

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

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**OF**

**THE AUDITOR-GENERAL**

**ON**

**STATE DEPARTMENT FOR  
CO-OPERATIVES**

**FOR THE YEAR ENDED  
30 JUNE, 2022**







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**MINISTRY OF AGRICULTURE, LIVESTOCK, FISHERIES AND CO-OPERATIVES**

**STATE DEPARTMENT FOR CO-OPERATIVES**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2022**

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

*STATE DEPARTMENT FOR CO-OPERATIVES*  
*Annual Report and Financial Statements for the year ended 30th June 2022*

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## Table of Contents

	Page
1. Key Entity Information and Management.....	ii
2. Statement By the Cabinet Secretary.....	xi
3. Statement By the Principal Secretary / Accounting Officer .....	xiii
4. Statement Of Performance Against Predetermined Objectives for FY2021/22 .....	xxiii
5. Environmental and Sustainability Reporting .....	xxiii
6. Statement Of Management Responsibilities .....	xxvi
7. Report Of The Independent Auditors On The State Department for Co-operatives .....	xxviii
8. Statement Of Receipts And Payments For The Year Ended 30 <sup>th</sup> June 2022 .....	1
9. Statement Of Assets And Liabilities As At 30 <sup>th</sup> June 2022.....	2
10. Statement Of Cash Flows For The Year Ended 30 <sup>th</sup> June 2022.....	3
11. Statement of Comparison of budget and Actual Amounts for FY2021/22 .....	3
12. Notes to the Financial Statement .....	9
13. Annexes.....	21

## **1. Key Entity Information and Management**

### **(a) Background information**

The State Department for Co-operatives (SDC) was established under the Ministry of Agriculture, Livestock, Fisheries and Co-operatives through an Executive Order No. 1/2020 (revised) of May, 2020. It was initially domiciled under the Ministry of Industry, Trade and Co-operatives. At Cabinet Level, SDC is represented by the Cabinet Secretary for the Ministry of Agriculture, Livestock, Fisheries and Co-operatives who is responsible for the general policy and strategic direction of the department.

### **Vision**

Sustainable social and economic development through Co-operatives.

### **Mission**

Promotion of sustainable Co-operatives sector through capacity building and provision of appropriate policy, legal and institutional framework.

### **Mandate**

The broad mandate of the State Department for Co-operatives is to promote growth and development of Co-operatives through provision of an enabling policy and regulatory framework. This mandate is spelt out in the Executive Order No. 1/2020 as indicated below:

- i Co-operatives Policy, Standards, and Implementation
- ii Promotion of Co-operatives Ventures
- iii Co-operatives Production, Marketing and Value Addition.
- iv Supervision and oversight over Co-operatives Societies
- v Co-operatives Savings, Credit, and other Financial Services Policy
- vi Co-operatives Legislation and Support Services
- vii Co-operatives Education and Training
- viii Co-operatives Audit Services and
- ix Co-operatives Financing Policy.

The Executive Order also confers the State Department with the responsibility of overseeing the following Semi-Autonomous Government Agencies (SAGAs):

- i. **The New Kenya Co-operative Creameries (New KCC) Ltd** which was incorporated as a limited company with 100 percent Government share-holding on 19th November 2004. **Sacco Society Regulatory Authority (SASRA)** which licenses and regulates deposit taking SACCOs as per SACCO Societies Act of 2008.
- ii. **The Kenya National Trading Corporation (KNTC)** which promotes wholesale, retail and trade through partnerships with stakeholders.
- iii. **New Kenya Planters Co-operative Union Ltd (KPCU)**

#### **Core Values**

- i. Integrity
- ii. Professionalism
- iii. Inclusivity
- iv. Teamwork
- v. Customer focus
- vi. Innovation.

#### **Strategic Objectives**

- a) Creation of an enabling policy, legal and institutional framework for rapid and sustainable growth of the co-operatives sector in Kenya
- b) Promotion of value addition, manufacturing, and market access by co-operatives
- c) Enhance financial deepening and investments through co-operatives
- d) Entrench good governance and accountability within the co-operative sector
- e) Develop the capacity of co-operatives through training, education, research, and ICT adoption
- f) To build the human resource capacity and infrastructure in the State Department
- g) Mainstream issues related to climate change, special interest groups and human rights in co-operatives



## **PROGRAMME AND SUB-PROGRAMMES**

The State Department for Co-operatives has one programme and five (5) sub-programmes as follows: -

**Programme:** Co-operative Development and Management

**Sub-Programme 1:** Co-operative Governance and Accountability.

This entails:

- i. Mainstreaming ethics and governance in the co-operatives to safeguard members' savings and investments
- ii. Regulation and supervision of co-operative audits to enhance accountability through reporting to members, declaration of dividends and taxation.

**Sub-Programme 2:** Co-operative Advisory Services.

This aims at:

- i. Registration, supervision and oversight (inspection and inquiries) of Co-operatives
- ii. Formulation of Policy and legal framework for Co-operatives sub-sector.
- iii. Development of Co-operative Management Information System (CMIS) - Digitization of Co-operative Services to enhance service delivery.

**Sub-Programme 3:** Co-operative Marketing, Value Addition and Research

This aims at:

- i. Promotion of value addition in commodity Co-operatives to enhance returns to members.
- ii. Facilitate saving mobilization through SACCOs to promote availability of funds for affordable credit to members.
- iii. Support housing co-operatives to effectively participate in delivery of affordable housing.

**Sub-Programme 4:** Co-operative management and investment

The major thrust of this sub-program is to facilitate Co-operatives institutions to deliver on their mandate.

**Sub-Programme 5:** General Administration, Planning and Support Services (Headquarters);

The intent of this sub-program is:

- i. To ensure compliance with government policies and Budget utilization.
- ii. To conduct Monitoring and Evaluation of on-going programmes to and projects.

**(b) Key Management**

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

- i. General administration
- ii. Office of the Commissioner for Co-operatives Development
- iii. Office of Co-operatives Audit.
- iv. Ethic Commission for Co-operative Societies.

**Profiles of Key Management:**

	<p><b>Principal Secretary Patrick K. Kilemi</b> Patrick Kiburi Kilemi is the Principal Secretary(PS) in the Ministry of Co-operatives and Micro, Small &amp; Medium Enterprises (MSMEs) Development, State Department for Co-operatives . His career spans over 20 years in sales , marketing , commercial planning and pricing experience in the petroleum industry in Kenya and the East and Central African region mainly with International Oil majors Total Kenya Limited (11 years), Chevron (Caltex) Kenya Limited (4 years) and Mobil Oil Kenya Limited (3 years). He holds a Masters Degree in Economics and Bachelors of Arts Degree in Economics from The University of Nairobi. He is a CPA finalist.</p>
	<p><b>Secretary Administration Mr. Haron Komen</b> Mr. Haron Komen is a Certified Public Secretary and a PhD candidate at the university of Nairobi. He holds a Masters Degree (MBA) from the university of Nairobi and Bachelor of Arts degree from Kenyatta University. He has worked for over 25 years as a Public Administrator and Manager. He is a member in good standing of the Institute of Certified Secretaries (ICS).</p>
	<p><b>Mr. David K. K. Obonyo</b> Mr. David K. Obonyo is the Commissioner for Co-operatives Development. Holds a Masters of Arts in Rural Economics and Co-operation (Bundelkhand University, India); Bachelor of Arts, Economics, Sociology and Political Science and Diploma Industrial Relations. Has 24 years' service in the Co-operatives Administration serving as Ag. Secretary Ethics Commission for Co-operatives Societies (ECCOS), Head of Department, Co-operatives Finance and Banking, Co-operatives County Commissioner, Provincial Co-operatives Officer and District Co-operatives Officer. A member of Kenya Society for Professional Co-operators. (KSPC).</p>





**Mr. John D. Musale.**

Mr. Musale is the Director of Planning. He holds a M.A degree in Economic Policy Management from Makerere University and a B.A degree in Economics from the University of Nairobi. He has served for 30 years in various positions as an Economist/Statistician in the public service. He has undertaken various short courses in macroeconomics, Development Studies, Leadership and Management. He is a member of the Economic Association of Kenya.



**Richard M. Mahungu**

Mr. Mahungu is the Deputy Commissioner for Co-operatives Development and has over 28 years of experience in the Kenyan Co-operatives sector. He currently heads the Ethics Commission for Co-operatives Societies (ECCOS) Division within the State Department of Co-operatives. He has been involved in regulatory and supervisory activities, and preparation of prudential standards for enhancing performance management in Co-operatives Societies. He is a Major in Co-operative Management, Agri-business and Strategic Management, and a member of the Kenya Society of Professional Co-operators (KSPC).



**Dr. Ruth Kanini Bosire**

Dr. Ruth K. Bosire is the Director HRM&D, Holds a PhD ( Human Resource Management Option) & a Doctor of Business Administration ( DBA) MSC in Organisational Development and Design MA in Leadership Management, Bachelor of Arts Degree, Sociology. Served as HRM for over 29 years, as Director HRM and Admin for LAPSET & Northern Corridor, Served at Public Service Commission as D/Director Establishment & consultancy Management Services, Served as the National Administrative Coordinator. USA-Kenya Centre for Disease Control (CDC), Presidents Emergency Plan For Aids Relief Project (PEPFAR).A member of Institution Human Resource Management (IHRM), Kenya African Association for Public Administration and Management (KAPAM) and, African Society for Blood Transfusion (ASFBT) Kenya Chapter.




**CPA Gladys Njeri Waithaka.**

CPA Gladys Njeri Waithaka is the Principal Accounts controller in The State department for Co-operatives. She holds a Bachelor's degree in Business administration (Account option) from Kenya Methodist University. She is in charge of accounting and financial reporting as well as designing, implementing and fair presentation of financial statements. She is a CPA (K) finalist and a member of The Institute of Certified Public Accountants, Kenya (ICPAK).



STATE DEPARTMENT FOR CO-OPERATIVES

Annual Report and Financial Statements for the year ended 30th June 2022

	<p><b>Javel Muthee Murira</b> Mr. Javel Muthee Murira is the Director, Co-operatives Audit. He holds a MBA in Finance, B.A in economics and sociology. KACE and KCE. He is a professional Accountant. He is currently Director of Co-operatives Audit State Department for Co-operatives. He has worked in various government units from the year 1994 to date. He is a member of ICPAK and Institute of Internal Auditors (IIA).</p>
	<p><b>Mrs. Jane Musundi.</b> Mrs. Jane Musundi is the Chief Finance Officer (CFO) for the State Department. She holds an MBA in Finance from Kenya Methodist University. A bachelor degree in Accounting from the University of Nairobi. She has worked in over 10 ministries as a Finance Officer with extensive training on mobilization of external resources for Government projects. She worked at the National Treasury Resource Mobilization Department for 14years. She has also worked has a CFO for three years including working in the ministry of ICT and currently at SDC.</p>

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Patrick K. Kilemi	Principal Secretary/ Accounting officer.
2.	David K. Obonyo	Commissioner for Co-operatives Development.
3.	Haron Komen	Director Administration
4.	Ruth Bosire	Director Human Resource Management and Development
5.	Gladys N. Waithaka	Principal Accounts Controller
6.	John D. Musale	Director of Planning
7.	David K. Obonyo	Head Finance and Marketing
8.	Richard M. Mahungu	Head ECCOS
9.	Javel Murira	Director Co-operatives Audit
10.	Jane Musundi	Chief Finance Officer
11.	Boniface Muli	Principal Supply Chain Management Officer

**(d) Fiduciary Oversight Arrangements**

**i. Audit and Finance Committee activities**

The main purpose of this committee is to provide oversight of the financial reporting process, the audit process, the department's internal controls and compliance with laws and regulations.

**ii. Human Resource Management Advisory Committee Activities;**

This committee is composed of the following members:

No.	Name	Designation
1.	Patrick K. Kilemi	Principal Secretary/ Accounting officer.
2.	David Obonyo	Commissioner for Co-operatives Development.
3.	Haron Komen	Director Administration
4.	Ruth Bosire	Director Human Resource Management and Development
5.	Gladys N. Waithaka	Principal Accounts Controller
6.	John D. Musale	Director of Planning
7.	Francis Wekesa	Head Finance and Marketing
8.	Didacus Ityeng	Senior Deputy Commissioner for Co-operatives Development.
9.	Javel Murira	Director Co-operatives Audit

Their duties include: -

1. Review of promotions of officers in Job Group A-P;
2. Review of confirmations in appointment;
3. Review of disciplinary matters;
4. Review of re-designation of officers from one cadre to another;
5. Confirmation of surcharge of officers found to have misused government resources;
6. Overall coordination of the training functions in the State Department; and
7. Review of induction of newly appointed officers and activities around long term training.

**iii. Tender Evaluation Committee**

To carry out evaluation of a tender as per specifications and requirement as contained in the tender document in line with Public procurement and Asset Disposal Act 2015.

**Other oversight activities**

**Cabinet Secretary**

Responsible for Ministry of Agriculture, Livestock, Fisheries and Co-operatives, to guide on policy direction in ensuring the State Department delivers its mandate to support the government agenda.

**Auditor General**

Has the overall responsibility of ensuring an independent assessment of the department's operations dealings, issuing opinion to confirm the validity and compliance with laid down procedures and laws.

**(e) Entity Headquarters**

State Department for Co-operatives

P.O. Box 30547-00100

NSSF Building Bishop Road

NAIROBI, KENYA

Entity Contacts

Telephone: (254) 020-273531-9

E-mail: [ps.ushirika@gmail.com](mailto:ps.ushirika@gmail.com) Website: [www.go.ke](http://www.go.ke)

**(f) Entity Bankers (all banks)**

Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

NAIROBI, KENYA



**(g) Independent Auditors**

Auditor - General  
Office of The Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
**NAIROBI, KENYA**

**(h) Principal Legal Adviser**

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

## 2. Statement by the Cabinet Secretary



**HON. SIMON K.  
CHELUGUI, EGH.**

The State Department for Co-operatives, in line with the provision of Kenya Vision 2030, continues to address key programs that aims at creating employment through value addition, saving mobilization and equitable development. During the Financial Year 2021/22 the State Department continued investing in dairy, cotton, and coffee value chains. The New Kenya Co-operative Creameries (NKCC) continued with the modernization of its plants through acquisition and installation of new equipment in its factories across the country. This has led to increased processing capacity at New KCC from 700,000 litres per day in 2020/21 to over 800,000 litres per day in 2021/22 hence reducing milk loses during glut seasons and guaranteeing farmers farm gate prices of above KSh.42 per litre in the same period. The Department continued implementing the Coffee Revitalization Action Plan by carrying out digitization and rehabilitation of coffee factories at a cost of Kshs 210.4 million in FY 2021/2022. These interventions have raised the average coffee prices per kilogram from a low of Kshs.65 in 2020 to a high of Kshs.100 in 2022 resulting in enhanced incomes to farmers and alleviating poverty in rural coffee growing areas. The modernization of Luanda farmers' Co-operatives Union Ginnery in Busia County was successfully completed during the third quarter of FY 2021/2022 and handed over to the management of the Luanda union at a total cost of Kshs.63.8Million. The project designs and cost estimates for PAVI Farmers' Co-operative Society Ltd ginnery in Kwale County have been carried and the next process of construction works for the stores and other infrastructure to begin in the FY 2022/2023. In the same period, the Kenya National Trading Corporation (KNTC) was facilitated to upgrade and modernize warehouses at Kisumu, Nakuru, Nairobi, Karatina, Eldoret and Mombasa at a cost of Kshs. 67.5 Million. The implementation of Co-operative Management Information System (CMIS) which is meant to automate co-operative services and enhance service delivery to the citizens and co-operatives in Kenya also continued in the same period. The project was allocated a total of Kshs. 35 million and entailed training of 33 officers from the State Department for Co-operatives (SDC) as training of trainers (ToTs) on the CMIS who in turn trained 431 county staff in 47 counties. Procurement and delivery of the ICT equipment was also done and configuration of servers as well as migration of data and records was also carried out in FY 2021/2022.

The State Department for Co-operatives will continue with the Coffee Revitalization Programme; upgrading KNTC's warehouses; construction of PAVI Farmers' Co-operative Society Ltd Ginnery; facilitating New KCC to

process powdered milk for food security; and delivery of affordable decent housing through co-operatives.

A handwritten signature in blue ink, appearing to read 'for SK', is positioned above the printed name of Simon K. Chelugui.

**SIMON K. CHELUGUI, EGH  
CABINET SECRETARY  
MINISTRY OF CO-OPERATIVES AND MICRO, SMALL & MEDIUM  
ENTERPRISES (MSME) DEVELOPMENT**



*STATE DEPARTMENT FOR CO-OPERATIVES*  
*Annual Report and Financial Statements for the year ended 30th June 2022*

**3. Statement by the Principal Secretary / Accounting Officer**

The State Department for Co-operatives plays a key role in the growth of the Kenyan economy through co-operative activities including; facilitate the co-operative sector to participate effectively in economic growth through food production, value adding initiatives, saving mobilization, financial deepening and provision of affordable decent housing.

During the financial year 2021/22, the State Department had a total allocation of **Kshs. 878,796,268** of which **Kshs. 446,086,117** was Recurrent and **Kshs. 432,710,151** was Development budget. The A.I.A target was **Kshs. 20,000,000** of which actual collected A.I.A during the period was **Kshs. 27,350,828**. The total actual expenditure during the F/Y 2021/2022 was **Kshs. 900,707,870** which translates **102.49%** absorption rate. The actual expenditure for Recurrent and Development budget was **Kshs.471,510,720(105.70%)** and **Kshs. 429,197,150 (99.19%)** respectively.

The breakdown of the F/Y 2021/22 budget allocation and actual expenditure is given in the table:

Item Description	Approved Estimates F/Y 2021/22	Actual Expenditure F/Y 2021/22	Balance	Percentage Absorption
Recurrent budget	446,086,117	471,510,720	(25,424,603)	105.70%
Development budget	432,710,151	429,197,150	3,513,001	99.19%
Gross expenditure	<b>878,796,268</b>	<b>900,707,870</b>	<b>(21,911,602)</b>	<b>102.49%</b>
AIA	20,000,000	27,350,828	<b>7,350,828</b>	136.75%
<b>Net expenditure</b>	<b>858,796,268</b>	<b>873,357,052</b>	<b>(14,560,774)</b>	<b>101.70%</b>

During the Financial year 2021/22 the State Department received exchequer of **Kshs. 875,043,766** and A.I.A of **Kshs. 27,350,828** out of which the actual expenditure was **Kshs. 900,707,870** as per the table below:

Item Description	Exchequer 2021/22	Actual Expenditure F/Y 2021/22	Balance	Percentage Absorption
Recurrent budget	446,085,911	471,510,720	(25,424,603)	105.70%
Development budget	428,957,855	429,197,150	(239,295)	100.06%
<b>Gross expenditure</b>	<b>878,796,268</b>	<b>900,707,870</b>	<b>(-25,664,104)</b>	<b>102.93%</b>

## Expenditure by economic classification and by programme

The State Department has one programme, Co-operative Development and Management which has five (5) Sub-programmes.

**Table 1: Approved Estimates and Actual Expenditure for the F/Y 2021/22 by Sub-Programme under Recurrent Budget**

Name of the Programme & Sub-Programme	HEAD	Approved Budget Allocation	Actual Payments	Variance
SP 1.1 Governance and Accountability	Co-operatives - Ethics and Governance	27,492,139	27,262,499	229,640
	Headquarters Co-operatives Audit Services	38,185,137	38,013,642	171,495
	<b>Sub-Total</b>	<b>65,677,276</b>	<b>65,276,141</b>	<b>401,135</b>
SP 1.2: Co-operatives Advisory Services	Co-operatives Registration Services	39,879,475	43,230,840	- 3,351,365
	Office of the Commissioner	45,284,439	30,264,403	15,020,036
	SACCO Societies Regulatory Authority	-	-	-
	New Kenya Planters Co-operatives Union (NKPCU) - HQ	91,200,000	91,200,000	-
	<b>Sub-Total</b>	<b>176,363,914</b>	<b>164,695,243</b>	<b>11,668,671</b>
SP 1.3: Marketing, Value Addition and Research	Co-operatives Marketing	32,742,293	33,189,876	- 447,583
	Kenya National Trading Corporation (KNTC) - Headquarters	-	-	-
	<b>Sub-Total</b>	<b>32,742,293</b>	<b>33,189,876</b>	<b>447,583</b>
SP 1.5: General Administration, Planning and Support Services	Planning and Feasibility Studies	99,934,245	100,679,434	- 745,189
	AIDS Control Unit	1,792,007	1,854,229	- 62,222
	Information Communication Technology	2,348,999	2,372,689	- 23,690
	Finance and Procurement Services	37,660,422	37,189,970	470,452



STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

	Central Planning Unit	29,566,961	29,031,819	535,142
	<b>Sub-Total</b>	<b>171,302,634</b>	<b>171,128,141</b>	<b>174,493</b>
	<b>Grand Total</b>	<b>446,086,117</b>	<b>434,289,401</b>	<b>11,796,716</b>

Notes: Amount of Kshs. 91,200,000 in transfers to other government units refers to NKPCU which they report separately in their books

Figure 1: Percentage Distribution of recurrent Expenditure by Sub-Programme in the FY 2020/2022

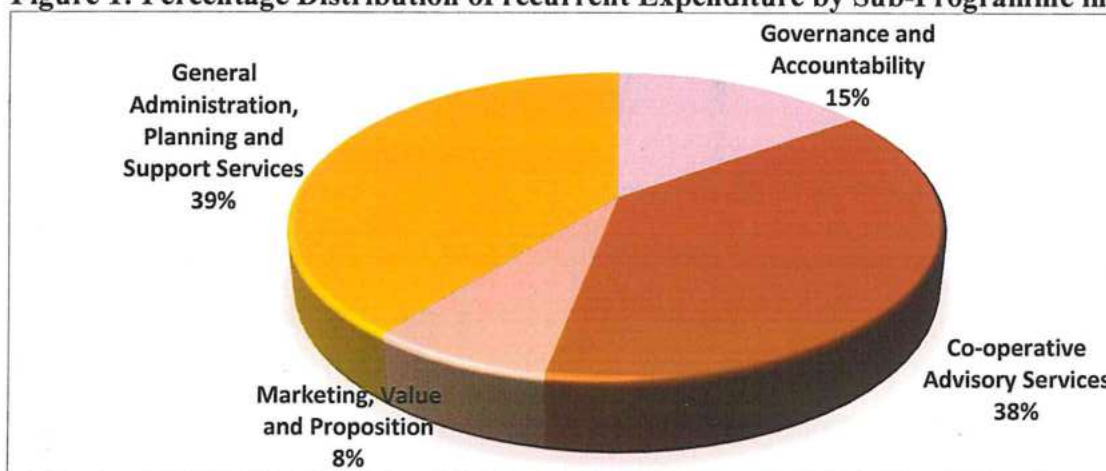


Table 2: Approved Estimates and Actual Expenditure for the F/Y 2021/22 by Sub-Programme under Development Budget

Name of the Programme & Sub-Programme	HEAD	Approved Budget Allocation	Actual Payments	Variance
SP 1.2: Co-operatives Advisory Services	Co-operatives Management Information System	35,000,000	34,745,151	254,849
	<b>Sub-Total</b>	<b>35,000,000</b>	<b>34,745,151</b>	<b>254,849</b>
SP 1.3: Marketing, Value Addition and Research	Modernization of cotton Ginnery	9,200,000	9,455,360	- 255,360
	Luanda Ginnery	39,000,000	34,725,318	4,274,682
	Homa Bay County Ginnery	-	3,334,595	- 3,334,595

STATE DEPARTMENT FOR CO-OPERATIVES

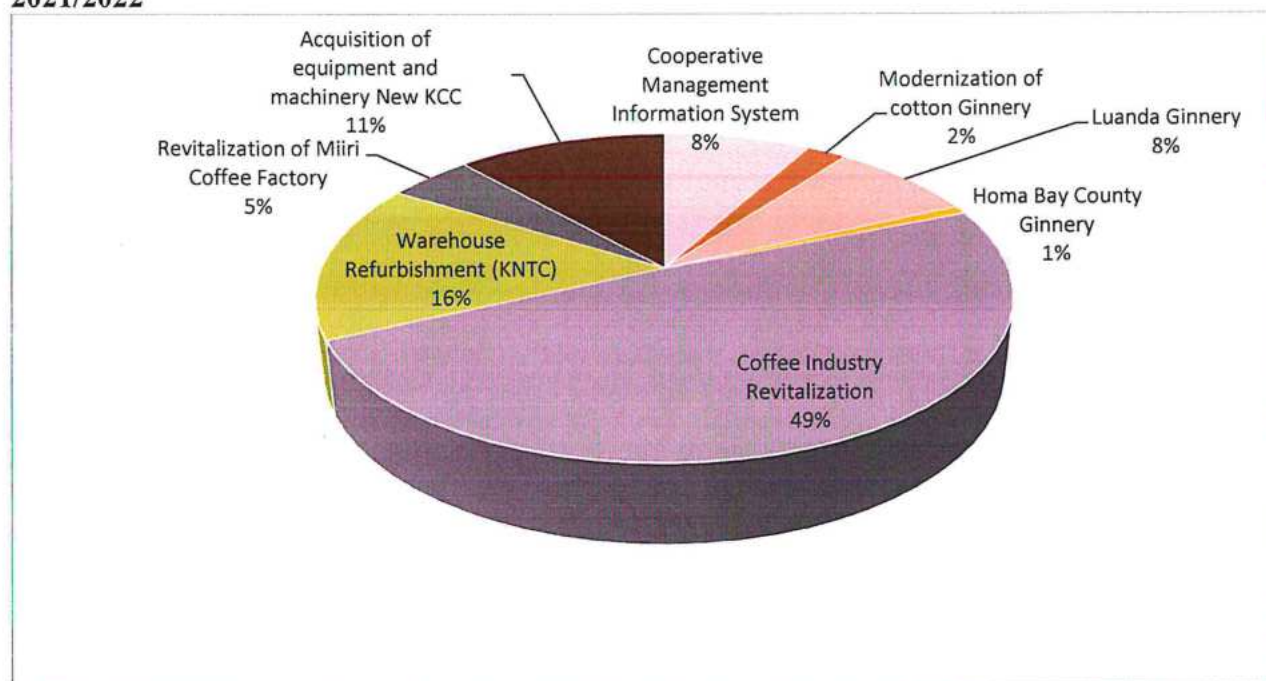
Annual Report and Financial Statements for the year ended 30th June 2022

	Coffee Industry Revitalization	212,010,151	212,006,407	3,744
	Warehouse Refurbishment (KNTC)	67,500,000	67,500,000	-
	Revitalization of Miiri Coffee Factory	20,000,000	20,000,000	-
	<b>Sub-Total</b>	<b>347,710,151</b>	<b>347,021,680</b>	<b>688,471</b>
SP 1.4: Co-operatives Development and Investment	Acquisition of equipment and machinery New KCC .	50,000,000	50,000,000	-
	<b>Sub-Total</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>-</b>
	<b>Grand Total</b>	<b>432,710,151</b>	<b>431,766,831</b>	<b>943,320</b>

Notes:

- i) Amount of Kshs. 152,500,000.00 is transfers to other government units which they separately have in their books.

Figure 2: Percentage Distribution of Development Expenditure by Sub-Programme in the FY 2021/2022





**Budget Utilization as per Economic classification under Recurrent Expenditure****Table 3: Approved Recurrent Budget, Actual Expenditure and Variance**

	Approved Budget Allocation	Actual Payments	Variance
Compensation of Employees	244,600,000	244,683,479	-83,479
Use of goods and services	125,073,139	130,179,663	-5,106,524
Routine maintenance	8,875,825	8,875,825	0
Transfers to Other Government Units	1,119,999,637	91,200,000	1,028,799,637
Acquisition of Assets	0	0	0
	1,494,885,754	1,440,688,501	54,197,253

**Budget utilization as per Economic Classification under Development Expenditure****Table 4: Approved Development Budget, Actual Expenditure and Variance**

	Approved Budget Allocation	Actual Payments	Variance
Compensation of Employees	-	-	
Use of goods and services	215,210,151	213,941,231	1,268,920
Routine maintenance	0	0	0
Transfers to Other Government Units	152,500,000	152,500,000	0
Acquisition of Assets	65,000,000	62,755,919	2,244,081
<b>Total</b>	<b>432,710,151</b>	<b>429,197,150</b>	<b>3,513,001</b>

**Key Achievements of the State Department****a) Revitalization of Coffee Sub Sector**

To improve efficiency, improve quality of processed coffee and reduce losses during processing in coffee Co-operatives' factories, the Department continued with digitization and rehabilitation of 100 coffee co-operative factories at a cost of Kshs. 180 Million in FY 2021/22. Digitization of coffee factories included; installation configuration and integration of the Coffee Management Information System (CoffeeMIS); procurement, supply and installation of support equipment and hardware digital weighing scales, Smart Point of Sale (POS), laptops and internet connectivity routers including capacity building of the users on the equipment operations. Modernization entailed supplying, installation and commissioning of 5 parchment drying beds. These interventions have raised the average coffee prices per kilogram from a low of Kshs. 65 in FY 2020/2021 to a high of Kshs. 100 in 2022 resulting in enhanced incomes to farmers and alleviating poverty in rural coffee growing areas. Additionally, more reforms in the New Kenya Planters Co-operatives Union Limited (NKPCU) was undertaken such as development of the Human Resource Instruments in the same period.

The government allocated **Kshs1Billion** to New KPCU for the establishment of Coffee Subsidy Programme aimed at lowering the cost of farm inputs (fertilizer) and ultimately the cost of coffee production. So far over 70,000 farmers have registered with the programme and Kshs. 195M worth of farm inputs to coffee farmers have been distributed.



Modernization works complete at Siboti Factory in Trans Nzoia County (March 2022)



Digital weighing scale and Indicator at Simbumba Factory in Bungoma County (March 2022)

#### **b) Cotton Revitalization**

The State Department continued with the modernization of Cotton Co-operative Ginneries. The programme commenced in FY 2019/2020 with modernization of Luanda Farmers' Co-operatives Union Ginnery in Busia County. The project was undertaken in phases and it involved: acquisition and installation of six stand-ginning line with a capacity of 200kg baling press; painting works; firefighting suppression system; and civil works and water installation system at a total cost of Kshs.63.8Million. The project was successfully completed during the third quarter of FY 2021/2022 where main civil works and water installation was undertaken at a cost of Kshs. 36.2 Million. The project has been handed over to the management of the Luanda Farmers' Co-operatives Union.

During the FY 2021/2022, the State Department undertook a public participation exercise on Homa Bay County Co-operative Union in preparation for the proposed third ginnery to be set up during in the 2023/2024 financial year.

#### **c) Co-operative Management Information System (CMIS)**

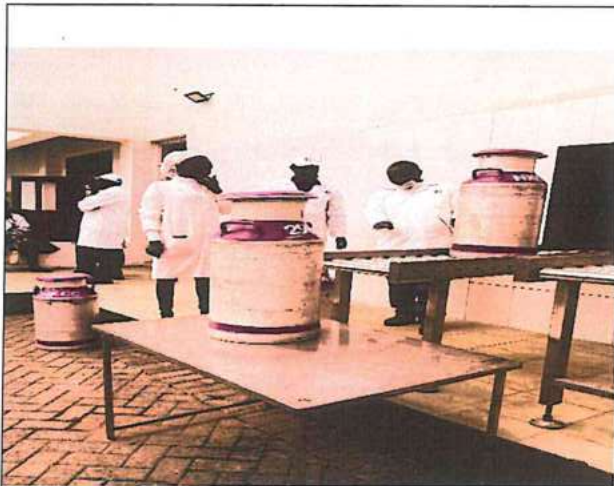
The State department has been implementing the Co-operative Management Information System (CMIS) project as part of e-Government initiative to improve effectiveness, efficiency and reduce costs of service delivery. In FY 2021/2022 the project was allocated a total of Kshs. 35 million in which 33 officers from the State Department for Co-operatives (SDC) were trained on the CMIS training of trainers who in turn trained 431 county staff in 47 counties. Procurement and delivery of the ICT equipment was done in the same period. The procured equipment include; 20 Desktop Computers, 20 Laptop Computers, 2 Portable



projectors, 5 medium duty shredders, 3 heavy-duty dust blowers, 10 Medium duty Laser jet printers with toners, 2 Laptop computers and software for the blind, 2 rolls of network cables CAT 6A (siemon), 3 crimping tools, 5 S\_TEK Full networking toolkits, 4 CISCO catalyst network switches (24 ports), 400 Kaspersky enterprise security suite antivirus, 5 iPads pro 11.

**d) Modernization of New Kenya Co-operatives Creameries**

New KCC has continued with the modernization of its plants through acquisition and installation of new equipment in Eldoret, Kiganjo, Nyahururu, Sotik, Dandora and its now setting up a New KCC plant at Nyambene. The goal of this project is to enhance the processing and packaging capacity of New KCC to cater for the growing market and improve efficiency through replacing obsolete machines. This has led to increased processing capacity at New KCC to over 800,000 litres per day in 2021/22 hence reducing milk loses during glut seasons and guaranteeing farmers farm gate prices of above KSh.42 per litre in the same period. In FY 2021/2022, the State Department continued with the setting up of Nyambene factory in which the procurement process of Aseptic filling machine, refrigeration equipment for a cold store and of a milk separator at the Nyambene factory was concluded and now awaiting delivery and installation.



Delivery of milk in Nyambene plant



Boiler

**e) Modernization of Kenya National Trading Corporation Warehouses**

Kenya National Trading Corporation (KNTC) plays a critical role by enhancing market uptake and stem post-harvest losses through mopping of farmers' produce (rice), store in warehouses and avail the same to the market when prices are favorable. In FY 2021/2022, the KNTC was allocated Kshs. 67.5 Million to upgrade and modernize warehouses at Kisumu, Nakuru, Nairobi, Karatina, Eldoret and Mombasa. The project is still ongoing.

**f) Policy, Legal Frameworks and Institutional Reforms**

1. In FY 2021/2022, comments were received from the Office of the Attorney General and National Treasury and incorporated into the Draft Co-operative Bill. The Draft Co-operatives Bill 2022 is now ready and has since been forwarded to the cabinet for further action.
2. Model By-laws, economic appraisal and supplementary information documents for Boda Boda Transport Co-operatives were developed in FY 2021/2022 and disseminated to counties and Co-operatives for implementation.

**Emerging Issues Related to the Entity**

During the period under review, the State Department for Co-operatives did not experience major issues. However, the effects of the outbreak of COVID-19 in 2019/2020 continued being felt especially on the implementation of programmes and projects.

The Russia-Ukraine war that started in 2021/2022 has had serious impact on the global supply chain, impeding the flow of goods, fueling dramatic cost increases around the world. This impeded smooth implementation of ongoing projects especially on Modernization of Coffee Co-operatives Factories where prices of construction materials affected the project in terms of delivery on timelines and cost.

**Risk Management Strategies**

**Customers focus perspective.**

The risks involved in the customer service perspective include:

- i. Ineffective Marketing Strategies due inadequate market data leads to inaccurate communication campaigns and wrong new products.
- ii. Inadequate funding due reliance on government funding leading to inadequate support to Co-operative Societies.



**Finance perspective.**

The risks involved in finance include:

- (i) High collaboration from counties due to the effect of devolution has led to higher operating costs.
- (ii) Change in priorities in the sustained support from members has reduced growth in membership.

**Business process perspective.**

The risks involved in business process include:

- i. Slow up-take of new technology resulting in poor service delivery.
- ii. High cost of doing business due to outdated, cumbersome technological system.

**Learning and Growth perspective.**

The risks involved in learning and growth perspective include:

- i. Resistance to change because of old ways of doing business leads to poor service delivery and high cost of doing business.
- ii. Aging staff in Co-operative societies and SACCO's with no succession plan leads to lack of sustainability.

**Implementation Challenges**

The State Department for Co-operatives is faced with numerous challenges and emerging issues which need to be addressed to enable the State Department for Co-operatives realize its targets. These specific challenges are highlighted here below:

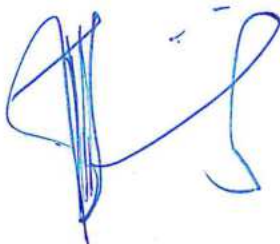
- (i) Inadequate funding for programmes: The State Department for Co-operatives funding has been inadequate to enable it effectively deliver its mandate. This is aggravated by the budget cuts on both recurrent and development budgets that impacted negatively on planned activities.
- (ii) Legislative and regulatory framework: The State Department for Co-operatives is faced with the challenge of aligning operational laws in the counties with national framework and harmonized policies for effective discharge and enforcement of the State Department for Co-operatives' mandate. The State Department embarked on reviewing the Co-operatives Act to align it with the Constitution and devolved system of government.
- (iii) Innovation, Research and Development: Research and Development is vital to support the growth and development of the sector; however, it has suffered inadequate funding. This has impacted negatively on the Department's capacity to effectively discharge its mandate.
- (iv) Climate change: This has reduced agricultural productivity which is a cornerstone of Co-operatives Development.

- (v) Working Environment: Insufficient office accommodation and associated working facilities such as equipment and furniture have negatively affected efficient delivery of services.
- (vi) Transport: Inadequate transport facilities have hampered delivery of service including outreach services, monitoring and evaluation and general operations.

### **Recommendations**

In order to enhance the State Department for Co-operatives' contribution and productivity to the economy and to ensure successful implementation of the programs and projects planned for implementation in the 2022/23-2024/25 MTEF period, it is recommended that:

- i. The National Treasury enhances funding to the State Department to support its key priority programmes and projects.
- ii. The Department should seek for alternative funding and support from development partners in order to bridge the funding gap.
- iii. The capacity of the State Department in terms of equipment and human resource development should be enhanced.
- iv. There is an urgent need to implement the National Co-operative Policy and review the existing legal framework that govern the sector to align them with the Constitution.



**Patrick K. Kilemi**  
**PRINCIPAL SECRETARY / ACCOUNTING OFFICER**  
**STATE DEPARTMENT FOR CO-OPERATIVES**

#### **4. Statement of Performance Against Predetermined Objectives for FY2021/22**

##### **Guidance**

State all the objectives of the MDA as per the Programme and Strategic Plans.

##### **Introduction**

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key strategic objectives as per the strategic plan for FY 2018-FY 2022 plan are:

- a. To create an enabling policy, legal and institutional framework for rapid and sustainable growth of the co-operatives in Kenya
- b. To promote value addition, manufacturing and market access by co-operatives
- c. To enhance financial deepening and investments through co-operatives
- d. To entrench good governance and accountability within the co-operative sector
- e. To develop the capacity of Co-operatives through training, education, research, and ICT adoption.
- f. To build the human resource capacity and infrastructure in State Department
- g. To mainstream issues related to climate change, special interest groups and human rights in co-operatives.

##### **Progress on the attainment of Strategic Objectives through Performance Contracting**

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

STATE DEPARTMENT FOR CO-OPERATIVES

Annual Report and Financial Statements for the year ended 30th June 2022

Program	Strategic Objective	Outcome	Indicator	Performance	Comments
Develop Co-operative Policies (National Co-operative Policy and Co-operative Financing Policy)	To create an enabling policy for rapid and sustainable growth of the co-operatives in Kenya	Conducive policy environment	No. of policies	In FY 21/22, comments were received from AG and National Treasury and incorporated into the Bill during the quarter, The Draft Co-operatives Bill 2022 is now ready and has since been forwarded to the cabinet for further action. implementation.	
Strengthen the dairy value chain through co-operatives	To promote value addition, manufacturing, and market access by co-operatives	Stabilized farm level milk prices	% Completion of New KCC modernization	The New KCC modernization project is at 77 % completion rate.	Procurement process of Aseptic filling machine, refrigeration equipment for a cold store and of a milk separator at the Nyambene factory was concluded and now awaiting delivery and installation.
	To promote value addition, manufacturing, and market access by co-operatives	Expanded production capacity at NKCC	No. of litres of milk processed per day	800,000 litres of milk was processed per day during the FY 2021/22.	
Revitalization of coffee co-operatives	To promote value addition, manufacturing, and market access by co-operatives	Increase coffee production and value	No. of coffee co-operative factories digitized and modernized	100 coffee co-operative factories were digitized and modernized in the FY 2021/22.	The project will continue in the FY 2022/23
Revive cotton value chain through co-operatives	To promote value addition, manufacturing, and market access by co-operatives	Increase cotton production and value	No. of modernized cotton co-operatives ginneries	Rehabilitation works completed and at Luanda Co-operative union during the FY 21/22 and the contractor handed over the Luanda Cotton ginnery factory to the	



STATE DEPARTMENT FOR CO-OPERATIVES

Annual Report and Financial Statements for the year ended 30th June 2022

				management of the cotton Union.	
Facilitate co-operatives investments	To enhance financial deepening and investments through co-operatives	Increased investments by co-operatives	Growth in Co-operative savings/deposits.	In the FY 2021/22, Co-operative savings increased to Kshs 909.9 billion.	
Registration of co-operative practitioners.	To entrench professionalism in co-operative societies.	Increased number of co-operative practitioners registered by the Kenya Society for Professional Co-operators.	No. of professionals registered.	In the FY 2021/22, 320 co-operative professionals were registered.	
Restructure units responsible for corruption prevention in the co-operative sector	To entrench good governance and accountability within the co-operative sector	Improved governance and accountability in co-operatives	% level of restructuring of ECCOS	80% completion rate was achieved in the FY 2021/22.	
Register viable co-operatives	To entrench good governance and accountability within the co-operative sector	Improved socio-economic welfare of Kenyans through co-operative model of doing business	% of co-operatives registered	All viable co-operatives that met the set requirements were registered during the FY 2021/22.	

## **5. Environmental and Sustainability Reporting**

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

### **a) Sustainability strategy and profile**

The current leadership recognizes the crucial role of co-operative sector in the delivery and attainment of the Big Four Agenda Plans and Vision 2030. However, changing Government policies, unfavorable bilateral and multi-lateral relations and devolution of co-operative function i.e. Multi-layered government policies implementation framework is challenging. Despite the challenges, the state department through its stakeholders are increasingly emphasizing on the need to ensure sustainability for both its investments and its resource mobilization and financing capabilities with an objective of ensuring that going concern is secured.

Co-operatives participation in emerging business leading to accelerated growth and thus improved returns to members. In addition, the state department has no non-compliance that may expose it to potential contingent liability. Risk management framework focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risk on its performance by setting acceptable levels of risk.

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

The State Department advocates environmental consciousness by instituting deliberate efforts to ensure environmental friendly activities are planned. The State Department has adopted a paperless office to reduce wastage and sustainable energy consumption by ensuring all electronics are switched off when not in use. Cleanliness is also championed in management of waste disposal with bins located in every office and common areas.

### **c) Employee Welfare**

One of the department's objectives is to enhance department's capacity by building a robust human resource capacity and infrastructure in SDC. This ensures improved service delivery, professionalism and

competence of staff is maintained both through rigorous recruitment policies and a performance appraisal system which establishes targets, reinforces accountability and awareness of controls, and identifies appropriate training requirements. Training plans are prepared and implemented to ensure that staff develop and maintain the required skills to fulfil their responsibilities, and that the fund can meet its future management requirements.

Other mainstream issues related to climate change, special interest groups and human rights in co-operatives like HIV/AIDS, Drug abuse, health and safety issues especially on COVID-19 has demanded intense sensitization implemented.

### **Operational practices**

#### **a) Responsible Supply chain and supplier relations**

The State Department upholds high levels of openness with regard to implementation of public procurement and assets disposal. All tenders are advertised in both the print media and the organization's website to give a fair chance to all suppliers and service providers. The Department also ensures that 30 percent and 40 percent of the procurement budget goes to the AGPO and local merchants respectively and is complied with in the annual performance contracts.

The Department also ensures that there are no pending bills at the end of each financial year and therefore all contracts are honored to the letter.

#### **b) Community Engagements-**

The state Department continued to implement the Coffee Revitalization Programme where the community, through Coffee Co-operatives Factories, have benefited from employment during construction of coffee drying beds in 100 (No.) selected coffee factories in coffee growing areas.

## **6. Statement of Management Responsibilities**

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

The Accounting Officer in charge of the State Department for Co-operatives 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, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Co-operatives 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 Department's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer in charge of the State Department further confirms the completeness of the accounting records maintained for the Department, 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.



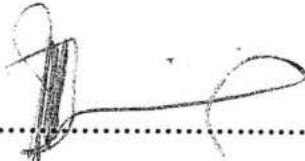
*STATE DEPARTMENT FOR CO-OPERATIVES*  
*Annual Report and Financial Statements for the year ended 30th June 2022*

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

Approval of the financial statements

The State Department for Co-operatives financial statements were approved and signed by the Accounting Officer on 21/07 2022.



.....  
**Patrick K. Kilemi**  
**Principal Secretary**



.....  
**Gladys N. Waithaka**  
**Principal Accounts Controller**  
**ICPAK M/No 18989**



# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR CO-OPERATIVES FOR THE YEAR ENDED 30 JUNE, 2022**

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### **PREAMBLE**

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of State Department for Co-operatives set out on pages 1 to 20, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows, statement of comparison of budget and actual amounts for the year then



ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of State Department for Co-operatives as at 30 June, 2022, 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. Misstatement of Expenditure on Rentals of Produced Assets**

The statement of receipts and payments reflects an expenditure of Kshs.344,120,894 on use of goods and services which, as disclosed in Note 4 to the financial statements, includes an amount of Kshs.8,509,016 on rentals of produced assets. Review of payment records revealed that the expenditure on rentals of produced assets includes payments totalling Kshs.346,657 which did not relate to rental of produced assets.

In the circumstances, the expenditure on rentals of produced assets is overstated by Kshs.346,657.

#### **2. Variances on Compensation of Employees Expenditure**

The statement of receipts and payments reflects an expenditure of Kshs.244,683,479 on compensation of employees which, as disclosed in Note 3 to the financial statements, includes amounts of Kshs.161,346,752 and Kshs.83,336,727 in respect of basic salaries and other personal allowances, respectively. However, review of payroll records revealed that amounts of Kshs.138,410,003 and Kshs.94,790,129 were paid in respect of basic salaries and other personal allowances, resulting to unreconciled variances of Kshs.22,936,749 and Kshs.11,453,402 respectively. Although, Management explained that the variances arose due to payments that were not made through the payroll, no reconciliations of the differences were provided for audit verification.

Further, IFMIS payments records indicated that the Department paid an amount of Kshs.5,724,523 as special duty allowance to various officers. However, the IPPD payroll did not reflect any amount having been paid as special duty allowances.

In the circumstances, the accuracy and completeness of the compensation of employees' expenditure of Kshs.244,683,479 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Co-operatives Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe



that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified 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**

#### **1. Irregular Award of Tender for Proposed Modernisation of Luanda Farmers' Co-operative Union Ginnery**

The State Department awarded a contract for the proposed modernisation of Luanda Farmers' Co-operative Union Ginnery to a firm at a contract sum of Kshs.36,262,199. Review of the procurement process revealed that bidder number six (6) whose bid was Kshs.28,887,225 was found non-responsive. The bidder's form of tender was not dully filled, signed and a sworn affidavit on default notices / warning for incomplete projects was not attached. These were mandatory requirements. However, examination of the original bid submitted by the firm on 16 February, 2021 confirms that the bidder had fulfilled the said mandatory requirements as was the case with the winning bidder.

Further, the tender documents provided for the supply of a cottonseed screw conveyor with all necessary equipment, spare parts and accompanying tools for operation at a total cost of Kshs.2,273,224. However, physical verification of the project in the month of September, 2022 revealed no new conveyor was delivered instead the existing pneumatic seed cotton transportation system was cleaned, serviced and repaired at a total cost of Kshs.240,000, resulting in an unaccounted expenditure of Kshs.2,033,224.

Review of payment records as at 30 June, 2022 revealed that an amount of Kshs.35,021,624 had been paid leaving a balance of Kshs.1,240,575 unpaid as of 30 June, 2022.

In the circumstances, the Management was in breach of the law and the stake holders may not have obtained value for money in the procurement of this contract.

## **2. Irregular Procurement for Consultancy Services to Modernize Coffee Factories**

On 14 September, 2021, the State Department invited bids for technical and financial proposals for consultancy services to modernize selected co-operative coffee factories in the country through request for proposals. Review of the procurement records revealed that four (4) bidders responded to the tender but the following anomalies were observed:

- (i) The tender notice was published under Section 116(1) (b) of the Public Procurement and Asset Disposal Act, 2015 which states that an Accounting Officer may use request for proposals for a procurement if the services to be procured are advisory or otherwise of predominately intellectual nature. However, the items advertised for in the tender notice and tender documents issued under terms of reference to the bidders were not intellectual in nature.
- (ii) The professional opinion was approved by the Accounting Officer on 2 November, 2021 while notification of award to successful and unsuccessful bidders was communicated on 1 November, 2021.
- (iii) Although the Head of Supply Chain Management Services prepared an addendum on 20 September, 2021 notifying the bidders that requirement number 12 and number 15 on communication, authorization, certification and ICT authority certification were not mandatory requirements, there is no evidence that a tender notice for the addendum was issued to tenderers as required by law.
- (iv) The standard technical evaluation criteria was not provided for audit review.

The foregoing irregularities notwithstanding, the contract for consultancy services to modernize selected co-operative coffee factories in the country was awarded and signed between the State Department for Co-operatives and a firm on 24 November, 2021 at a contract sum of Kshs.61,568,740.

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

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, 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 controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **Responsibilities of 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the State Department's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the State Department or 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 State Department's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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 controls 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 controls would not necessarily disclose all matters in the internal controls 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 controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the State Department's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date



of my audit report. However, future events or conditions may cause the State Department to cease to continue to sustain its services.

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

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

I also provide the 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 Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

22 December, 2022



STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

8. Statement of receipts and payments for the year ended 30<sup>th</sup> June 2022

	Note	2021- 2022	2020-2021
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from National Treasury	1	875,043,766	1,133,875,685
Other Revenues	2	27,350,828	20,556,160
<b>TOTAL REVENUES</b>		<b>902,394,594</b>	<b>1,154,431,845</b>
<b>PAYMENTS</b>			
Compensation of Employees	3	244,683,479	206,303,184
Use of goods and services	4	344,120,894	370,004,182
Transfers to Other Government Units	5	243,700,000	541,200,000
Social Security Benefits	6	2,106,216	-
Acquisition of Assets	7	66,097,281	32,695,252
<b>TOTAL PAYMENTS</b>		<b>900,707,869</b>	<b>1,150,202,618</b>
<b>SURPLUS/DEFICIT</b>		<b>1,686,725</b>	<b>4,229,227</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 21/12/2022 and signed by:

.....  
Name: Patrick K. Kilemi  
Principal Secretary

.....  
Name: Gladys N. Waithaka  
Principal Accounts Controller  
ICPAK M/No 18989

STATE DEPARTMENT FOR CO-OPERATIVES

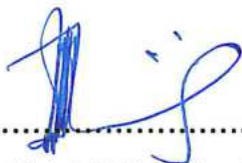
Annual Report and Financial Statements for the year ended 30th June 2022

9. Statement of assets and liabilities as at 30<sup>th</sup> June 2022

	Note	2021- 2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8A	54,994,153	48,657,081
Cash Balances	8B	-	7,305
<b>Total Cash And Cash Equivalents</b>		<b>54,994,153</b>	<b>48,664,386</b>
Accounts Receivables - Outstanding Imprest	9	277,500	459,501
<b>TOTAL FINANCIAL ASSETS</b>		<b>55,271,653</b>	<b>49,123,887</b>
<b>LESS: FINANCIAL LIABILITIES</b>			
Accounts Payables - Deposits	10	53,118,122	44,653,180
<b>NET FINANCIAL ASSETS</b>		<b>2,153,531</b>	<b>4,470,707</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	11	4,470,707	4,203,185
Account Transfer to Exchequer	12	(4,003,902)	(3,961,705)
Surplus/Deficit for the year		1,686,725	4,229,227
<b>NET FINANCIAL POSSITION</b>		<b>2,153,531</b>	<b>4,470,707</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on

21/12 2022 and signed by:



Name: Patrick K. Kilemi

Principal Secretary



Name: Gladys N. Waithaka

Principal Accounts Controller

ICPAK M/No 18989



STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

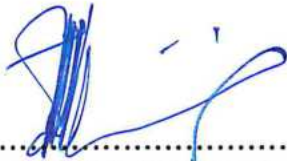
10. Statement of cash flows for the year ended 30th June 2022

	Note	2021- 2022	2020-2021
		Kshs	Kshs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts for operating income</b>			
Transfers from National Treasury	1	875,043,766	1,133,875,685
Other Revenues	2	27,350,828	20,556,160
		<b>902,394,594</b>	<b>1,154,431,845</b>
<b>Payments for operating expenses</b>			
Compensation to Employees	3	244,683,479	206,303,184
Use of goods and services	4	344,120,894	370,004,182
Transfers to Other Government Units	5	243,700,000	541,200,000
Social Security Benefits	6	2,106,216	-
		<b>834,610,589</b>	<b>1,117,507,366</b>
<b>Adjusted for:</b>			
Prior Year Adjustments	12	(4,003,901)	(3,961,703)
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	13	182,002	(283,102)
Increase/(Decrease) in Accounts Payable: (deposits and retention)	14	8,464,943	(10,287,996)
		<b>72,427,047</b>	<b>22,391,679</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	7	(66,097,281)	(32,695,252)
<b>Net cash flows from Investing Activities</b>		<b>(66,097,281)</b>	<b>(32,695,252)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
		<b>6,329,767</b>	<b>(10,303,573)</b>
Cash and cash equivalent at BEGINNING of the year	8A+8B	48,664,386	58,967,959
Cash and cash equivalent at END of the year	8A+8B	54,994,153	48,664,386

*STATE DEPARTMENT FOR CO-OPERATIVES*  
*Annual Report and Financial Statements for the year ended 30th June 2022*

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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 21/12/ 2022 and signed by:



.....  
**Name: Patrick K. Kilemi**  
**Principal Secretary**



.....  
**Name: Gladys N. Waithaka**  
**Principal Accounts Controller**  
**ICPAK M/No 18989**

**STATE DEPARTMENT FOR CO-OPERATIVES**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

**11. Statement of Comparison of budget and Actual Amounts for FY2021/22**

**Summary Statement of Appropriation: Combined for FY2021/22**

Revenue/Expense Item	Original Budget		Adjustments		Final Budget		Actual on Comparable Basis		Budget Utilisation Difference e=c-d	% of Utilisation Difference to Final Budget f=d/c %
	a	b	c=a+b	d	e=c-d	f=d/c %				
<b>RECEIPTS</b>										
Exchequer releases	914,890,884		(36,094,616)		878,796,268	875,043,766		3,752,502		100%
Other Receipts	836,000,000		212,799,637		1,048,799,637	27,350,828		1,021,448,809		3%
<b>Total Receipts</b>	<b>1,750,890,884</b>		<b>176,705,021</b>		<b>1,927,595,905</b>	<b>902,394,594</b>		<b>1,025,201,311</b>		<b>47%</b>
<b>Payments</b>										
Compensation of Employees	239,400,000		5,200,000		244,600,000	244,683,479		(83,479)		100%
Use of goods and services	352,530,555		(12,247,265)		340,283,290	344,120,894		(3,837,604)		101%
Transfers to Other Government Units	947,200,000		325,299,637		1,272,499,637	243,700,000		1,028,799,637		19%
Social Security Benefits	0		2,106,216		2,106,216	2,106,216		0		100%
Acquisition of Assets	211,760,329		(143,653,567)		68,106,762	66,097,281		2,009,481		97%
<b>Grand Total</b>	<b>1,750,890,884</b>		<b>176,705,021</b>		<b>1,927,595,905</b>	<b>900,707,870</b>		<b>1,026,888,035</b>		<b>47%</b>
<b>Surplus/Deficit</b>	<b>0</b>		<b>0</b>		<b>0</b>	<b>1,686,724</b>		<b>(1,686,724)</b>		

The collection of 3% AIA and underutilization of transfers to other government entities of 19% is due to AIA collected by SASRA and being reported separately in their books.

The entity financial statements were approved on 21/12 2022 and signed by:

  
Name: Patrick K. Kilemi  
Principal Secretary

  
Name: Gladys N. Waitthaka  
Principal Accounts Controller  
ICPAK M/No 18989



STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

11 (a) Summary Statement of Appropriation: Recurrent for FY2021/22

Revenue/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=d-c	% of Utilisation Difference to Final Budget f=d/c %
<b>RECEIPTS</b>						
Exchequer releases	390,290,884	55,795,233	446,086,117	446,085,911	206	0%
Other Receipts	836,000,000	212,799,637	1,048,799,637	27,350,828	1,021,448,809	3%
<b>Total Receipts</b>	<b>1,226,290,884</b>	<b>268,594,870</b>	<b>1,494,885,754</b>	<b>473,436,739</b>	<b>1,021,449,015</b>	<b>32%</b>
<b>PAYMENTS</b>						
Compensation of Employees	239,400,000	5,200,000	244,600,000	244,683,479	(83,479)	100%
Use of goods and services	140,930,555	(15,857,416)	125,073,139	130,179,663	(5,106,524)	104%
Transfers to Other Government Units	842,200,000	277,799,637	1,119,999,637	91,200,000	1,028,799,637	8%
Social Security Benefits	0	2,106,216	2,106,216	2,106,216	0	100%
Acquisition of Assets	3,760,329	(653,567)	3,106,762	3,341,362	(234,600)	108%
<b>Grand Total</b>	<b>1,226,290,884</b>	<b>268,594,870</b>	<b>1,494,885,754</b>	<b>471,510,720</b>	<b>1,023,375,034</b>	<b>32%</b>
<b>Surplus/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,926,019</b>	<b>(1,926,019)</b>	<b>0</b>

The collection of 3% AIA and underutilization of transfers to other government entities of 8% is due to AIA collected by SASRA and being reported separately in their books.

The entity financial statements were approved on 21/12 2022 and signed by:

  
Name: Patrick K. Kilemi  
Principal Secretary



.....  
Name: Gladys N. Waithaka  
Principal Accounts Controller  
ICPAK M/No 18989

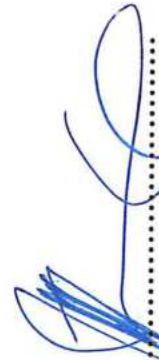


STATE DEPARTMENT FOR CO-OPERATIVES  
 Annual Report and Financial Statements for the year ended 30th June 2022

11 (b) Summary Statement of Appropriation: Development for FY2021/22

Revenue/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Exchequer releases	524,600,000	(91,889,849)	432,710,151	428,957,855	3,752,296	99%
<b>Total Receipts</b>	<b>524,600,000</b>	<b>(91,889,849)</b>	<b>432,710,151</b>	<b>428,957,855</b>	<b>3,752,296</b>	<b>99%</b>
<b>Payments</b>						
Use of goods and services	211,600,000	3,610,151	215,210,151	213,941,231	1,268,920	99%
Transfers to Other Government Units	105,000,000	47,500,000	152,500,000	152,500,000	0	100%
Acquisition of Assets	208,000,000	(143,000,000)	65,000,000	62,755,919	2,244,081	97%
<b>Grand Total</b>	<b>524,600,000</b>	<b>(91,889,849)</b>	<b>432,710,151</b>	<b>429,197,150</b>	<b>3,513,001</b>	<b>99%</b>
<b>Surplus/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(239,295)</b>	<b>239,295</b>	

The entity financial statements were approved on 21/12/21 2022 and signed by:

  
 Name: Patrick K. Kilemi  
 Principal Secretary

  
 Name: Gladys N. Waithaka  
 Principal Accounts Controller  
 ICPAK M/No: 18989

STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

11 (c) Budget Execution by Programmes and Sub-Programmes for FY2021/22

1. Programme/Sub-programme	Final Budget 2022 Kshs	Indicators	Outcomes	Actual on comparable basis 2022 Kshs	Budget utilization difference Kshs
<b>Programme 1. Economic Policy and National Planning</b>					
Sub-programme 1: Governance and Accountability	79,677,276			82,992,675	(3,315,399)
Sub-programme 2:Co-operatives Advisory Services	914,863,551			218,274,220	696,589,331
Sub-programme 3: Marketing , Value Addition and research	711,752,444			378,586,910	333,165,534
Sub-programme 4: Co-operatives development and investment	50,000,000			50,000,000	0
Sub-programme 5: General Administration , Planning and support services	171,302,634			170,851,065	451,569
<b>TOTAL</b>	<b>1,927,595,905</b>			<b>900,704,869</b>	<b>1,026,891,036</b>

## **12. Notes to the Financial Statement**

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 State Department for Co-operatives. 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:

- i. Cooperative Management Information Systems*
- ii. Digitization and Modernization of Coffee Factories*
- iii. Modernization of Cotton Ginneries*

### **3. Reporting Currency**

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

**Significant Accounting Policies (Continued)**

**4. Significant Accounting Policies**

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

**a) Recognition of Receipts**

The State Department for Co-operatives recognises all receipts from the various sources when the event occurs, and the related cash has been received by the State Department for Co-operatives.

**(i) 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 State Department for Co-operatives.

**(ii) Other receipts**

These include Appropriation-in-Aid and relates to receipts from registration services from various Saccos and Co-operative Audit Fees. These are recognized in the financial statements the time associated cash is received.

**b) Recognition of payments**

The Entity recognizes all payments when the event occurs, and the related cash has been paid out by the State Department for Co-operatives.

**i) Compensation of Employees**

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



**Significant Accounting Policies (Continued)**

**ii) Use of Goods and Services**

Goods and services are recognized as payments in the period when the goods/services are paid for.

**iii) Acquisition of Fixed Assets**

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

A fixed asset register is maintained and a summary provided for purposes of consolidation.

**iv) Third Party Payments**

Included in the receipts and payments, are payments made on its behalf to third parties in form of grants.

**c) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Kenya at the end of the financial year.

**Restriction on Cash**

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2022, this amounted to **Kshs 53,118,183** compared to **Kshs 44,653,180** in prior period as indicated on note 10. There were no other restrictions on cash during the year.

**Significant Accounting Policies (Continued)**

**d) Imprests and advances**

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

**e) Third party deposits and retention**

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

**f) Pending Bills**

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

**g) Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was

*STATE DEPARTMENT FOR CO-OPERATIVES*  
*Annual Report and Financial Statements for the year ended 30th June 2022*

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approved by Parliament in June 2021 for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 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.

**h) Comparative Figures**

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

**i) Subsequent Events**

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

**j) Prior Period Adjustment**

During the year, errors that have been corrected are disclosed *under note 12* explaining the nature and amounts.



*STATE DEPARTMENT FOR CO-OPERATIVES*  
*Annual Report and Financial Statements for the year ended 30th June 2022*

**Notes to the Financial Statements**

**1 Exchequer releases**

Description	2021-2022	2020-2021
	Kshs	Kshs
Total Exchequer releases for quarter 1	113,452,132	89,784,179
Total Exchequer releases for quarter 2	232,117,414	336,973,809
Total Exchequer releases for quarter 3	65,496,446	170,500,706
Total Exchequer releases for quarter 4	463,977,774	536,616,991
<b>Total<sup>1</sup></b>	<b>875,043,766</b>	<b>1,133,875,685</b>

**2 Other Receipts**

Description	2021-2022	2020-2021
	Kshs	Kshs
Receipts from Administrative Fees and Charges - AIA	27,350,828	20,556,160
<b>Total</b>	<b>27,350,828</b>	<b>20,556,160</b>

**3 Compensation to Employees**

Description	2021-2022	2020-2021
	Kshs	Kshs
Basic salaries of permanent employees	161,346,752	140,644,801
Personato l allowances paid as part of salary	83,336,727	65,658,383
<b>Total</b>	<b>244,683,479</b>	<b>206,303,184</b>

**4 Use of Goods and Services**

Description	2021-2022	2020-2021
	Kshs	Kshs
Communication, supplies and services	5,323,866	5,953,308
Domestic travel and subsistence	24,957,919	33,995,344
Foreign travel and subsistence	5,076,101	4,173,475
Printing, advertising and information supplies & services	2,991,810	3,413,808

<sup>1</sup> The decrease in exchequer releases was occasioned by changes in the approved budgets funded through the exchequer for FY 2021/22. The development budget for New KCC of Kshs 200M and recurrent budget of Ksh 58M out of the Kshs 60M allocation was funded in the the FY 2020/21.

STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

Description	2021-2022	2020-2021
	Kshs	Kshs
Rentals of produced assets <sup>2</sup>	8,509,016	349,500
Training expenses	5,419,310	4,707,105
Hospitality supplies and services <sup>3</sup>	13,171,790	21,118,027
Specialized materials and services	7,164,193	6,268,584
Office and general supplies and services	18,821,137	22,416,308
Other operating expenses	238,045,725	252,164,036
Routine maintenance – vehicles and other transport equipment	5,342,870	5,563,883
Routine maintenance – other assets	4,867,598	4,338,464
Fuel Oil and Lubricants	4,429,559	5,542,340
<b>Total</b>	<b>344,120,894</b>	<b>370,004,182</b>

#### 5 Grants and Transfers to other Government Entities

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Transfers to National Government entities</b>		
Current grants to government agencies and other level of govt	91,200,000	21,200,000
Capital grants to government agencies and other level of govt	152,500,000	520,000,000
<b>Total<sup>4</sup></b>	<b>243,700,000</b>	<b>541,200,000</b>

#### 5 a: Transfers to self – reporting entities in the year

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

Description	Recurrent	Development	Total	2020-2021
	Kshs	Kshs	Kshs	Kshs
<b>Transfers to SAGAs and SCs</b>				
NEW KCC		50,000,000	50,000,000	400,000,000
KNTC		67,500,000	67,500,000	120,000,000
NKPCU	91,200,000	35,000,000	126,200,000	21,200,000
<b>Total</b>	<b>91,200,000</b>	<b>152,500,000</b>	<b>243,700,000</b>	<b>541,200,000</b>

<sup>2</sup> Budget was increased by Ksh 8M for new office space acquired during the FY 2021/22

<sup>3</sup> Decrease occasioned by approved budget cut

<sup>4</sup> Approved budget cuts to the Semi Autonomous Government Agencies



STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

6 Social Security Benefits

	2021-2022	2020-2021
	Kshs	Kshs
Government pension and retirement benefits	2,106,216	
<b>Total</b>	<b>2,106,216</b>	<b>-</b>

7 Acquisition of Assets

Non -Financial Assets	2021-2022	2020-2021
	Kshs	Kshs
Construction of Buildings	3,334,595	-
Refurbishment of Buildings	34,725,318	-
Overhaul of Vehicles and other Transport Equipment	952,120	441,875
Purchase of Office Furniture and General Equipment	2,199,242	2,862,000
Purchase of Specialized Plant, Equipment and Machinery	190,000	24,209,522
Research, Studies, Project Preparation, Design & Supervision	24,696,006	5,181,855
<b>Total<sup>5</sup></b>	<b>66,097,281</b>	<b>32,695,252</b>

8 Cash and Bank Accounts

8A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit etc.	Exc rate (if in foreign currency)	2021-2022	2020-2021
				Kshs	Kshs
Central Bank of Kenya - SDC REC A/C 1000303042, KShs	Ksh	REC	1	427,798	34,824
Central Bank of Kenya - SDC DEV A/C 1000303058, KShs	Ksh	DEV	1	1,448,233	3,969,078
Central Bank of Kenya -	Ksh	DEP	1	27,328,766	19,076,278

<sup>5</sup> The increase in acquisition of assets was occasioned by changes in the approved budget for modernization of coffee factories which is capitalized



STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

<i>SDC DEP A/C</i> <i>1000303069, KShs</i>					
<i>Central Bank of Kenya -</i> <i>LIQUIDATION</i> <i>1000347066, KShs</i>	Ksh			25,789,357	25,576,902
<b>TOTAL</b>				<b>54,994,153</b>	<b>48,657,081</b>

**8B: Cash on hand**

Description	2021-2022	2020-2021
	Kshs	Kshs
Cash in hand – Held in domestic currency	-	7,305
<b>Total</b>	<b>-</b>	<b>7,305</b>

**Detailed Cash is as follows:**

Description	2021-2022	2020-2021
	Kshs	Kshs
NSSF Building	-	7,305
<b>Total</b>	<b>-</b>	<b>7,305</b>

**9 : Imprests and Advances**

Description	2021-2022	2020-2021
	Kshs	Kshs
Government Imprests	277,500	459,501
<b>Total</b>	<b>277,500</b>	<b>459,501</b>

**Breakdown of outstanding imprests**

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
<i>Emily Boro</i>	18/05/2022	100,000	0	100,000
<i>Joseph Lomale</i>	27/05/2022	177,500	0	177,500
<b>Total</b>		<b>277,500</b>	<b>0</b>	<b>277,500</b>

STATE DEPARTMENT FOR CO-OPERATIVES  
Annual Report and Financial Statements for the year ended 30th June 2022

**10 Third party deposits and retention**

Description	2021-2022	2020-2021
	Kshs	Kshs
Deposits	27,328,766	19,076,278
Liquidation	25,789,357	25,576,902
<b>Total</b>	<b>53,118,123</b>	<b>44,653,180</b>

**11 . Fund Balance Brought Forward**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Accounts	48,657,081	58,902,878
Cash in hand	7,305	65,081
Accounts Receivables	459,501	176,400
Accounts Payables	(44,653,179)	(54,941,174)
<b>Total</b>	<b>4,470,708</b>	<b>4,203,185</b>

**12 Account Transfer to Exchequer**

	Balance b/f FY 2020/2021 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted Balance b/f FY 2020/2021
Description of the error	Kshs	Kshs	Kshs
Bank Account Balances	48,657,081	(4,003,902)	44,653,180
Cash In Hand	7,305	-	7,305
Accounts Payables	(44,653,180)	-	(44,653,180)
Receivables	459,501	-	459,501
	<b>4,003,902</b>	<b>(4,003,902)</b>	<b>466,806</b>

Notes to the Financial Statements (Continued)

**13 (Increase)/ Decrease in Advances and Imprests**

Description	2021-2022	2020-2021
	Kshs	Kshs
Payables As At 1 <sup>st</sup> July	44,653,180	54,941,176
Payables As At 30 <sup>th</sup> June	53,118,123	44,653,180
Increase/ (Decrease) In Payables	<b>8,464,943</b>	<b>(10,287,996)</b>

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

Description	2021-2022	2020-2021
Description	2021-2022	2020-2021
	Kshs	Kshs
Payables As At 1 <sup>st</sup> July	44,653,180	54,941,176
Payables As At 30 <sup>th</sup> June	53,118,123	44,653,180
Increase/ (Decrease) In Payables	<b>8,464,943</b>	<b>(10,287,996)</b>

**15 Related Party Disclosures**

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the State Department for Co-operatives

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



Notes to the Financial Statements (Continued)

16. Other Important Disclosures

Progress on follow up of Prior Years Auditor-General’s recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
The State Department received unmodified opinion.				

Patrick K. Kilemi  
 Principal Secretary

Gladys N. Waithaka  
 Principal Accounts Controller

**STATE DEPARTMENT FOR CO-OPERATIVES**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

**13. Annexes**

**Annex 1 - Summary of Fixed Asset Register**

Asset class	Historical Cost b/f (Kshs) 2020/2021	Additions during theyear (Kshs)	Disposals during the year(Kshs)	Transfers in/(out) during theyear	Historical Cost c/f (Kshs) 2021/22
Land					
Buildings and structures					
Transport equipment	27,675,663	11,952,120			39,627,783
Office equipment, furniture and fittings	15,872,606	2,199,242			18,071,848
ICT Equipment	29,145,594	14,500,000			43,645,594
Machinery and Equipment	7,217,830	2,400,000			9,617,830
Other operating items	21,026,266	-			21,026,266
Specialized materials	25,201,122	-			25,201,122
Contracted services	14,800,000	-			14,800,000
Intangible assets	-	3,500,000			3,500,000
<b>Total</b>	<b>140,939,081</b>	<b>34,551,362</b>			<b>175,490,443</b>

**STATE DEPARTMENT FOR CO-OPERATIVES**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

**Annex 2– List of Projects implemented by State Department for Co-operatives**

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements (yes/no)
1	Co-operative Management Information System	Registration of new societies, By-law amendments, official search, name search and uploading of audit firm returns	Patrick K. Kilemi	
2	Modernization of Coffee Factories	Construction of metallic coffee drying tables, Flat mask light, CCTV	Patrick K. Kilemi	
3	Digitization of Coffee Factories	Installation of Coffee Management Information System. Supply of digital weighing scale Point of Sale Registration of Coffee Farmers	Patrick K. Kilemi	
4	Modernization of Cotton Ginnery	Modernization of Luanda Cotton Ginnery	Patrick K. Kilemi	



**STATE DEPARTMENT FOR CO-OPERATIVES**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

**Annex 3 – List of SCs, Sagas and Public Funds Under State Department for Co-operatives**

Ref	SC, SAGA or Public Fund's name	Principal activity of entity	Accounting Officer	Amount transferred during the year	Inter- entity reconciliations done?(yes/no)
1	NEW KENYA CO-OPERATIVE CREAMERIES LIMITED (NEW KCC)	Modernization of New KCC Plant, Establishment of new factory in Meru and Modernization of Kiganjo factory	CEO	141,200,000	NO
2	KENYA NATIONAL TRADING CORPORATION (KNTC)	Procure and package Rice Refurbishment of warehouses	CEO	67, 500,000	NO
3	KENYA PLANTERS CO-OPERATIVES UNION (KPCU)	Refurbishment of coffee mills and warehouses	CEO	35,000,000	NO
4	SACCO SOCIETIES REGULATORY AUTHORITY (SASRA)	License, regulate and supervise deposit taking SACCO.	CEO	000	NO
	<b>TOTAL</b>			<b>243,700,000</b>	

#### **Annex 4- Reports Generated from IFMIS**

The following financial reports generated from IFMIS should be 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 Comparison Report

Entity: 1173-State Department for Cooperatives

Current Period: JUL-21 To JUN-22

Compare With: JUL-20 To ADJ2-21

Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Kshs	Kshs	Kshs	Kshs
1140506 Licences Under Traffic Act	0.00	0.00		
1140500 Receipts from Permission to Use the Goods or to Perform Services and Activities	0.00	0.00	0.00	0.00
1140000 Taxes on Goods and Services			0.00	0.00
1420309 Registration of Societies	0.00	0.00	0.00	0.00
1420344 Audit Fees	0.00	6,000,000.00	0.00	4,237,688.00
1420399 Receipts from Administrative Fees and Charges	0.00	19,212,992.00	0.00	16,318,472.00
1420300 Administrative Fees and Charges collected as AIA	0.00	2,137,836.00	0.00	0.00
1420000 Sales of Goods and Services		27,350,828.00	0.00	20,556,160.00
2110101 Basic Salaries - Civil Service	161,346,752.15	0.00	140,644,800.65	20,556,160.00
2110100 Basic Salaries - Permanent Employees	161,346,752.15	0.00	140,644,800.65	0.00
2110301 House Allowance	51,070,109.25	0.00		0.00
2110304 Overtime - Civil Service	275,867.00	0.00	42,698,752.90	0.00
2110305 Prosecutorial and State Counsel Allowance	830,000.00	0.00	185,204.00	0.00
2110309 Special Duty Allowance	5,724,522.50	0.00	840,000.00	0.00
2110312 Responsibility Allowance	380,333.30	0.00	7,138,766.20	0.00
2110313 Entertainment Allowance	95,567.00	0.00	519,200.00	0.00
2110314 Transport Allowance	13,161,489.10	0.00	108,000.00	0.00
2110315 Extreneous Allowance	720,000.00	0.00	12,323,997.30	0.00
2110317 Domestic Servant Allowance	188,558.00	0.00	519,503.00	0.00
2110318 n Practising Allowance	604,000.00	0.00	187,200.00	0.00
2110320 Leave Allowance	286,280.70	0.00	660,000.00	0.00
2110336 Car Purchase Allowance	10,000,000.00	0.00	477,760.00	0.00
2110300 Personal Allowances paid as part of Salary	83,336,726.85	0.00	0.00	0.00
2110000 Wages and Salary Contributions	244,683,479.00	0.00	65,658,383.40	0.00
2210201 Telephone, Telex, Facsimile and Mobile Phone Services	4,960,018.15	0.00	206,303,184.05	0.00
2210202 Internet Connections	71,998.00	0.00	5,516,958.00	0.00
2210203 Courier & Postal Services	257,850.00	0.00	143,700.00	0.00
2210204 Leased Communication Lines	34,000.00	0.00	275,650.00	0.00
2210200 Communication, Supplies and Services	5,323,866.15	0.00	17,000.00	0.00
2210301 Travel Costs (airlines, bus, railway, mileage allowances, etc.)	3,830,561.15	0.00	5,953,308.00	0.00
2210302 Accommodation - Domestic Travel	9,494,377.00	0.00	2,999,970.00	0.00
2210303 Daily Subsistence Allowance	11,237,124.00	0.00	33,995,344.00	0.00
2210304 Sundry Items (e.g. airport tax, taxis, etc?)	69,200.00	0.00	1,331,535.00	0.00
2210305 Shipment of Personal and Household Effects	0.00	0.00	874,100.00	0.00
2210300 Domestic Travel and Subsistence, and Other Transportation Costs	24,631,262.15	0.00	1,848,360.00	0.00
2210401 Travel Costs (airlines, bus, railway, etc.)	1,591,719.70	0.00	119,480.00	0.00
2210402 Accommodation	1,023,404.00	0.00		
2210403 Daily Subsistence Allowance	2,391,378.00	0.00		
2210404 Sundry Items (e.g. airport tax, taxis, etc?)	69,600.00	0.00		
2210400 Foreign Travel and Subsistence, and other transportation costs	5,076,101.70	0.00		
2210501 International News Services	0.00	0.00	4,173,475.00	0.00
2210502 Publishing & Printing Services	930,461.00	0.00	3,000.00	0.00
2210503 Subscriptions to Newspapers, Magazines and Periodicals	995,457.00	0.00	936,397.55	0.00
2210505 Trade Shows and Exhibitions	1,065,892.00	0.00	939,434.00	0.00
2210500 Printing, Advertising and Information Supplies and Services	2,991,810.00	0.00	1,534,976.70	0.00
2210603 Rents and Rates - Non-Residential	8,509,016.40	0.00	3,413,808.25	0.00
2210604 Hire of Transport, Equipment	346,656.15	0.00	0.00	0.00
2210600 Rentals of Produced Assets	8,855,672.55	0.00	349,500.00	0.00
2210701 Travel Allowance	537,500.00	0.00	349,500.00	0.00
2210702 Remuneration of Instructors and	37,000.00	0.00	780,900.00	0.00
			21,000.00	0.00





Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
Contract Based Training Services				
2210703 Production and Printing of Training Materials	0.00	0.00	78,000.00	0.00
2210704 Hire of Training Facilities and Equipment	225,390.00	0.00	152,500.00	0.00
2210706 Book Allowance	125,050.00	0.00	128,605.00	0.00
2210707 Project Allowance	136,000.00	0.00	145,000.00	0.00
2210708 Trainer Allowance	0.00	0.00	52,000.00	0.00
2210709 Research Allowance	0.00	0.00	0.00	0.00
2210710 Accommodation Allowance	1,052,300.00	0.00	1,653,400.00	0.00
2210711 Tuition Fees Allowance	3,306,070.00	0.00	1,695,700.00	0.00
2210700 Training Expenses	5,419,310.00	0.00	4,707,105.00	0.00
2210801 Catering Services (receptions), Accommodation, Gifts, Food and Drinks	6,047,973.80	0.00	5,339,640.00	0.00
2210802 Boards, Committees, Conferences and Seminars	5,364,802.00	0.00	8,889,500.00	0.00
2210805 National Celebrations	373,822.00	0.00	727,687.00	0.00
2210808 Purchase of Coffins	0.00	0.00	6,000.00	0.00
2210809 Board Allowance	1,385,192.00	0.00	6,155,200.00	0.00
2210800 Hospitality Supplies and Servi	13,171,789.80	0.00	21,118,027.00	0.00
2211001 Medical Drugs	274,000.00	0.00	157,000.00	0.00
2211004 Fungicides, Insecticides and Sprays	1,101,000.00	0.00	1,099,996.00	0.00
2211009 Education and Library Supplies	285,378.00	0.00	292,857.10	0.00
2211011 Purchase/Production of Photographic and Audio-Visual Materials	0.00	0.00	0.00	0.00
2211016 Purchase of Uniforms and Clothing - Staff	596,000.00	0.00	719,070.60	0.00
2211023 Supplies for Production	4,907,815.20	0.00	3,999,660.00	0.00
2211000 Specialised Materials and Supp	7,164,193.20	0.00	6,268,583.70	0.00
2211101 General Office Supplies (papers, pencils, forms, small office equipment etc)	10,489,412.65	0.00	13,095,368.05	0.00
2211102 Supplies and Accessories for Computers and Printers	7,241,724.10	0.00	8,259,098.70	0.00
2211103 Sanitary and Cleaning Materials, Supplies and Services	1,070,000.00	0.00	1,061,841.00	0.00
2211100 Office and General Supplies and Services	18,801,136.75	0.00	22,416,307.75	0.00
2211201 Refined Fuels and Lubricants for Transport	4,306,970.80	0.00	5,396,806.30	0.00
2211202 Refined Fuels and Lubricants for Production	0.00	0.00	0.00	0.00
2211203 Refined Fuels and Lubricants - Other	122,588.45	0.00	145,533.75	0.00
2211200 Fuel Oil and Lubricants	4,429,559.25	0.00	5,542,340.05	0.00
2211301 Bank Service Commission and Charges	58,321.00	0.00	64,000.00	0.00
2211305 Contracted Guards and Cleaning Services	0.00	0.00	0.00	0.00
2211306 Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	385,400.00	0.00	384,600.00	0.00
2211311 Contracted Technical Services	205,662,151.00	0.00	212,375,176.00	0.00
2211314 Write Offs/ Bad Debt Expenses from Previous Years	0.00	0.00	0.00	0.00
2211320 Temporary Committee Expenses	3,111,800.00	0.00	0.00	0.00
2211322 Binding of Records	531,560.00	0.00	531,514.30	0.00
2211329 HIV AIDS Secretariat workplace Policy Development	0.00	0.00	144,400.00	0.00
2211335 Monitoring and Evaluation Expenses	28,296,493.00	0.00	0.00	0.00
2211399 Other Operating Expenses - Oth	0.00	0.00	38,664,346.00	0.00
2211300 Other Operating Expenses	238,045,725.00	0.00	252,164,036.30	0.00
2210000 Goods and Services	333,910,426.55	0.00	360,101,835.05	0.00
2220101 Maintenance Expenses - Motor Vehicles	5,342,869.70	0.00	5,563,883.30	0.00
2220100 Routine Maintenance - Vehicles	5,342,869.70	0.00	5,563,883.30	0.00
2220201 Maintenance of Plant, Machinery and Equipment (including lifts)	1,785,568.95	0.00	1,834,274.45	0.00
2220202 Maintenance of Office Furniture and Equipment	1,166,266.10	0.00	1,077,858.10	0.00
2220205 Maintenance of Buildings and Stations - Non-Residential	991,205.00	0.00	568,137.30	0.00
2220209 Minor Alterations to Buildings and Civil Works	0.00	0.00	0.00	0.00
2220210 Maintenance of Computers, Software, and Networks	924,557.95	0.00	858,194.15	0.00
2220200 Routine Maintenance - Other Assets	4,867,598.00	0.00	4,338,464.00	0.00
2220000 Routine Maintenance	10,210,467.70	0.00	9,902,347.30	0.00
2620222 International Co-operative Alliance	0.00	0.00	0.00	0.00





Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
2620200 Membership Fees and Dues and Subscriptions to International Organizations (Continued)	0.00	0.00	0.00	0.00
2620000 Grants and Other Transfers to International Organizations	0.00	0.00	0.00	0.00
2630101 Current Grants to Semi-Autonomous Government Agencies	91,200,000.00	0.00	21,200,000.00	0.00
2630100 Current Grants to Government Agencies and other Levels of Government	91,200,000.00	0.00	21,200,000.00	0.00
2630201 Capital Grants to Semi-Autonomous Government Agencies	152,500,000.00	0.00	520,000,000.00	0.00
2630200 Capital Grants to Government Agencies and other Levels of Government	152,500,000.00	0.00	520,000,000.00	0.00
2630000 Grants & Transfer To Other Govt. Units	243,700,000.00	0.00	541,200,000.00	0.00
2640303 Co-operative Societies	0.00	0.00	0.00	0.00
2640300 Grants to Small Businesses, Cooperatives, and Self Employed	0.00	0.00	0.00	0.00
2640000 Other Transfers and Emergency Relief	0.00	0.00	0.00	0.00
2710102 Gratuity - Civil Servants	2,106,216.00	0.00	0.00	0.00
2710100 Government Pension and Retirement Benefits	2,106,216.00	0.00	0.00	0.00
2710000 Social Security Benefits	2,106,216.00	0.00	0.00	0.00
3110202 Non-Residential Buildings (offices, schools, hospitals, etc.)	3,334,594.80	0.00	0.00	0.00
3110200 Construction of Building	3,334,594.80	0.00	0.00	0.00
3110302 Refurbishment of Non-Residential Buildings	34,725,317.85	0.00	0.00	0.00
3110300 Refurbishment of Buildings	34,725,317.85	0.00	0.00	0.00
3110701 Purchase of Motor Vehicles	0.00	0.00	0.00	0.00
3110700 Purchase of Vehicles and Other Transport Equipment	0.00	0.00	0.00	0.00
3110801 Overhaul of Vehicles	952,120.15	0.00	441,875.00	0.00
3110800 Overhaul of Vehicles and Other Transport Equipment	952,120.15	0.00	441,875.00	0.00
3111001 Purchase of Office Furniture and Fittings	1,718,800.00	0.00	2,862,000.00	0.00
3111002 Purchase of Computers, Printers and other IT Equipment	480,442.00	0.00	0.00	0.00
3111000 Purchase of Office Furniture and General Equipment	2,199,242.00	0.00	2,862,000.00	0.00
3111103 Purchase of Agricultural Machinery and Equipment	0.00	0.00	24,209,522.00	0.00
3111112 Purchase of Software	190,000.00	0.00	0.00	0.00
3111100 Purchase of Specialised Plant, Equipment and Machinery	190,000.00	0.00	24,209,522.00	0.00
3111401 Pre-feasibility, Feasibility and Appraisal Studies	24,696,006.00	0.00	5,181,855.00	0.00
3111403 Research	0.00	0.00	0.00	0.00
3111400 Research, Feasibility Studies, Project Preparation and Design, Project Supervision	24,696,006.00	0.00	5,181,855.00	0.00
3110000 Acquisition of Fixed Capital Assets	66,097,280.80	0.00	32,695,252.00	0.00
6530101 Ministry HQ Recurrent Bank A/C	0.00	4,210,038.00	34,824.00	0.00
6530100 Recurrent Bank Accounts	0.00	4,210,038.00	34,824.00	0.00
6530000 Recurrent Bank Accounts	0.00	4,210,038.00	34,824.00	0.00
6540101 Ministry HQ Development Bank A	0.00	2,555,669.00	3,969,078.00	0.00
6540100 Development Bank Accounts	0.00	2,555,669.00	3,969,078.00	0.00
6540000 Development Bank Accounts	0.00	2,555,669.00	3,969,078.00	0.00
6550101 Ministry HQ Deposit Bank A/C	53,118,123.00	0.00	44,653,180.00	0.00
6550102 DEPOSIT DEPARTMENT BANK ACCOUN 06-FEB-09	0.00	0.00	0.00	0.00
6550100 Deposit Bank Accounts	53,118,123.00	0.00	44,653,180.00	0.00
6550000 Deposit Bank Account	53,118,123.00	0.00	44,653,180.00	0.00
6580101 Cash	10,137,836.00	0.00	7,305.00	0.00
6580104 Cash in Transit	8,137,836.00	0.00	0.00	0.00
6580100 Cash in Hand	18,275,672.00	0.00	7,305.00	0.00
6580000 Cash in Hand	18,275,672.00	0.00	7,305.00	0.00
6710103 Salary advance	0.00	0.00	0.00	0.00
6710100 Debtors & Advances - Employees	0.00	0.00	0.00	0.00
6710000 Domestic Debtors & Advances	0.00	0.00	0.00	0.00
6740101 Prepayment	0.00	0.00	0.00	0.00
6740102 R/D Cheques	0.00	0.10	0.00	0.00
6740100 Other Debtors & Pre-payments	0.00	0.10	0.00	0.00
6740000 Other Debtors & Pre-payments	0.00	0.10	0.00	0.00
6760101 Standing Imprests	0.00	0.00	0.00	0.00
6760103 Temporary Imprests	277,500.00	0.00	459,500.80	0.00



Account No and Description	Current Period		Previous period	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
6760100 Imprests	277,500.00	0.00	459,500.80	0.00
6760000 Government Imprests	<b>277,500.00</b>	<b>0.00</b>	<b>459,500.80</b>	<b>0.00</b>
6770101 Inter-Ministerial Agency A/C	0.00	0.00	0.00	0.00
6770100 Ministerial Agency Accounts	0.00	0.00	0.00	0.00
6770000 Agency Accounts	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
6780101 General Suspense A/C	0.00	0.00	0.00	0.00
6780111 Salary Advance Recovery	0.00	0.00	0.00	0.00
6780100 Suspense & Clearance Account	0.00	0.00	0.00	0.00
6780000 Suspense & Clearance Account	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
7310101 General Deposits	53,118,123.00	0.00	0.00	44,653,180.00
7310100 General Deposits Items	53,118,123.00	0.00	0.00	44,653,180.00
7310000 Deposits	<b>53,118,123.00</b>	<b>0.00</b>	<b>0.00</b>	<b>44,653,180.00</b>
7320001 PAYE	0.00	0.00	0.00	0.00
7320002 NHIF	0.00	0.00	0.00	0.00
7320003 House Rent	0.00	0.00	0.00	0.00
7320004 Car Loans	0.00	0.00	0.00	0.00
7320005 Income Tax	0.00	0.00	0.00	0.00
7320006 NSSF	0.00	0.00	6,600.00	0.00
7320011 WCPS	0.00	0.00	0.00	0.00
7320012 Staff Welfare Associations	0.00	0.00	0.00	0.00
7320013 HELB Deductions	0.00	0.00	0.00	0.00
7320015 Save As You Earn (SAYE)	0.00	0.00	0.00	0.00
7320017 Govt. Liability Attachments	0.00	0.00	0.00	0.00
7320018 Salary Control Account	0.00	0.00	0.00	0.00
7320000 Other Liabilities	0.00	0.00	6,600.00	57,629.30
7320101 PAYE	0.00	0.00	0.00	0.00
7320102 NHIF	0.00	0.00	0.00	0.00
7320103 House Rent	0.00	0.00	0.00	0.00
7320106 NSSF	0.00	0.00	0.00	0.00
7320107 Co-operatives	0.00	0.00	0.00	0.00
7320108 Insurances	0.00	0.00	0.00	0.00
7320112 Staff Welfare Associations	0.00	0.00	0.00	0.00
7320116 Mortgages / Bank Loans	0.00	0.00	0.00	0.00
7320121 Salary Overpayment Refunds	0.00	0.00	0.00	0.00
7320123 Civil Service Housing Fund	0.00	0.00	0.00	0.00
7320126 Employee Contribution to PSSS	0.00	0.00	0.00	0.00
7320199 Salary Control Account	0.00	29,375.20	0.00	0.00
7320100 Salary Deductions	0.00	29,375.20	0.00	0.00
7320201 Contractors Retention Money	0.00	0.00	0.00	0.00
7320200 Other General Liabilities	0.00	0.00	0.00	0.00
7320401 General Withholding Tax	0.00	0.00	0.00	0.00
7320400 Withholding Taxes	0.00	0.00	0.00	0.00
7320000 Other Liabilities	<b>0.00</b>	<b>29,375.20</b>	<b>6,600.00</b>	<b>57,629.30</b>
7380101 General Withholding Tax	0.00	0.00	0.00	0.00
7380102 VAT Withholding	0.00	0.00	0.00	0.00
7380100	0.00	0.00	0.00	0.00
7380000 Withholding Taxes	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
7390101 Inventory AP Accrual	0.00	0.00	0.00	0.00
7390103 AP Liabilities	8,567,271.40	0.00	19,999.95	0.00
7390100 System Required Liabilities	8,567,271.40	0.00	19,999.95	0.00
7399999 Cash Clearing A/c	0.00	115,802,639.05	51,030.00	0.00
7399900	0.00	115,802,639.05	51,030.00	0.00
7390000 System Required Liabilities A/c's	<b>8,567,271.40</b>	<b>115,802,639.05</b>	<b>71,029.95</b>	<b>0.00</b>
9910101 Provision for Encumbrance	1,552,396.35	0.00	0.00	2.00
9910100 General Provisions	1,552,396.35	0.00	0.00	2.00
9910201 Exchequer Releases/ Provisioning Account	0.00	12,372,631,439.25	0.00	11,497,587,673.25
9910209 Remittances to Exchequer Miscellaneous Revenue	45,793,126.95	0.00	41,789,224.95	0.00
9910200 Exchequer Provisions	45,793,126.95	12,372,631,439.25	41,789,224.95	11,497,587,673.25
9910000 Provisions	<b>47,345,523.30</b>	<b>12,372,631,439.25</b>	<b>41,789,224.95</b>	<b>11,497,587,673.25</b>
9999999 Consolidated Fund	11,441,169,905.85	0.00	10,321,661,283.45	0.00
9999900	11,441,169,905.85	0.00	10,321,661,283.45	0.00
9990000 Opening Balance Reserves	<b>11,441,169,905.85</b>	<b>0.00</b>	<b>10,321,661,283.45</b>	<b>0.00</b>
<b>Total</b>	<b>12,522,579,988.60</b>	<b>12,522,579,988.60</b>	<b>11,562,854,644.55</b>	<b>11,562,854,644.55</b>

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

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_







## STATEMENT OF RECEIPTS AND PAYMENTS

Entity: 1173-State Department for Cooperatives

Current Period: JUL-21 To JUN-22

Compare With: JUL-20 To JUN-21

	Note	Current Period	Previous Period
<b>RECEIPTS</b>			
Tax Receipts	1	0.00	0.00
Social Security Contribution	2	0.00	0.00
Proceeds from Domestic and Foreign Grants	3	0.00	0.00
Exchequer releases	4	875,043,766.00	1,133,875,684.70
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	27,350,828.00	20,556,160.00
<b>TOTAL RECEIPTS</b>		<b>902,394,594.00</b>	<b>1,154,431,844.70</b>
<b>PAYMENTS</b>			
Compensation of Employees	12	244,683,479.00	206,303,184.05
Use of goods and Services	13	344,120,894.25	370,004,182.35
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	243,700,000.00	541,200,000.00
Other Grants and Transfers	16	0.00	0.00
Social Security Benefits	17	2,106,216.00	0.00
Acquisition of Assets	18	66,097,280.80	32,695,252.00
Finance Costs, including Loan Interest	19	0.00	0.00
Repayment of Principal on Domestic and Foreign Borrowing	20	0.00	0.00
Other payments	21	0.00	0.00
<b>TOTAL PAYMENTS</b>		<b>900,707,870.05</b>	<b>1,150,202,618.40</b>
<b>SURPLUS/DEFICIT</b>		<b>1,686,723.95</b>	<b>4,229,226.30</b>

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: 1173-State Department for Cooperatives

Current Period: JUL-21 To JUN-22

Compare With: JUL-20 To JUN-21

	Note	Current Period	Previous Period
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	22A	46,352,416.00	48,657,082.00
Cash Balances	22B	18,275,672.00	7,305.00
<b>Total Cash And Cash Equivalents</b>		<b>64,628,088.00</b>	<b>48,664,387.00</b>
Accounts Receivables - Outstanding Imprest and Clearence Accounts	23	277,499.90	459,500.80
<b>TOTAL FINANCIAL ASSETS</b>		<b>64,905,587.90</b>	<b>49,123,887.80</b>
<b>Financial Liabilities</b>			
Accounts Payables - Deposits	24	54,146,619.85	44,633,179.35
<b>NET FINANCIAL ASSETS</b>		<b>10,758,968.05</b>	<b>4,490,708.45</b>
<b>REPRESENTED BY</b>			
Fund Balance b/fwd	25	4,490,708.45	4,223,184.35
Prior Year Adjustment	26	(4,003,902.00)	(3,961,704.20)
Surplus/Deficit for the Year		1,686,723.95	4,229,226.30
<b>NET FINANCIAL POSITION</b>		<b>2,173,530.40</b>	<b>4,490,706.45</b>

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: 1173-State Department for Cooperatives

Current Period: JUL-21 To JUN-22

Compare With: JUL-20 To JUN-21

	Note	Current Period	Previous Period
		Kshs	Kshs
<b>Receipts and operating income</b>			
Tax Receipts	1	0.00	0.00
Social Security Contribution	2	0.00	0.00
Proceeds from Domestic and Foreign Grants	3	0.00	0.00
Exchequer releases	4	875,043,766.00	1,133,875,684.70
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	27,350,828.00	20,556,160.00
<b>Payments for Operating Expenses</b>			
Compensation of Employees	12	244,683,479.00	206,303,184.05
Use of goods and Services	13	344,120,894.25	370,004,182.35
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	243,700,000.00	541,200,000.00
Other Grants and Transfers	16	0.00	0.00
Social Security Benefits	17	2,106,216.00	0.00
Finance Costs, including Loan Interest	19	0.00	0.00
Other payments	21	0.00	0.00
<b>Adjusted for :</b>			
Adjustments during the year		9,695,441.40	(10,571,096.25)
Prior year adjustments		(4,003,902.00)	(3,961,704.20)
<b>Net Cash From Operating Activities</b>	A	73,475,544.15	22,391,677.85
<b>Cash Flow From Investing Activities</b>			
Proceeds from Sales of Assets	8	0.00	0.00
Acquisition of Assets	18	66,097,280.80	32,695,252.00
<b>Net Cash Flow From Investing Activities</b>	B	(66,097,280.80)	(32,695,252.00)
<b>Cash Flow From Borrowing Activities</b>			
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
<b>Net Cash Flow From Financing Activities</b>	C	0.00	0.00
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	A+B+C	7,378,263.35	(10,303,574.15)
<b>Cash and Cash Equivalent at BEGINNING of The Year</b>		48,664,387.00	58,967,959.15
<b>Cash and Cash Equivalent at END of The Year</b>	22A+22B	64,628,088.00	48,664,387.00

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: 1173-State Department

22

21

**1 Tax Receipts**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Taxes on Income, Profits and Capital Gains	1110000	0	0
Taxes on Payroll and Workforce	1120000	0	0
Taxes on Property	1130000	0	0
Taxes on Goods and Services	1140000	0	0
Taxes on International Trade and Transactions	1150000	0	0
Other Taxes (not elsewhere classified)	1160000	0	0
<b>TOTAL</b>		0	0

**2 Social Security Contribution**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Health Insurance Contribution	1210100	0	0
NHIF Health Insurance Contributions	1210200	0	0
Contributions from Govt. Employees for Social &	1210300	0	0
<b>TOTAL</b>		0	0

**3 Proceeds from Domestic and Foreign Grants**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants from Foreign Governments	1310000	0	0
Grants from International Organisations	1320000	0	0
<b>TOTAL</b>		0	0

**4 Exchequer releases**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Exchequer Releases/ Provisioning Account for Q1	9910201	113,452,132.10	89,784,179.00
Exchequer Releases/ Provisioning Account for Q2	9910201	232,117,413.85	336,973,809.00
Exchequer Releases/ Provisioning Account for Q3	9910201	65,496,445.85	170,500,705.75
Exchequer Releases/ Provisioning Account for Q4	9910201	463,977,774.20	536,616,990.95
<b>TOTAL</b>		875,043,766.00	1,133,875,684.70

**5 Transfers from Other Government Entities**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants received by Central Govt from General	1330100	0	0
Grants Received from General Govt units by Local	1330200	0	0
Grants to Fund Accounts from Central Govt	1330300	0	0
Grants to other General Govt units from General	1330400	0	0
<b>TOTAL</b>		0	0

**6 Proceeds from Domestic Borrowings**

Item Description	Item Code	Current Period	Previous Period
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		Kshs	Kshs
Borrowing within General Government	5110100	0	0
Borrowing from Monetary Authorities (Central	5110200	0	0
Other Domestic Depository Corporations	5110300	0	0
Borrowing from Other Domestic Financial	5110400	0	0
Borrowing from Other Domestic Creditors	5110500	0	0
Domestic Currency and Deposit	5110600	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>

7 Proceeds from Foreign Borrowings

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Foreign Borrowings - Drawdowns through	5120100	0	0
Foreign Borrowing-Direct Payments	5120200	0	0
Foreign Currency and Foreign Deposits	5120300	0	0
Other Foreign Accounts Payable	5120400	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>

8 Proceeds from Sales of Assets

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Receipts from the Sale of Buildings - Paid to	3510100	0	0
Receipts from the Sale of Buildings	3510200	0	0
Receipts from sale of other st	3510300	0	0
Receipts from sale of other st	3510400	0	0
Receipts from the Sale of Vehicles and Transport	3510500	0	0
Receipts from the Sale of Vehicles and Transport	3510600	0	0
Receipts from the Sale of Plant Machinery and	3510700	0	0
Receipts from the Sale Plant Machinery and	3510800	0	0
Receipts from Sale of Certified Seeds and	3510900	0	0
Receipts from Sale of Certified Seeds and	3511000	0	0
Receipts from the Sale of Strategic Reserves	3520100	0	0
Receipts from the Sale of Other Inventories,	3520200	0	0
Receipts from the Sale of inventories, Stocks and	3520300	0	0
Receipts from the Sale of Land	3540100	0	0
Receipts from the Sale of Other Naturally	3540200	0	0
Receipts from the Sale of Intangible Non-Produced	3540300	0	0
Receipts from the Sale of Non-Produced Assets	3540400	0	0
Repayments from Loans to Government Agencies	4510100	0	0
Loans to Non-Financial Public Enterprises	4510200	0	0
Loans to Financial Institutions	4510300	0	0
Repayments from Domestic Loans to Individuals	4510400	0	0
Repayments from lending to Foreign Govts.	4520100	0	0
Repayments from lending to International Orgns.	4520200	0	0
Repayments from lending to Foreign Non -	4520300	0	0
Repayments from Other Foreign Lending	4520400	0	0
Sales and Disposals of Equity Holdings in	4530100	0	0
Sales and Disposals of Equity Holdings in	4530200	0	0
Sales and Disposals of Other Equity Holdings	4530300	0	0
Sales and Disposals of Equity Holdings in Foreign	4530400	0	0
Sales and Disposals of Equity Holdings in Foreign	4530500	0	0
Redemption/ Disposal of Other Financial Assets	4530600	0	0
Refund of Bonds paid as Deposits for Guarantees	4530700	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>

9 Reimbursements and Refunds

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Refund from World Food Programme (WFP)	4540101	0	0
Reimbursement of Audit Fees	4540102	0	0
Reimbursement on Messing Charges (UNICEF)	4540103	0	0
Reimbursement from World Bank - ECD	4540104	0	0
Reimbursement from Individuals and Private	4540105	0	0
Reimbursement from Local Government	4540106	0	0
Reimbursement from Statutory Organizations	4540107	0	0
Reimbursement within Central Government	4540108	0	0
Reimbursement Using Bonds	4540109	0	0
Reimbursements and Refunds - Other (Budget)	4540199	0	0



<b>TOTAL</b>	0	0
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**10 Returns of Equity Holdings**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Returns of Equity Holdings	4550000	0	0
Returns of Equity Holdings	4610000	0	0
<b>TOTAL</b>		0	0

**11 Other Receipts**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Interest Received	1410100	0	0
Profits and Dividends	1410200	0	0
Withdrawals from Income of Quasi-corporations	1410300	0	0
Rents on land, houses and buildings	1410400	0	0
Other Property Income collected as AIA	1410500	0	0
	1415000	0	0
Sales of Market Establishment	1420100	0	0
Administrative Fees and Charges	1420200	0	0
Administrative Fees and Charges collected as AIA	1420300	27,350,828.00	20,556,160.00
Incidental Sales by Non-Market Establishments	1420400	0	0
Incidental Sales by Non-Market Establishments	1420500	0	0
Receipts from Sale of Incidental Goods	1420600	0	0
Fines, Penalties, Forfeitures and other Charges	1430100	0	0
Current Grants from International NGOs paid	1440100	0	0
Capital Grants from International NGOs paid	1440200	0	0
Current Grants from International NGOs collected	1440300	0	0
Capital Grants from International NGOs collected	1440400	0	0
Other Voluntary Transfers for Current purposes	1440500	0	0
Other Voluntary Transfers for Capital purposes	1440600	0	0
Paid to Exchequer	1450100	0	0
Receipts Not Classified Elsewhere	1450200	0	0
	1510200	0	0
	1510300	0	0
	1520100	0	0
Business Permits	1520200	0	0
Cesses	1520300	0	0
Poll Rates	1520400	0	0
Plot Rents	1520500	0	0
Other Local Levies	1520600	0	0
Administrative Services Fees	1530100	0	0
Various Fees	1530200	0	0
Council'S Natural Resources Exploitation	1530300	0	0
Sales Of Council Assets	1530400	0	0
Lease / Rental Of Council'S Infrastructure Assets	1530500	0	0
Other Miscellaneous Revenues	1530600	0	0
Other Miscellaneous Revenues	1540100	0	0
Insurance Claims Recovery	1540200	0	0
Medium Term Loans (1-3 Yr Repayment)	1540300	0	0
Long Term Loans (Over 3 Yr Rpayment)	1540400	0	0
Transfers From Reserve Funds	1540500	0	0
Donations	1540600	0	0
Fund Raising Events	1540700	0	0
Other Revenues From Financial Assets Loan	1540800	0	0
	1541000	0	0
Market/Trade Centre Fee	1550100	0	0
Vehicle Parking Fees	1550200	0	0
Housing	1560100	0	0
Social Premises Use Charges	1560200	0	0
School Fees	1570100	0	0
Other Education-Related Fees	1570200	0	0
Other Education Revenues	1570300	0	0
Public Health Services	1580100	0	0
Public Health Facilities Operations	1580200	0	0
Environment & Conservancy Administration	1580300	0	0
Slaughter Houses Administration	1580400	0	0
Water Supply Administration	1580500	0	0
Sewerage Administration	1580600	0	0
Other Health & Sanitation Revenues	1580700	0	0
Technical Services Fees	1590100	0	0

External Services Fees	1590200	0	0
	1930100	0	0
System Required Revenue A/cs	1990100	0	0
<b>TOTAL</b>		27,350,828.00	20,556,160.00

12 Compensation of Employees

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Basic Salaries - Permanent Employees	2110100	161,346,752.15	140,644,800.65
Basic Wages - Temporary Employees	2110200	0	0
Personal Allowances paid as part of Salary	2110300	83,336,726.85	65,658,383.40
Personal Allowances paid as Reimbursements	2110400	0	0
Personal Allowances provided in Kind	2110500	0	0
Employer Contributions to Compulsory National	2120100	0	0
Employer Contributions to Compulsory Health	2120200	0	0
Social Benefit Schemes Outside Government	2120300	0	0
<b>TOTAL</b>		244,683,479.00	206,303,184.05

13 Use of goods and Services

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Utilities, Supplies and Services	2210100	0	0
Communication, Supplies and Services	2210200	5,323,866.15	5,953,308.00
Domestic Travel and Subsistence, and Other	2210300	24,957,919.00	33,995,344.00
Foreign Travel and Subsistence, and other	2210400	5,076,101.70	4,173,475.00
Printing, Advertising and Information Supplies and	2210500	2,991,810.00	3,413,808.25
Rentals of Produced Assets	2210600	8,509,016.00	349,500.00
Training Expenses	2210700	5,419,310.00	4,707,105.00
Hospitality Supplies and Servi	2210800	13,171,789.80	21,118,027.00
Insurance Costs	2210900	0	0
Specialised Materials and Supp	2211000	7,164,193.20	6,268,583.70
Office and General Supplies and Services	2211100	18,821,137.00	22,416,307.75
Fuel Oil and Lubricants	2211200	4,429,559.25	5,542,340.05
Other Operating Expenses	2211300	238,045,725.00	252,164,036.30
Routine Maintenance - Vehicles	2220100	5,342,869.70	5,563,883.30
Routine Maintenance - Other Assets	2220200	4,867,598.00	4,338,464.00
Exchange Rate Losses	2230100	0	0
<b>TOTAL</b>		344,120,894.25	370,004,182.35

14 Subsidies

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Subsidies to Public Corporations	2510000	0	0
Subsidies to Private Enterprises	2520000	0	0
<b>TOTAL</b>		0	0

15 Transfers to Other Government Units

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Current Grants to Government Agencies and other	2630100	91,200,000.00	21,200,000.00
Capital Grants to Government Agencies and other	2630200	152,500,000.00	520,000,000.00
Other Current Transfers, Grants and Subsidies	2640400	0	0
Other Capital Grants and Trans	2640500	0	0
<b>TOTAL</b>		243,700,000.00	541,200,000.00

16 Other Grants and Transfers

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants and Transfers to Foreign Governments	2610100	0	0
Membership Fees and Dues and Subscriptions to	2620100	0	0
Membership Fees and Dues and Subscriptions to	2620200	0	0
Scholarships and other Educational Benefits	2640100	0	0

Emergency Relief and Refugee Assistance	2640200	0	0
Grants to Small Businesses, Cooperatives, and	2640300	0	0
	2649900	0	0
<b>TOTAL</b>		0	0

#### 17 Social Security Benefits

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Government Pension and Retirement Benefits	2710100	2,106,216.00	0
Social Security Benefits	2710200	0	0
Employer Social Benefits	2710300	0	0
Refund of Pension to UK Government	2720100	0	0
Refund of Contributions to WCPS and other Ex-	2720200	0	0
<b>TOTAL</b>		2,106,216.00	0

#### 18 Acquisition of Assets

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Purchase of Buildings	3110100	0	0
Construction of Building	3110200	3,334,594.80	0
Refurbishment of Buildings	3110300	34,725,317.85	0
Construction of Roads	3110400	0	0
Construction and Civil Works	3110500	0	0
Overhaul and Refurbishment of Construction and	3110600	0	0
Purchase of Vehicles and Other Transport	3110700	0	0
Overhaul of Vehicles and Other Transport	3110800	952,120.15	441,875.00
Purchase of Household Furniture and Institutional	3110900	0	0
Purchase of Office Furniture and General	3111000	2,199,242.00	2,862,000.00
Purchase of Specialised Plant, Equipment and	3111100	190,000.00	24,209,522.00
Rehabilitation and Renovation of Plant, Machinery	3111200	0	0
Purchase of Certified Seeds, Breeding Stock and	3111300	0	0
Research, Feasibility Studies, Project Preparation	3111400	24,696,006.00	5,181,855.00
Rehabilitation of Civil Works	3111500	0	0
Purchase of Specialised Plant	3112200	0	0
Acquisition of Strategic Stocks	3120100	0	0
Acquisition of Other Inventori	3120200	0	0
Acquisition of Land	3130100	0	0
Acquisition of Other Intangible Assets	3130200	0	0
Domestic Lending and On-lending	4110000	0	0
Domestic Equity Participation	4120000	0	0
Other Domestic Accounts Receivable	4130000	0	0
Foreign Lending and On- Lending	4140000	0	0
Foreign Equity Participation	4150000	0	0
Other Foreign Accounts Receivable	4160000	0	0
<b>TOTAL</b>		66,097,280.80	32,695,252.00

#### 19 Finance Costs, including Loan Interest

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Interest Payments on Foreign Borrowing	2410100	0	0
Interest Payments on Guaranteed Debt	2410200	0	0
Interest on Domestic Borrowing	2420000	0	0
Interest on Borrowing From Other Government	2430000	0	0
<b>TOTAL</b>		0	0

#### 20 Repayment of Principal on Domestic and Foreign Borrowing

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Repayments on Borrowings from General	5510100	0	0
Repayments on Borrowings from Monetary	5510200	0	0
Repayments on Borrowings from Other Domestic	5510300	0	0
Repayments on Borrowings from Other Domestic	5510400	0	0
Repayments on Borrowings from Other Domestic	5510500	0	0
Principal Repayments on Foreign Borrowing	5510600	0	0
Principal Repayments on Guaranteed Debt Taken	5520000	0	0

Principal Repayments on Guaranteed Domestic	5520100	0	0
Principal Repayments on Guaranteed Foreign	5520200	0	0
Repayments on Borrowings from Other Domestic	5610000	0	0
Repayments on Borrowings from Other Domestic	5610500	0	0
	5620000	0	0
Repayments on Borrowings from Other Domestic	5620100	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>

21 Other payments

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Budget Reserves	2810100	0	0
Civil Contingency Reserves	2810200	0	0
Capital Transfer to Non Financial Public	2820100	0	0
Capital Transfer to Public Financial Institutions and	2820200	0	0
Capital Transfer to Private Non-Financial	2820300	0	0
System Required Expenses	2990100	0	0
	2999900	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>

22A Bank Balances

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Special Accounts	6510000	0	0
Treasury Bank Accounts (Exchequer and CRF	6520000	0	0
Recurrent Bank Accounts	6530000	4,210,038.00	34,824.00
Development Bank Accounts	6540000	2,555,669.00	3,969,078.00
Deposit Bank Account	6550000	53,118,123.00	44,653,180.00
Project Specific Bank Accounts	6570000	0	0
Foreign Currency and Foreign D	6590101	0	0
Foreign Currency and Foreign D	6590203	0	0
<b>TOTAL</b>		<b>59,883,830.00</b>	<b>48,657,082.00</b>

22B Cash Balances

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Cash in Hand	6580000	18,275,672.00	7,305.00
Foreign Currency and Foreign D	6590201	0	0
<b>TOTAL</b>		<b>18,275,672.00</b>	<b>7,305.00</b>

23 Accounts Receivables - Outstanding Imprest and Clearance Accounts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Domestic Debtors & Advances	6710000	0	0
Debtors & Advances - Govt Owne	6720000	0	0
Foreign Debtors & Advances	6730000	0	0
Other Debtors & Pre-payments	6740000	0.1	0
Government Imprests	6760000	277,500.00	459,500.80
Agency Accounts	6770000	0	0
Suspense & Clearance Account	6780000	0	0
Other Current Assets (System r	6790000	0	0
<b>TOTAL</b>		<b>277,500.10</b>	<b>459,500.80</b>

24. ACCOUNTS PAYABLE

Item Description	Item code	Current Period	Previous Period
		Kshs	Kshs
Withholding Taxes	7380000	0	0
Deposits	7310000	-53,118,123.00	44,653,180.00
System Required Liabilities A/cs	7390000	107,235,367.65	-71,029.95



Other Liabilities	7320000	29,375.20	51,029.30
<b>TOTAL</b>		54,146,619.85	44,633,179.35

**25. FUND BALANCES BROUGHT FORWARD**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Opening Balance Bank	22A	48,657,082.00	58,902,878.15
Opening Balance Cash	22B	7,305.00	65,081.00
Opening Balance Receivables - Imprest and	23	459,500.80	176,400.00
Opening Balance - Deposits	24	-44,633,179.35	-54,921,174.80
<b>TOTAL</b>		4,490,708.45	4,223,184.35

**26. PRIOR YEAR ADJUSTMENTS**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Exchequer Provisions	9910200	4,003,902.00	3,961,704.20
County Transfers	9910300	0	0
<b>TOTAL</b>		4,003,902.00	3,961,704.20





**Statement of Budget Execution - Recurrent Expenditure**  
 Entity: 1173-State Department for Cooperatives  
 Current Period: JUL-21 To JUN-22

	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/100%
<b>RECEIPTS</b>								
Tax Receipts	1	0.00						
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						
Transfers from Other Government Entities	5	0.00	0.00	0.00	0.00	446,085,911.05	(446,085,911.05)	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	0.00	0.00	0.00	0.00	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	836,000,000.00	0.00	0.00	1,048,799,637.00	27,350,828.00	1,021,448,809.00	2.61%
<b>Total</b>		<b>836,000,000.00</b>	<b>0.00</b>	<b>212,799,637.00</b>	<b>1,048,799,637.00</b>	<b>473,436,739.05</b>	<b>575,362,897.95</b>	<b>45.14%</b>
<b>PAYMENTS</b>								
Compensation of Employees	12	239,400,000.00	0.00	5,200,000.00	244,600,000.00	244,683,479.00	(83,479.00)	100.03%
Use of goods and Services	13	140,930,555.00	0.00	(15,857,416.00)	125,073,139.00	130,179,663.25	(5,106,524.25)	104.08%
Subsidies	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers to Other Government Units	15	842,200,000.00	0.00	277,799,637.00	1,119,999,637.00	91,200,000.00	1,028,799,637.00	8.14%
Other Grants and Transfers	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Social Security Benefits	17	0.00	0.00	2,106,216.00	2,106,216.00	2,106,216.00	0.00	100.00%
Acquisition of Assets	18	3,760,329.00	0.00	(653,567.00)	3,106,762.00	3,341,362.15	(234,600.15)	107.55%
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%
<b>Total</b>		<b>1,226,290,884.00</b>	<b>0.00</b>	<b>268,594,870.00</b>	<b>1,494,885,754.00</b>	<b>471,510,720.40</b>	<b>1,023,375,033.60</b>	<b>31.54%</b>



**Statement of Budget Execution - Recurrent Expenditure**

Entity: 1173-State Department for Cooperatives

Current Period: JUL-21 To JUN-22

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

Prepared By:

Date:

Reviewed By:

Date:

Approved By:

Date:





**Statement of Budget Execution - Development Expenditure**

Entity: 1173-State Department for Cooperatives

Current Period: JUL-21 To JUN-22

	Note	Printed Estimate a	Reallocation / Transfer b	Supplementary Estimates c	Final Approved Estimate (Net) d=a+b+c	Actual e	Budget Utilization Differences f=d-e	% of Utilization g=e/d%
<b>RECEIPTS</b>								
Tax Receipts	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
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%
Exchange releases	4	0.00	0.00	0.00	0.00	428,957,854.95	(428,957,854.95)	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	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
<b>Total</b>		0.00	0.00	0.00	0.00	428,957,854.95	(428,957,854.95)	0.00%
<b>PAYMENTS</b>								
Compensation of Employees	12	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Use of goods and Services	13	211,600,000.00	0.00	3,610,151.00	215,210,151.00	213,941,231.00	1,268,920.00	99.41%
Subsidies	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers to Other Government Units	15	105,000,000.00	0.00	47,500,000.00	152,500,000.00	152,500,000.00	0.00	100.00%
Other Grants and Transfers	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Social Security Benefits	17	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Acquisition of Assets	18	208,000,000.00	0.00	(143,000,000.00)	65,000,000.00	62,755,918.65	2,244,081.35	96.55%
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%
<b>Total</b>		524,600,000.00	0.00	(91,889,849.00)	432,710,151.00	429,197,149.65	3,513,001.35	99.19%



**Statement of Budget Execution - Development Expenditure**

Entity: 1173-State Department for Cooperatives

Current Period: JUL-21 To JUN-22

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

Prepared By:

Date:

Reviewed By:

Date:

Approved By:

Date:



## Budget Execution by Programme and Economic Classification

Entity: 1173-State Department for Cooperatives

Period: JUL-21 To JUN-22

Program	Item	Description	Approved Budget	Actual Payments	Variance
0000000000		<b>Default - Non Programmatic</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	2210000	Goods and Services	0.00	0.00	0.00
	2990000	System Required Expense A/cs	0.00	0.00	0.00
0304000000		<b>Cooperative Development and Management</b>	<b>1,927,595,905.00</b>	<b>900,707,870.05</b>	<b>1,026,888,034.95</b>
	2110000	Wages and Salary Contributions	244,600,000.00	244,683,479.00	(83,479.00)
	2210000	Goods and Services	331,407,465.00	333,910,426.55	(2,502,961.55)
	2220000	Routine Maintenance	8,875,825.00	10,210,467.70	(1,334,642.70)
	2620000	Grants and Other Transfers to International Organizations	0.00	0.00	0.00
	2630000	Grants & Transfer To Other Govt. Units	1,272,499,637.00	243,700,000.00	1,028,799,637.00
	2640000	Other Transfers and Emergency Relief	0.00	0.00	0.00
	2710000	Social Security Benefits	2,106,216.00	2,106,216.00	0.00
	3110000	Acquisition of Fixed Capital Assets	68,106,762.00	66,097,280.80	2,009,481.20
		<b>Grand Total</b>	<b>1,927,595,905.00</b>	<b>900,707,870.05</b>	<b>1,026,888,034.95</b>

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

Prepared By: \_\_\_\_\_

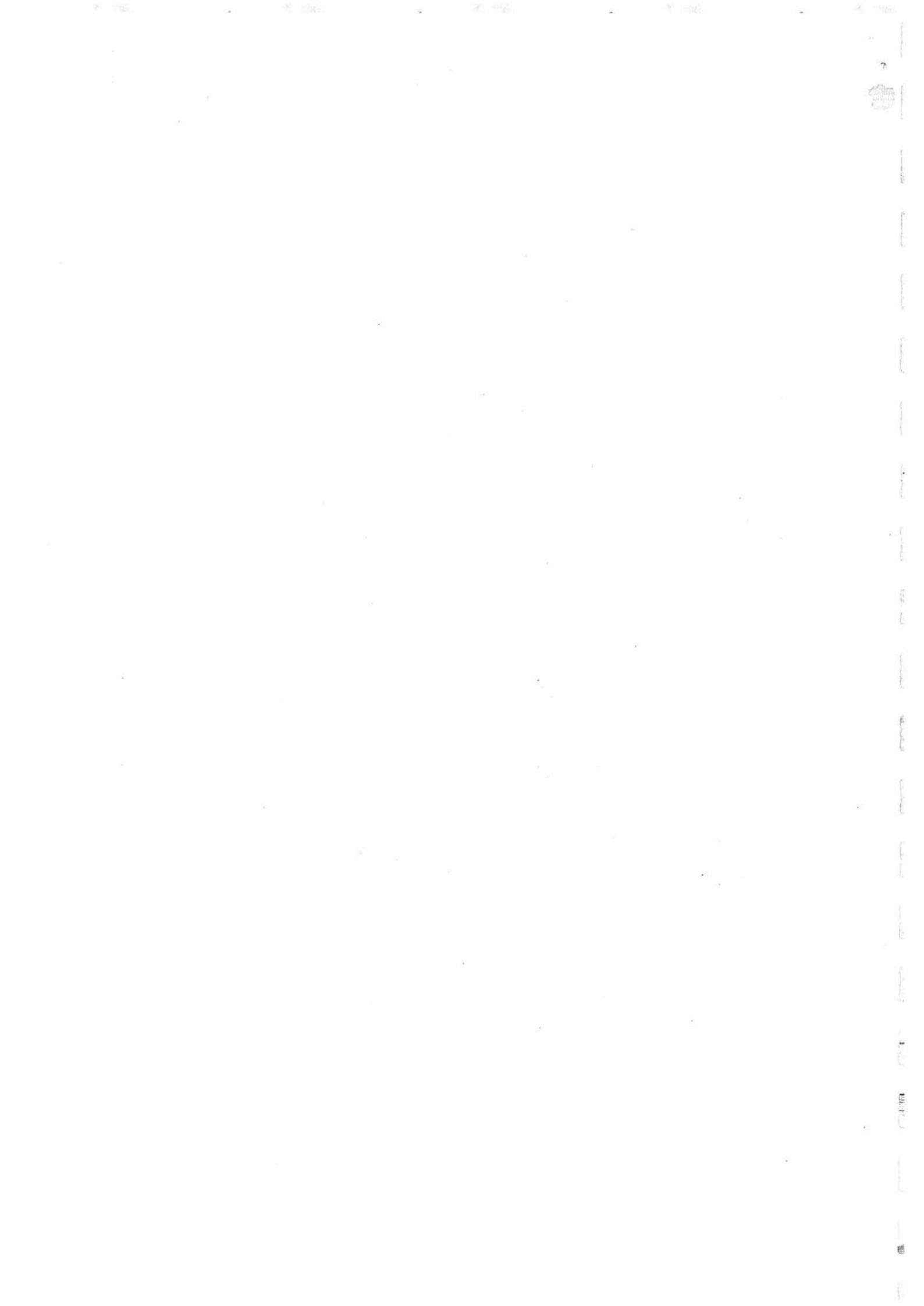
Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_







## Budget Execution by Heads and Programmes

Entity: 1173-State Department for Cooperatives

Period: JUL-21 To JUN-22

Head	Program	Description	Approved Budget	Actual Payments	Variance
000000000		Default Value ( Non-Departmental)	0.00	0.00	0.00
	000000000	Default - Non Programmatic	0.00	0.00	0.00
1173000100		Cooperative - Ethics and Governance	27,492,139.00	27,426,659.20	65,479.80
	000000000	Default - Non Programmatic	0.00	0.00	0.00
	0304000000	Cooperative Development and Management	27,492,139.00	27,426,659.20	65,479.80
1173000200		Planning and Feasibility Studies	104,075,251.00	104,191,463.60	(116,212.60)
	0304000000	Cooperative Development and Management	104,075,251.00	104,191,463.60	(116,212.60)
1173000300		Cooperative Registration Services	45,879,475.00	48,718,676.50	(2,839,201.50)
	0304000000	Cooperative Development and Management	45,879,475.00	48,718,676.50	(2,839,201.50)
1173000400		Cooperative Marketing	32,742,293.00	33,102,610.20	(360,317.20)
	0304000000	Cooperative Development and Management	32,742,293.00	33,102,610.20	(360,317.20)
1173000500		Office of the Commissioner	577,784,076.00	44,733,793.70	533,050,282.30
	0304000000	Cooperative Development and Management	577,784,076.00	44,733,793.70	533,050,282.30
	000000000	Default - Non Programmatic	0.00	0.00	0.00
1173000600		Headquarters Cooperative Audit Services	52,185,137.00	55,477,916.20	(3,292,779.20)
	0304000000	Cooperative Development and Management	52,185,137.00	55,477,916.20	(3,292,779.20)
1173000700		New Kenya Cooperative Creameries	0.00	0.00	0.00
	0304000000	Cooperative Development and Management	0.00	0.00	0.00
1173000800		Finance and Procurement Services	37,660,422.00	37,571,379.10	89,042.90
	0304000000	Cooperative Development and Management	37,660,422.00	37,571,379.10	89,042.90
1173000900		Central Planning Unit	29,566,961.00	29,088,221.90	478,739.10
	0304000000	Cooperative Development and Management	29,566,961.00	29,088,221.90	478,739.10
1173001000			256,200,000.00	91,200,000.00	165,000,000.00
	0304000000	Cooperative Development and Management	256,200,000.00	91,200,000.00	165,000,000.00
1173001100			331,300,000.00	0.00	331,300,000.00
	0304000000	Cooperative Development and Management	331,300,000.00	0.00	331,300,000.00
1173100100		Acquisition of equipment and machinery New KCC .	50,000,000.00	50,000,000.00	0.00
	0304000000	Cooperative Development and Management	50,000,000.00	50,000,000.00	0.00
1173100200		Cooperatives Development	0.00	0.00	0.00
	0304000000	Cooperative Development and Management	0.00	0.00	0.00
1173100300		Development of SASRA Risk Supervision System	0.00	0.00	0.00
	0304000000	Cooperative Development and Management	0.00	0.00	0.00
1173100400			35,000,000.00	33,749,750.00	1,250,250.00
	0304000000	Cooperative Development and Management	35,000,000.00	33,749,750.00	1,250,250.00
1173100500			48,200,000.00	46,338,992.65	1,861,007.35
	0304000000	Cooperative Development and Management	48,200,000.00	46,338,992.65	1,861,007.35
1173100700			0.00	0.00	0.00
	0304000000	Cooperative Development and Management	0.00	0.00	0.00
1173100900			232,010,151.00	231,608,407.00	401,744.00
	0304000000	Cooperative Development and Management	232,010,151.00	231,608,407.00	401,744.00
1173101000			0.00	0.00	0.00
	0304000000	Cooperative Development and Management	0.00	0.00	0.00
1173101100			0.00	0.00	0.00

	0304000000	Cooperative Development and Management	0.00	0.00	0.00
<b>1173101200</b>			<b>67,500,000.00</b>	<b>67,500,000.00</b>	<b>0.00</b>
	0304000000	Cooperative Development and Management	67,500,000.00	67,500,000.00	0.00
<b>1173101300</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	0304000000	Cooperative Development and Management	0.00	0.00	0.00
		<b>Grand Total</b>	<b>1,927,595,905.00</b>	<b>900,707,870.05</b>	<b>1,026,888,034.95</b>

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

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_



### Budget Execution By Programmes and Sub-Programmes

Entity: 1173-State Department for Cooperatives

Period: JUL-22 To JUN-22

Program	Sub Program	Description	Approved Budget	Actual Payments	Variance
0000000000		Default - Non Programmatic	0.00	0.00	0.00
	0000000000	Default - Non Programmatic	0.00	0.00	0.00
0304000000		<b>Cooperative Development and Management</b>	<b>1,927,595,905.00</b>	<b>900,707,870.05</b>	<b>1,026,888,034.95</b>
	0304010000	Governance and Accountability	79,677,276.00	82,995,675.40	(3,318,399.40)
	0304020000	Co-operative Advisory Services	914,863,551.00	218,274,220.20	696,589,330.80
	0304030000	Marketing, value addition and research	711,752,444.00	378,586,909.85	333,165,534.15
	0304040000		50,000,000.00	50,000,000.00	0.00
	0304050000		171,302,634.00	170,851,064.60	451,569.40
		<b>Grand Total</b>	<b>1,927,595,905.00</b>	<b>900,707,870.05</b>	<b>1,026,888,034.95</b>

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

Prepared By: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_

