding in a timely manner to avoid cases of contractual claims arising from delayed payments.</p> <p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>
	181.3	Irregular Payment of Works	

			<p>(Kshs. 516,723,668) at the time of termination on 30 July 2014, which is PKRs 64,003,102 (Kshs. 73,603,567) above the awarded contract sum of PKRs 385,321,826 (Kshs. 443,120,100). No explanation has been given for the irregularity. Further, no retention money was recovered from all the payments made to the contractor, an indication that tax payers' monies paid may be lost.</p>	
			<p>Submission by Accounting Officer The Ministry was advised by the State Department of Public Works that the project had suffered various setbacks including delayed payments, security lockdowns, price escalations etc. thereby giving the contractor a right to make various claims some of which were not settled in full. In view of this, the financial position of the project will be determined by the final account. Public Works has informed that finalization of the final account is in process, which will facilitate closure of this matter</p>	
			<p>Committee Observations and Findings The Committee noted the various setbacks that affected the project including delayed payments.</p>	
			<p>Committee Recommendations (i) The accounting officer must at all times ensure that the advice of the Attorney General is sought and obtained in determination of contractual claims and counter-claims in order to safeguard public interest.</p>	<p>The Ministry has continued to obtain advice from the relevant technical arms of the government in resolution of contractual issues/conflicts</p>

			(ii) The Accounting Officer should, within three (3) months after adoption of the report, avail to the National Assembly the final account of this project for scrutiny.	The project is in final stages of completion with the construction of the new Ambassadors residence (currently at 90% completion) being the only pending item. Upon completion, final remeasurements of works will be done, final financial appraisal of the project will be done upon which the final account of the project will be prepared. The Ministry undertakes to avail the final account upon execution.
181.4	Award of New Contract		<p>The Ministry awarded another (new) contract for completion of the Kenya High Commission building and the High Commissioner's Residence on 6 February 2015 to M/s Quality Procurement and Management Services Limited at a contract sum of PKRs 99,940,881 (Kshs.90,154,670).</p> <p>Submission by Accounting Officer The Accounting Officer stated that it was true that the Ministry awarded another (new) contract for completion of the Kenya High Commission building and the High Commissioner's Residence on 6 February, 2015 to M/s Quality Procurement and Management Services Limited at a contract sum of PKRs 99,940,881.30 (Kshs. 90,154,670.00).</p>	
181.5	Slow Progress of Works		The accounting officer stated that the works commenced on 2 March 2015 and were scheduled for completion on 5 September 2015. However, the contract period had expired as at the time of audit inspection in March 2017 but the contractor was still on site without being levied penalties in terms of recovery of the	

			<p>liquidated damages. Management has not given any explanation for the omission.</p> <p>Submission by Accounting Officer The project completion period was extended due to the following:</p> <ol style="list-style-type: none"> High level of insecurity in Islamabad which made entry into the diplomatic enclave extremely difficult. Workers had to be cleared and sometimes clearance took several weeks. Entry of workers was also very difficult and so was entry of materials. The Ministry was informed that sometimes trucks had to offload sand and any other materials at the entrance and then load again. This itself affected the project timelines as well as cost, The Monsoon rains would sometimes cause closure of site for several weeks, Long extended holidays such as Eid Al-Fitr, Ramadan among others caused disruptions in labour and obtaining new labour would take time, Delays in payments due to exchequer delays. Appendix 6.3.1-Islamabad -15/16 Extension was granted for 35 weeks effective October 2016, hence the contract was still valid by March 2017. In any case, the Contractor had already partially handed over the property in February 2017, and therefore was still on site in March attending to the snag list. Hence there was no need to render liquidated damages. 	
--	--	--	--	--

			<p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p> <p>Committee Recommendations</p> <p>(i) The accounting officer must at all times liaise with the National Treasury to ensure that exchequer release for budgeted projects is done on time to avoid exposing the Government to contractual liabilities</p> <p>(ii) The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on-time to avoid audit queries.</p>	<p>The Matter was resolved.</p> <p>The Ministry in liaison with The National Treasury releases development funding in a timely manner to avoid cases of contractual claims arising from delayed payments.</p> <p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>
181.6	Title Deed		<p>Although the Kenya High Commission in Islamabad was allocated the land where the Chancery and Residence building stands in 1991, no reasons have been given for failure to obtain the title deed for the plot.</p> <p>Submission by Accounting Officer The Ministry was issued a certificate of possession dated 9th December, 1996 which is in file. The Mission is however following on the title deed and we expect the matter to be concluded soon.</p>	

			<p>Committee Observations and Findings The Committee noted the explanation by the accounting officer.</p> <p>Committee Recommendations The Accounting Officer should, within three (3) months after adoption of the report, appraise the National Assembly on the progress made in acquiring the title deed.</p>	<p>The certificate of possession for the Kenyan property in Islamabad has been obtained and a copy availed for audit review. The Mission is yet to obtain the title deed from the Palestinian authorities – The same will be availed for audit review upon receipt. The Public Accounts Committee has been appraised on this position during the Ministry's appearance before it to discuss matters in the 2016/2017 financial years' audit report.</p>
182	Construction of Buildings for Kenya Embassy, Mogadishu, Somalia			
182.1	Irregular Award of Contract		<p>The Ministry invited nine contractors through restricted tendering to submit tenders for this project on 3 February 2015. Bids were received from M/s Bilmark Groups Limited and M/s Deega Construction and Water Drilling Co. whose bids were US\$ 1,571,637.50 and US\$ 1,766,665 respectively. Although M/s Bilmark Groups Ltd. who was the lowest evaluated bidder was disqualified on grounds that the firm was not among contractors vetted by AMISON, the contract was later awarded to the highest evaluated bidder Deega Construction and Water Drilling Co. which was similarly equally not among vetted companies. No explanation has been given for the inconsistency in evaluating the two bidders. In addition, information contained in a letter Ref. No. CSO/REC/ZULU PROJECT/27/NOV/2014 dated 27 November,</p>	

				<p>2014 shows that the contractor was awarded the contract before technical evaluation process was completed. In view of these circumstances, it is not possible to confirm that the award of the contract was fair, equitable, transparent, competitive and cost effective as required under Article 227(1) of the Constitution of Kenya, 2010.</p>
				<p>Submission by Accounting Officer</p> <p>Construction of embassy properties in Mogadishu was urgent since a decision had been made for the Mission to relocate from Nairobi to Mogadishu. Owning property was considered more secure and cheaper than renting, and a piece of land had already been allocated by the government of Somalia. The contractor for this project was identified through restrictive tendering whereby nine contractors were invited to bid. Tender documents were issued to the nine firms but only two of the firms, M/s Bilmark Groups Ltd and Deeqa Construction and water drilling Co responded. Technical and financial evaluations were carried out, the outcome of which was tabled for MTC deliberations as per attached Minutes. The award to Deeqa Construction and Water Drilling Co. was made based on MTC's recommendations and results of the security vetting conducted by AMISOM (see recommendation letter attached and marked as Annex In its recommendations which were tabled in the MTC, the Evaluation committee noted shortcomings of the non-winning bidder M/S Bilmark as follows:</p>

			<p>a) The work executed by the bidder are of very low magnitude compared to the magnitude of the proposed project, and that experience of the firm in construction works is limited,</p> <p>b) The firm had been in existence for less than two years and therefore its experience in the construction industry is limited,</p> <p>c) The firm was not among the ones vetted by AMISOM, and Somalia being a security sensitive country; this was considered an important consideration. In addition, the firm would have encountered challenges in accessing the construction site which is located in the AMISOM controlled area.</p>	
			<p>The letter Ref. No. CSO/REC/ZULU PROJECT/27/NOV/2014 dated 27th November, 2014 referred to in the audit query was AMISOM's recommendation after security vetting and not an award.</p>	
			<p>Committee Observations and Findings</p> <p>The explanation by the accounting officer was satisfactory.</p> <p>The matter was marked as resolved.</p>	The Matter was resolved.
			<p>Committee Recommendations</p> <p>The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries.</p>	The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanation provided and additional information availed promptly during the audit exercise.

					Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.
			(An audit inspection of the project site on 14 March, 2017 confirmed that 38% of works had been executed against 220% of the contract period that had by then elapsed. No remedy had been undertaken to enhance progress in execution of the works. In addition, the audit established that the Kenya High Commission in Mogadishu was allocated the Chancery and Residence building land in 2015. However, no reasons have been given for failure to obtain a title deed for the plot. Submission by Accounting Officer The Accounting Officer stated that the delays in completion of works were occasioned, and the contractor applied for extension on the following grounds: <ul style="list-style-type: none"> • Stoppage of works due to insecurity in Somalia, • Delayed payments. <p>The request for extensions have been considered and approved by the project Manager – State Department of Work and subsequently duly granted by the Ministry.</p> <p>It should, however, be noted that this is an extremely difficult environment that is unpredictable due to security concerns. The Contractor has on various occasions advised on closure of site due to insecurity as and when they receive security alerts from the authorities - indeed at one time the hotel where his workers</p>	
		Audit Inspection))	182.2		

			<p>1</p> <p>were living was bombed and he lost several workers.</p> <p>Title Deed Mogadishu The government of the Federal Republic of Somalia issued a letter of allocation to the government of Kenya, but the Mission is still pursuing title to the land.</p> <p>1</p>	
			<p>1</p> <p>Committee Observations and Findings The Committee noted the explanation by the accounting officer.</p> <p>1</p>	
			<p>Committee Recommendations</p> <p>(i) Ministries should develop clear criteria on building foreign missions and should consider issues of security and Finance.</p> <p>(ii) The accounting officer must at all times liaise with the National Treasury to ensure that exchequer release for budgeted projects is done on time to avoid exposing the Government to contractual liabilities. The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries</p> <p>(iv) the Accounting Officer should, within three (3) months after adoption of the report, appraise the National Assembly on the progress made in acquiring the title deed.</p> <p>1</p>	<p>The Ministry has developed an Asset Management Policy document which guides the development of properties in Missions.</p> <p>The Ministry in liaison with The National Treasury releases development funding in a timely manner to avoid cases of contractual claims arising from delayed payments.</p> <p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanations provided and additional information availed promptly during the audit exercise.</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p> <p>The government of the Federal Republic of Somalia issued a letter of allocation to the government of Kenya, but the Mission is still</p>

					pursuing title to the land. Once the title is obtained, the same will be availed for audit review. The Public Accounts Committee has been appraised on this position during the Ministry's appearance before it to discuss matters in the 2016/2017 financial years' audit report.
183	Cash and Cash Equivalents			<p>The statement of assets reflects Kshs.1,340,665,519 cash and cash equivalents' balance and as further disclosed in Note 11 A & B to the financial statements. However, the balance includes unconfirmed amounts as follows:</p> <p>Examination of the re-current bank reconciliation statement for the month of June 2016 revealed that Kshs.149,323,311 and Kshs.28,808,743 were withdrawn from bank account numbers 408078400000000000236 and 4080078107000500000095 respectively between the year 2009 and 2011. These withdrawals were not recorded in cash book. Payment documents in support of the withdrawals have similarly not been provided for audit review. In addition, the Ministry has not investigated and taken appropriate action on the loss as required under Regulation 90(3) of the Public Finance Management (National Government) Regulations, 2015.</p> <p>Submission by Accounting Officer The Accounting Officer stated that it was true that the recurrent bank reconciliation statements for the month of June, 2016 indicated that Kshs.149,323,311.00 and Kshs.28,808,743,000 were withdrawn from the bank account numbers 408078400000000000236 and 4080078107000500000095 respectively</p>	
183.1	Loss of Cash at Kenya Embassy Moscow				

			<p>between the year 2009 and 2011 in Kenyan Embassy in Moscow. The Mission maintained the main cash book for bank transactions in which these withdrawals were reflected. It has been established that dollar withdrawals and payments were not properly accounted for through the main cash book mainly due to clerical errors. The Ministry has appointed an investigation team to obtain the necessary documents, reconstruct the relevant cash books, carry out necessary reconciliations, determine whether there were financial improprieties, identify the culprits and recommend appropriate actions to be taken. The investigations are ongoing and the outcome of the same will be availed for audit verification.</p> <p>Committee Observations and Findings</p> <p>The Committee has noted the explanation by the accounting officer. It further noted that the Head of Mission at the material time was Ambassador Paul Kurgat.</p> <p>Committee Recommendations</p> <p>(i) The Accounting Officer should, Within three (3) months after adoption of the report, appraise the National Assembly on the outcome of the internal audit process.</p> <p>(ii) The DCI should, within three (3) months after adoption of the report, initiate independent investigations into the matter with a view to prosecuting those found culpable.</p>	<p>The Ministry conducted an internal audit/investigation exercise on this matter through which it was established that the amount in question relates to posting errors into the cash book of expenditures on diplomatic courtesies over a period of six years (2007 – 2013). These errors have been corrected by updating the cash books and passing relevant journal entries to post expenditures to the right items in the financial statements. The Ministry recalled the officer who occasioned the backlog and commenced disciplinary procedures which are yet to be concluded.</p>
--	--	--	---	--

	<p>balances) to march 2016 (March opening balances) correctly entered as SSP 830,873.22 and USD 425,752.26 respectively. The end of month balances for March, April, May and June 2016 were thereafter entered correctly and consistently. The relevant extracts of the cash book have been availed for audit review. The accounting officer stated that it was true that the Mission on 24th June, 2016 transferred SSP 800,000 from the Mission's local currency account to the USD account, both held at the KCB Bank South Sudan Ltd, to enable processing of dollar denominated payments for the Mission. The exchange rate control regime in Southern Sudan has created wide disparities between the Central Bank official rates and the commercial Banks's transaction rates. On the day the Mission was processing the above inter account transfer, for example, the applicable transaction rate given by KCB Bank South Sudan Ltd was SSP 45 to USD 1 whereas the Central Bank official rate was SSP 30 to USD 1. It should be noted that the Mission had no option but to accept the transaction rate prescribed by the KCB Bank South Sudan Ltd.</p>	
	<p>Committee Observations and Findings The explanation by the accounting officer was satisfactory. The matter was marked as resolved.</p>	
	<p>Committee Recommendations The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries</p>	<p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanations provided and additional information availed promptly during the audit exercise.</p>

)		Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.
183.3	Misstatement of Cash and Bank Balances)	<p>The amounts disclosed under Note 11A and 11B to the financial statements in respect of cash and bank balances of Kshs.198,124,704 and Kshs.3,120,952 totaling Kshs.201,245,656 for the Ministry Headquarters differ from the reconciled cash and bank balances of Kshs.431,067,127. No explanation or adjustment has been provided for the resulting difference of Kshs.229,821,471 between the two sets of records.</p> <p>Submission by Accounting Officer The Accounting Officer stated that it was true that the amount reflected in the financial Statements in respect of cash and bank balances amounting to Kshs.201, 245,656.00 for the Ministry Headquarters Recurrent, Development and Deposits differed from the cash book balances amounting to Kshs. 431,067,127.00. The Ministry has captured the difference Kshs.229, 821,471.00 in the following financial year 2016/17.</p> <p>Committee Observations and Findings The Committee noted that the variances were corrected in the 2016/2017 financial statement.</p>	The matter was resolved.

			<p>Committee Recommendations</p> <p>The accounting officer must at all times ensure that proper explanations on issues raised by the Auditor-General plus supporting documents are provided on time to avoid audit queries</p>	<p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanations provided and additional information availed promptly during the audit exercise</p> <p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>
	184	Bank Reconciliation Statements		
	184.1	Long Outstanding Reconciling Items	<p>The bank reconciliation statements for the Ministry Headquarters for recurrent, development and deposits for the month of June 2016 reflects long outstanding reconciling items amounting to Kshs.1,000,267,272, some dating as far back as 2013 which have not been cleared. This is contrary to Regulation 90(3) of the Public Finance Management (National Government) Regulations, 2015 which requires that such discrepancies be investigated and appropriate action taken including updating the cash books.</p> <p>Submission by Accounting Officer</p> <p>The Accounting Officer stated that it was true the reconciliations statements for the Ministry Headquarters for Recurrent, development and deposit accounts for the month of June 2016 reflects long outstanding reconciliation items amounting to Ksh.1,000,267,272.00 some dating as far back as 2013 which have not been cleared.</p>	

			<p>This balance has been submitted to the 'Committee on Old Balances' at The National Treasury to be resolved as part of the mandate of that committee. The Ministry is waiting for feedback from the committee in order to implement its recommendation and submit the same for audit review.</p> <p>Committee Observations and Findings The Committee noted the explanation by the accounting officer.</p> <p>Committee Recommendations The Cabinet Secretary responsible for National Treasury should, within three (3) months after adoption of the report, appraise the National Assembly on the progress of work on the Committee on Old Balances.</p>	<p>The Ministry has noted with appreciation the recommendations of the committee and awaits the report of the old balances committee from the National Treasury.</p>
	184.2	<p>Payments and Receipts without Reference / Cheque Numbers</p>	<p>The recurrent bank reconciliation for the period ending 30 June 2016 reflects payments in cash book not in bank statement (unpresented cheques) and receipts in cash book not in the bank statement amounting to Kshs.411,169,904 and Kshs.322,093,983 respectively. Included in the unpresented cheques of Kshs.411,169,904 are payments amounting to Kshs.20,993,262 without cheque or reference numbers. Similarly, the receipts amounting to Kshs.322,093,983 have no cheque or reference numbers. In the circumstances, the validity, completeness and accuracy of the recurrent cash balance for June 2016 could not be confirmed.</p> <p>Submission by Accounting Officer</p>	

			<p>The Accounting Officer stated that it was true that as at the time of audit review, the recurrent bank reconciliation Statement for the period ending 30th June, 2016 reflected un-presented cheques amounting to Kshs. 411,169,903.78 and unbanked receipts amounting to Kshs. 322,093,982.90 out of which, payments amounting to Kshs. 20,993,262.00 and receipts amounting to Kshs. 322,093,983 respectively were captured without cheque or reference numbers. At the inception/rollout of the E-Banking system in the Government, processing of payments through cheques was eliminated. The banking system however, would generate payment references automatically to facilitate the auto reconciliation procedure. Since the system generated references had no details to facilitate capturing in the cash books and bank reconciliations the CBK was requested several times but in vain to provide the details. The transactions related to the system generated references have therefore remained outstanding for a long time in the bank reconciliation statement and were therefore referred to the Committee on Old Balances for direction. The Ministry is waiting for feedback from the committee in order to implement its recommendation and submit the same for audit review.</p> <p>Committee Observations and Findings The Committee noted the explanation by the accounting officer.</p> <p>Committee Recommendations</p>	<p>The Ministry has noted with appreciation the recommendations of the committee and awaits the</p>
--	--	--	--	---

				<p>The Cabinet Secretary responsible for National Treasury should, within three (3) months after adoption of the report, appraise the National Assembly on the progress of work by the Committee on Old Balances.</p> <p>The statement of receipts and payments reflects payments totalling Kshs. 185,303,805 in respect of transfers to Other Government Units. However, the payments have not been analyzed or supported by expenditure returns including documents to confirm receipt of the amount by the respective Government Units. As a result, the accuracy, occurrence and propriety of the expenditure could not be ascertained.</p> <p>Submission by Accounting Officer</p> <p>The accounting officer stated that it was true that the statement of receipts and payments reflects a total expenditure of Kshs. 185,303,805.00 captured under the item for grants / transfers to other International Organizations. These relate to education supplements issued to Missions abroad to pay for school fees in training institutions abroad. The funds are issued on a quarterly basis as part of the respective Missions' quarterly disbursements. The supporting documents have been availed for audit verification.</p> <p>Committee Observations and Findings</p> <p>The Committee noted that the supporting documents have since been availed and reconciliations done. The matter was marked as resolved.</p> <p>Committee Recommendations</p>	<p>report of the old balances committee from the National Treasury.</p>
	185	Transfer to Other Government Units			

			<p>The accounting officer must at all times ensure that explanations sought by the Auditor General plus all supporting documents are provided on time to avoid audit queries.</p>	<p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanations provided and additional information availed promptly during the audit exercise.</p>
		186	<p>Outstanding Imprests</p> <p>The statement of assets reflects a balance of KShs. 8,625,876 under accounts receivables – outstanding imprests. The balance includes long outstanding imprests amounting to KShs. 1,810,111 which had not been surrendered or accounted for as of 30 June, 2016 for a period of 36 months.</p> <p>Submission by Accounting Officer The Accounting Officer stated that it was true that the Ministry had outstanding imprest amounting to KShs 1,810,111.00. This amount has since been fully recovered and/or accounted for including interest penalties where applicable. The ministry is continuing to implement the following interventions with a view to managing imprests:-</p> <ul style="list-style-type: none"> • Monthly deductions of the amounts surrendered by the defaulters. • Writing to ministries and other government agencies to deduct and remit the funds for transferred officers. • No officer is allowed to take multiple imprests before making due surrenders. 	<p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>

				<p>The ministry has implemented the provisions of the Public Financial Management (PFM) Act requiring interest charge on imprests as a further deterrent factor.</p> <p>(</p> <p>Committee Observations and Findings</p> <ul style="list-style-type: none"> • The Committee noted that all outstanding imprest has since been surrendered. It further noted the new measures put in place by the ministry to manage imprest. • The matter was marked as resolved. <p>(</p> <p>Committee Recommendations</p> <ul style="list-style-type: none"> • The accounting officer must at all times ensure that explanations sought by the Auditor General plus all supporting documents are provided on time to avoid audit queries. <p>(</p>
				<p>The matter was resolved.</p>
				<p>The Ministry and audit team have enhanced corporation through which all necessary consultations are done timely, necessary explanations provided and additional information availed promptly during the audit exercise.</p>
				<p>Towards this the Ministry has appointed a contact person to coordinate the audit issues with the audit team thus bridging the gap that was causing the delays in provision of the audit information.</p>

