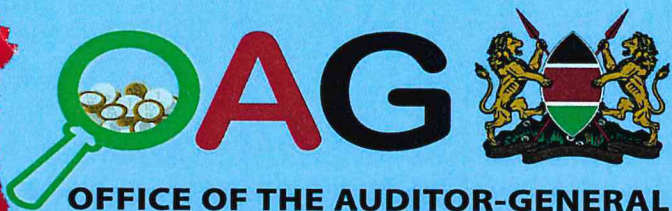


REPUBLIC OF KENYA



**OFFICE OF THE AUDITOR-GENERAL**

*Enhancing Accountability*

**REPORT**

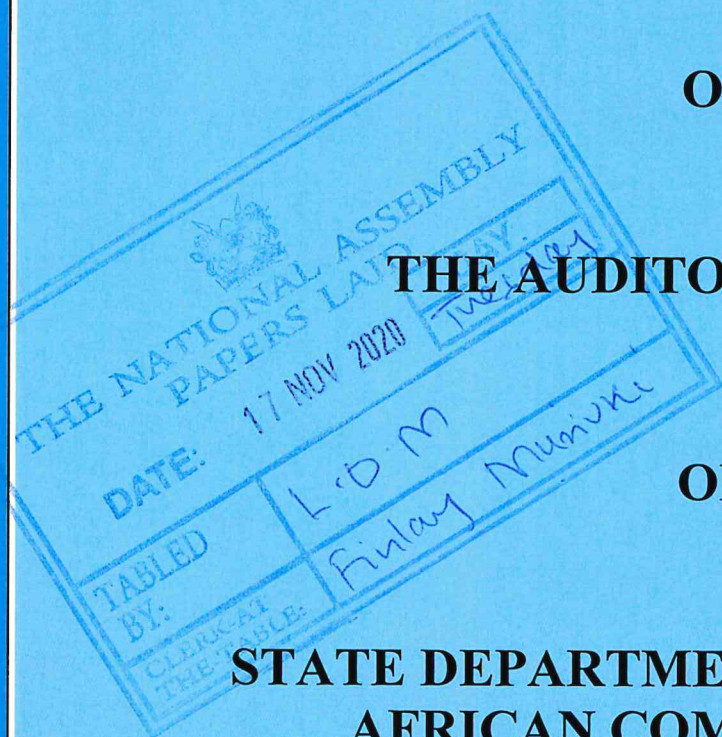
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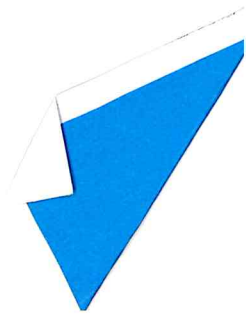
**THE AUDITOR-GENERAL**

**ON**

**STATE DEPARTMENT FOR EAST  
AFRICAN COMMUNITY**

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









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**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL  
DEVELOPMENT**  
*(STATE DEPARTMENT OF EAST AFRICAN COMMUNITY)*

**REPORTS AND FINANCIAL STATEMENTS**

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

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

**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
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**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
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**I. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

The Ministry of East African Community and Regional Development was formed by Executive Order No.1 of June 2018 by merging the Ministry of East African Community (EAC) Integration) and the Ministry of Regional and Northern Corridor Development

At Cabinet level, the Ministry of East African Community and Regional Development is represented by the Cabinet Secretary who is responsible for the general policy and strategic direction of the Ministry.

**(b) Key Management**

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

- Senior Management Committee;
- Ministerial Human Resource Advisory Committee;
- Ministerial Tender Committee; and
- Ministerial Training Committee

**(c) Fiduciary Management**

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

No.	Designation	Name
1.	Accounting Officer	Dr. Margaret Mwakima
2.	Integration Secretary	Dr. Alice Yalla, OGW
3.	Director of Administration	Justin Nelima
4.	Chief Finance Officer	CPA Risper Nyongesa
5.	Assistant Accountant General	CPA Maureen Oganga

**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT  
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**Hon. Adan Mohamed, EGH,  
Cabinet Secretary, Ministry of East  
African Community & Regional  
Development**

Hon. Adan Mohamed is the Cabinet Secretary for East African Community & Regional Development. He previously served as the Cabinet Secretary for Industry, Trade & Cooperatives from 2013 to 2018, as well as the Acting Cabinet Secretary for the Ministry of Agriculture, Livestock and Fisheries for a year in 2015. Prior to his appointment to serve in the Public Service, he was the Chief Administrative Officer for Barclays Africa, with responsibility for ten (10) Barclay's Bank Subsidiaries in Africa.

He has served in many other capacities both in Private and Public Sector in Kenya, including:- Chairman of Kenya Bankers Association, Member of the Kenya National Economic and Social Council (NESC), and as the Council Chairman of Jomo Kenyatta University of Agriculture and Technology (JKUAT) amongst others.

Hon. Mohamed received Presidential recognition and was bestowed the Elder of the Golden Hearts (EGH) Award for his leading role and distinguished service in both the Private and Public Sector.



**Margaret W. Mwakima, PhD, CBS  
Principal Secretary,  
Ministry of East African  
Community and Regional  
Development**

Dr. Margaret W. Mwakima is the Principal Secretary, Ministry of East African Community and Regional Development. She has served as Principal Secretary for Natural Resources and State Department for Wildlife (KWS), Board of Trustees and Board Member of Ecotourism Kenya.

Dr. Mwakima is a Sustainable Development professional majoring in Transformative Leadership through Socio-economic livelihoods enhancement. As a PhD graduate, Dr. Mwakima has written a thesis on "Determinants of the Biodiversity Conservation – Tourism Nexus in the Buffer Zone of Amboseli Biosphere Reserve, Kenya". She is also a holder of a Master's Degree in Environmental Science with a major in Sustainable Natural Resources Management and a Bachelor of Education (Science) Degree in Botany and Zoology.

As an environmental scientist, Dr. Mwakima has recently been nominated to chair the thematic working group that will guide Kenya's agenda on Climate Change mitigation and resilience as we implement SDG 14. She is a progressive researcher and publisher. Dr. Mwakima is a member of Institute of Directors, Kenya Association for Public Administration and Management (KAPAM) as well as Kenya Association of Women in Tourism (KAWT).



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**Dr Alice Yalla, OGW  
Acting Integration Secretary**

Dr Alice Yalla is the Acting Integration Secretary in the State Department for East African Community. She has a long experience in the Public Service covering the areas of education, human resource management and development and regional economic integration. During her tenure of service, she has been able to lead implementation of government programmes across sectors. She has been a member of teams that championed key reforms in public policy including the roll out of Free Primary school education in 2003, development of the Public Service Human Resource Development Policy in 2006, and adoption of various regional policies that have deepened and widened integration of the economies of the East African Community Partner States.

Her purpose is to empower the youth and marginalized persons to have a solution focused orientation in their undertakings.



**Justine Nelima  
Ag. Director Administration**

Ms. Justine Nelima is the Acting Director of Administration for the State Department for East African Community. She holds a Master's Degree in Development Studies Public Policy and Management from the Institute of Social Studies (ISS), The Hague, Netherlands.

She is a member of the African Association for Public Administration and Management (AAPAM). She has vast experience in both Field and Central Government Administration Services for over 22 years.



**Solomon J. Odundo  
Head, Internal Audit**

Solomon J. Odundo is the Head of Internal Audit Unit in the Ministry of East African Community and Regional Development, State Department for East African Community as well as the State Department for Regional and Northern Corridor Development.

He is a holder of MBS (Finance) and Bcom in Accounting. He joined the Department in August 2018 and has an experience in the field of auditing spanning 33 years.

**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT  
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**CPA Risper Auma Nyongesa  
Senior Principal Finance Officer**

CPA Risper Auma Nyongesa is the Senior Principal Finance Officer in the State Department for East African Community. She has served in the Civil Service for 22 years in various Government Ministries and Departments.

She holds MBA in Strategic Management from The University of Nairobi, BCOM Finance from Catholic University of East Africa and is a member of the Institute of Certified Public Accountants of Kenya (ICPAK).



**CPA Maureen Oganga  
Assistant Accountant General**

CPA Maureen Oganga is the Head of Accounting Unit. She is a holder of Master of Business Administration (Finance) and a Bcom in Accounting and auditing. She has working experience of 23 years.

CPA Maureen Oganga is a member of the Institute of Certified Public Accountants of Kenya (ICPAK).



**Charles Mulandi  
Head, Supply Chain Management**

Charles Mulandi is the Head, Supply Chain Management Unit in the State Department for East African Community. He is a holder of MBA (Finance) University of Nairobi, Bachelor of Business Management (Finance) Moi University and Bachelor of Laws (LLB) University of Nairobi.

He is a holder of CIPS Graduate Dip in Purchasing and Supply; Post Graduate Diploma in Law from Kenya School of Law and CPA(K). He is a member of LSK and KISM in good standing and has over 15 years' experience in public procurement within the Civil Service.



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**(d) Fiduciary Oversight Arrangements**

The State Department has Fiduciary Oversight responsibility over the entity operations and has ensured adequate systems and processes of accountability, risk management and controls are in place. The Key Management Committees with Fiduciary Oversight responsibility were as follows;

**1. Public Finance Management Standing Committee**

The State Department has established a Public Finance Management Standing Committee to provide strategic guidance to the entity on public finance management matters. The Standing Committee comprises of the following members:-

No.	Designation	Name	
1.	Dr. Margaret Mwakima	Accounting Officer	Chairperson
2.	Justin Nelima	Director, Administration	Member
3.	Solomon Odudo	Head Internal Audit, EAC	Member
4.	Maureen Oganga	Head Accounts, EAC	Member
5.	Benson M. Kinyua	Head Accounts ,RNCD	Member
6.	Risper Nyongesa	Head Finance ,EAC	Secretary
7.	Joseph Muthee Kimani	Head Finance ,RNCD	Secretary
8.	Charles Mulandi	Head SCM ,EAC	Member
9.	Samwel Ndirangu	Head SCM ,RNCD	Member

**The Standing Committee was generally be responsible for:-**

- Ensuring that there is prioritization on resources allocated for the smooth implementation of the State Departments mission, strategy, goals, risk policy plans and objectives;
- Regularly reviewing, monitoring budget implementation and advice on the State Departments accounts, major capital expenditures and reviewing performance and strategies at least on a quarterly basis;
- Identifying risks and implementation of appropriate measures to manage such risks or anticipated changes impacting on the State Department;
- Reviewing on a regular basis the adequacy and integrity of the State Department's internal control, acquisition and divestitures and management information systems including compliance with applicable laws, regulations, rules and guidelines;
- Establishing and implementing a system that provides necessary information to the stakeholders including stakeholder communication policy for the entity in line with Article 35 of the Constitution;
- Monitoring the effectiveness of the corporate governance practices under which the State Departments operates and propose revisions as may be required, from time to time;
- Monitoring timely resolution of audit issues; and
- Any other matter referred to it from time to time by the responsible Cabinet Secretary or in the case of Parliament.

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**2. Audit Committee**

The Ministry is in the process of forming an Audit Committee.

**3. Budget Implementation Committee**

The State Department has established a Budget Implementation Committee (BIC) that regularly advises the Accounting Officer on the performance of the entire budget during implementation and prepares performance reports. The BIC Committee comprises of the following members:

<b>No.</b>	<b>Designation</b>	<b>Name</b>	
1.	Dr. Margaret Mwakima	Accounting Officer	Chairperson
2.	Dr. Alice Yalla	Acting Integration Secretar	Member
3.	Justin Nelima	Director, Administration	Member
4.	Julius Mwabu	Director, Productive and Services	Member
5.	Peter Chege	Director, Political Affairs	Member
6.	Fredrick Gitahi	Ag. Director, Economic Affairs	Member
7.	Maureen Oganga	Head Accounts, EAC	Secretary
8.	Benson M. Kinyua	Head Accounts ,RNCD	Member
9.	Risper Nyongesa	Head Finance ,EAC	Secretary
10.	Joseph Muthee Kimani	Head Finance ,RNCD	Secretary
11.	Charles Mulandi	Head SCM ,EAC	Member
12.	Samuel Ndirangu	Head SCM ,RNCD	Member

**The BIC terms of reference are:-**

- a) To review and consider the cash flow plans.
- b) To review the utilization of cash limits and consider any changes as may be required.
- c) To review the utilization of donor funds voted for the MDAs
- d) To advise the Accounting Officer on any challenges related to the budget implementation
- e) To review and recommend re-allocation of expenditures
- f) To review and approve the submission of the expenditure returns, IPPD, pending bills and A-I-A returns for the MDAs and recommend actions to be taken.
- g) To participate in Sector Working Groups
- h) To prepare the budget for the Ministry in consultation with HODs



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**(a) Entity Headquarters**

Co-operative Bank House  
16<sup>th</sup> – 19<sup>th</sup> Floor  
Haile Selassie Avenue  
P.O. Box 8846 - 00200  
Nairobi, KENYA

**(b) Entity Contacts**

Telephone: (254)-02245741/2211614  
E-mail: ps@meac.go.ke  
Website: www.meac.go.ke

**(c) Entity Bankers**

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

**(d) Independent Auditors**

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

**(e) Principal Legal Adviser**

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

## **II. FOREWORD BY THE CABINET SECRETARY**

In the Financial Year 2018/2019, the State Department undertook to implement programmes to deepen and widen the EAC Integration. The programmes were anchored on the national priorities, specifically to enable realization of the “*Big Four Plan*”.

Linked to the above, the State Department sustained implementation of the Single Customs Territory which significantly reduced the administrative barriers to movement of goods within the region. The review of the EAC Common External Tariff prompted the need to undertake comprehensive national consultations on the tariffs to be adopted to support the country’s growth agenda. Namanga One Stop Border Post (OSBP) was inaugurated at the Heads of State level by H.E. Uhuru Kenyatta and H.E. John Pombe Magufuli on 1<sup>st</sup> March 2019. The full operationalization of the OSBP has reduced the clearance time for people and goods at the border point.

In the service sectors, we continued implementation of EAC Broad Band Infrastructure Network Project to enhance the connectivity of the region to the Marine Cables; and progressed the harmonization of policies relating to road, air, telecommunications and maritime transport. In line with the spirit of EAC Integration, bilateral meetings were held with Uganda and Tanzania to resolve non-tariff measures that hampered trade. These achievements will boost the regional integration agenda, open market access for manufactured products and increase investments.

In order to increase the number of Kenyans who take advantage of the EAC trade regime, capacity development programmes were designed for various target groups including traders, transporters, the youth, women and marginalised persons. Professionals also continued to implement and monitor their mutual recognition agreements to enhance trade in services.

For Kenya to optimize the benefits of the EAC Integration, it is important to have a harmonised stakeholder engagement in EAC projects and programmes. Going forward we will therefore continue to bring on board all Kenyans in the integration journey through strengthening the coordination role and scaling up targeted interventions.

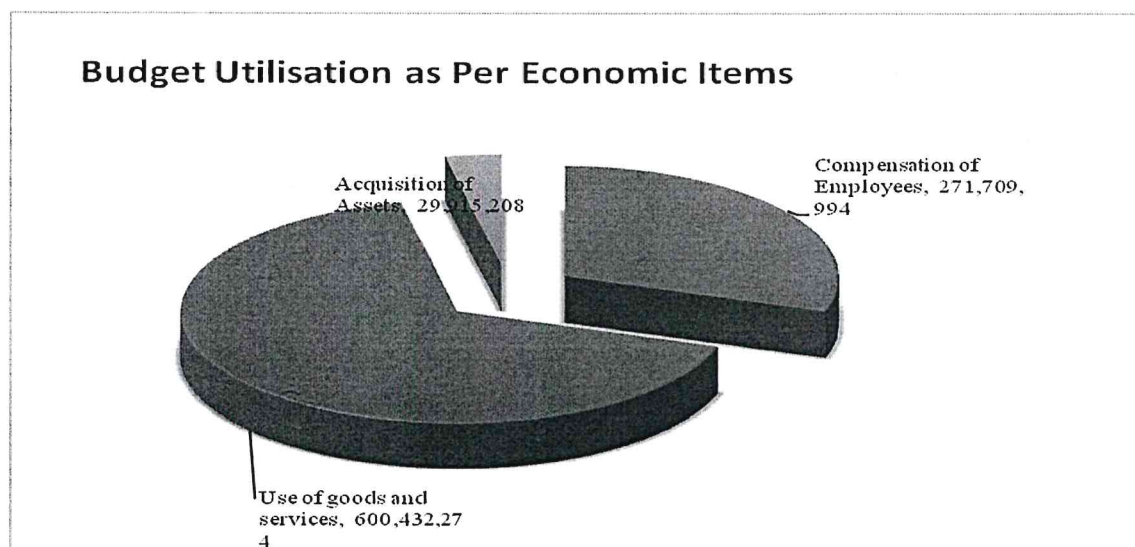


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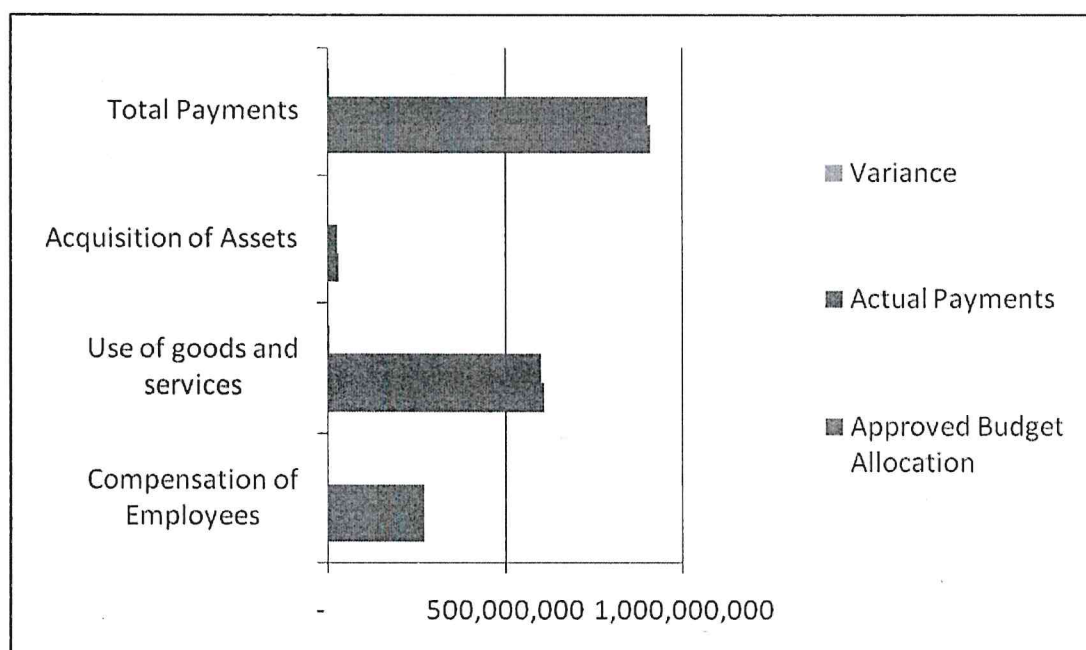
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**KEY ACHIEVEMENTS**

The State Department utilized 99.8% of the recurrent vote and 46.4% of development vote in the entire Financial Year to carry out its mandate. The mandate of the State Department is coordination and implementation of East Africa Community regional programmes and projects; promotion and fast tracking of EAC Integration.



**Actual payments against budget allocation**



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During the period under review, tremendous achievements have been realised in the implementation of the Single Customs Territory (SCT), as EAC continue to implement and consolidate gains from the Customs Union and Common Market Protocols. These include:

- i. All intra-regional traded goods between Kenya, Uganda, Rwanda and Tanzania are cleared under SCT scheme. All goods to Rwanda through Dar es Salaam port are cleared under SCT and a turnaround of 3 to 4 days has been realized on this corridor. This is in tandem with the reduction in turnaround time earlier realized on northern corridor where the turnaround time of trucks from Mombasa to Kampala has reduced from 18 days to 4 days and to Kigali has reduced from 21 days to 6 days.
- ii. Customs officers from Uganda, Rwanda and Burundi were deployed and are operating in Kenya and Tanzania. Likewise, Tanzania has officers deployed in Nairobi and Mombasa. The flexibility in deployment of Customs Officers has further eased clearance of goods such that goods move directly from points of dispatch in a Partner State to the owner's premises in another partner State without going through further customs checks.
- iii. A Single declaration under SCT is made electronically, processed and released by the authorities from the country of destination prior to loading of goods and release from the port. This has reduced documentation currently used to release goods up to destination by 80%, hence reducing the administrative burden.
- iv. Two Policy frameworks for harmonization of domestic taxes were developed:
  - ✓ "Policy for Harmonization of Income Taxes"
  - ✓ "Policy for harmonization of VAT & Excise duties"
- v. Coordinated the development and adoption of EAC Model Tax Treaty. It will guide negotiations of Tax treaties with the 3rd parties.
- vi. Coordinated the adoption and harmonization of 1,294 out of 1,428 East African Standards. Trade in goods whose standards have been harmonized has made it easy for these products to access EAC Market.
- vii. Finalized negotiations on Kenya's input to the comprehensive review of EAC Common External Tariff (CET).
- viii. Finalized the EAC common market score card 2017 on movement of labour and rights of establishment and residence.
- ix. Reported Kenya's progress in the implementation of the common market provisions on free movement of persons, goods and services.
- x. Finalized the EAC Tax Treaty Policy and EAC Model Tax Treaty which are critical in tax negotiations with third party.
- xi. Successfully concluded Mutual Recognition Agreements (MRAs) for land surveyors and Advocates.
- xii. Successfully negotiated and finalized the Bills on establishment of EAC Monetary Institute and EAC Statistics Bureau.
- xiii. Coordinated the commissioning of the Busia One Stop Border Post (OSBP) at the Heads of State Level.



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- xiv. Build capacity of border regulatory agencies at Lunga Lunga, Taveta, Namanga and Isebania for familiarization on the OSBP operations.
- xv. Coordinated the participation of Kenya in joint marketing of EAC as a single tourist destination in international forums.
- xvi. Established the EAC as a Common Higher Education Area that entails the establishment of a common frame of reference to facilitate comparability, compatibility and mutual recognition of higher education and training systems. The objectives of the EAC Common Higher Education Area include among others;
  - ✓ Adoption of a system of easily readable and comparable qualifications.
  - ✓ Facilitation of a system of credits as a proper means of promoting student's mobility.
  - ✓ Promotion of mobility.
  - ✓ Promotion of cooperation in higher education, particularly with regards to curricular development and harmonization of academic programmes, inter-institutional co-operation, mobility schemes, training systems and research.
- xvii. Concluded negotiations for Mutual Recognition (MR) of academic and professional qualifications and certificates for Land Surveyors and Advocates.
- xviii. Coordinated the negotiations leading to the adoption of the Confederation as the model for the EAC Political Federation by the 18th Ordinary Summit of EAC Heads of State in 2017.
- xix. Coordinated the development of a concept Note, Roadmap, Terms of Reference and Budget Estimates for the Development of the Constitutional Framework for the EAC Political Confederation that was adopted by the Summit in 2018.
- xx. Finalized a study on Unified Civil Aviation Safety and Security Region (UFIR) that has been concluded and approved by the Sectoral Council on Transport, Communications and Meteorology meeting held in June 2017. In the study the Partner States agreed on areas to cooperate especially on equipment and skills.
- xxi. Concluded negotiations on the movement of business persons across EAC-COMESA-SADC RECs under Tripartite FTA negotiations.
- xxii. Coordinated the enactment of the East African Monetary Institute Bill 2018 by East African Legislative Assembly (EALA).
- xxiii. Coordinated the ratification of the Protocol on Privileges and Immunities in October, 2017 which seeks to standardize the status, privileges and immunities to be accorded by the Partner States to the assets and properties of the Community wherever situated in the Partner States.

**Emerging Issues**

- i. Consensus on alternative financing options for the EAC to address issues of equity and sustainability of EAC programmes, projects, organs and institutions, will have far reaching financial implications.
- ii. Establishment of new EAC Institutions which require contributions from the Partner States namely EAC Monetary Institute, EAC Statistics Bureau, EAC Competition Authority temporary hosted in Arusha, Tanzania, EAC Centre for Aviation Medicine in Nairobi, Kenya, EAC Health Research Commission in Bujumbura, Burundi, EAC Kiswahili Commission in Zanzibar, and EAC Science and Technology Commission in Kigali, Rwanda.

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- iii. Implementation of the Government policy on Internship; the new Human Resource and Development Policy, 2016; Medical ex-gratia policy; and operationalization of the superannuation contributory pension scheme require increased financing.
- iv. Uncertainties in sub-regional integration process including fear of loss of national sovereignty and perceived loss of revenues and employment.
- v. Multiple memberships to regional economic blocs resulting in conflicting policies and protracted decision-making processes.
- vi. The increased threats from international terrorism.
- vii. Slow implementation of council decisions and summit directives affecting the pace of integration in the EAC.

**Implementation Challenges, Recommendations and way forward**

**a) Challenges**

- i. Slow domestication of EAC Council Decisions by Partner States which has hampered implementation of programmes and projects at national level.
- ii. Inadequate budgetary funding due to limitation in the General Economic and Commercial Affairs (GECA) sector ceilings and fluctuation of the Kenya shilling against the dollar.
- iii. Lack of adequate research, documentation and database/statistics on East African Community activities.
- iv. Inadequate human resource capacity.
- v. Slow implementation of the customs union: Inconsistent application of the Common External Tariff (CET), re-occurrence and emergence of new NTBs, and restrictive use of rules of origin continue to be detrimental to the free flow of trade.
- vi. Inadequate legal and institutional reforms across the EAC Partner States to facilitate implementation of the EAC Common Market Protocol.
- vii. Slow process in finalizing EAC negotiations due to the principle of consensus and sovereignty of Partner States.
- viii. Delays in ratification of the EAC protocols such as ICT and Meteorology and by implication the delayed implementation of the provisions therein.
- ix. Donor dependence on most of the EAC projects and programs leading to non-implementation of planned activities.

**b) Recommendations**

- i. Additional resources should be provided towards deepening and widening the integration process through fast tracking the implementation of the Customs Union, Common Market, and laying the foundation for Monetary Union and Political Federation.
- ii. The Ministry is in the process of establishing additional Regional Integration Centres (RIC) within the major Border Posts with EAC. Additional resources are therefore required to put in place basic infrastructure such as ICT, office accommodation, installation of digital screens at major border posts, furniture and fittings and also sensitizing local business community and stakeholders at the Border Posts.



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- iii. There is need to adequately fund Publicity and advocacy programmes on market access, benefits and opportunities of the EAC Integration.
- iv. Provide adequate resources to capacity build the Ministry's staff as well as EAC Focal Point officers from Ministries, Counties, Departments and Agencies (MCDAs) to ensure that national interests are secured.

**c) Way Forward**

- i. The Ministry has enhanced sensitization awareness creation programme to stakeholders at the County level.
- ii. The EAC is currently considering the alternative financing mechanism to support the execution of projects and programmes within the region.

**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
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**CONCLUSION**

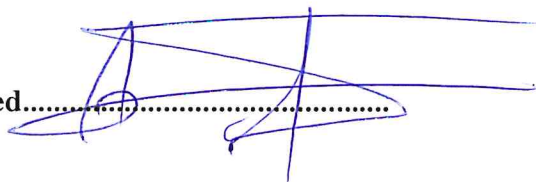
I wish to thank all the staff in the Ministry for diligently and effectively working towards the implementation of our policy and agreed Annual work plan(s). I understand the many challenges we went through during the implementation exercise, but working together as a team and putting the resource available where they were planned to be, we will make Kenya a great nation, creating substantial wealth and many job opportunities. The opportunities in the sector are enormous. We desire more stable and reliable funding, especially for the Ministry's flagship projects, staff development, applied research and necessary tools to unlock the enormous potential in Kenya, in the immediate future.

We, at the Headquarters, need to develop a close and trusted working partnership with the Partner States so that the Regional Integration and investments can continue contributing to the economic growth of Kenya and improve the standard of living of our people.

**ACKNOWLEDGEMENT**

On behalf of my Ministry, I wish to take this early opportunity to thank the Government for the support in funding the strategic steps we have taken in building capacity for Kenya to manage Regional Integration and investments.

Signed.....



Date.....

30/09/2019

**Hon. Adan Mohamed, EGH**  
**CABINET SECRETARY**



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**III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES**

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

The Accounting Officer in charge of the State Department of East African Integration is responsible for the preparation and presentation of the department's financial statements, which give a true and fair view of the state of affairs of the Department's for and as at the end of the financial year (period) ended on June 30, 2015. 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 Department (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 of East African Integration accepts responsibility for the Department'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 Department's transactions during the financial year ended June 30, 2015, and of the Department's financial position as at that date. The Accounting Officer charge of the State Department of East African Affairs further confirms the completeness of the accounting records maintained for the Department's, which have been relied upon in the preparation of the Department's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the State Department of East African Integration 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 Department'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's financial statements were approved and signed by the Accounting Officer on 30/09/ 2019.



Principal Secretary

Name: Margaret W. Mwakima PhD, CBS



Assistant Accountant General

Name: Maureen Oganga

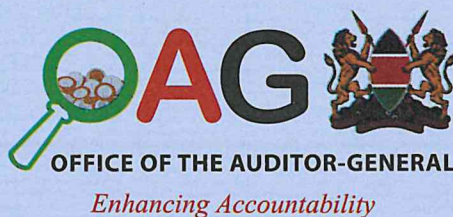
ICPAK Member Number: 6763





# REPUBLIC OF KENYA

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NAIROBI

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of the State Department for East African Community set out on pages 11 to 31, which comprise of the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the summary statements of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the State Department for East African Community as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

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

##### **1. Irregular Payment on Consultancy Services**

As disclosed under Note 4 to the financial statements, the statement of receipts and payments reflects a total expenditure of Kshs.600,432,274 incurred on use of goods and services which include Kshs.176,535,868 incurred on other operating expenses. The later balance includes Kshs.120,977,931 relating to consultancy services for ease of doing business, paid in the year under review.

A scrutiny of the records supporting the payments revealed that the consultancy services were procured from a consultancy firm by the Ministry of Industry, Trade and Cooperatives on 14 February, 2017, way before the function of doing business was transferred to the State Department for East African Community on 1 April, 2019. Further, the invoices amounting to Kshs. 120,977,931 were not shown as pending bills in the former Ministry's books (Ministry of Industry, Trade and Cooperative) in the years



2016/2017 and 2017/2018. In addition, the original documentation including invoices and the initial Local Service Order issued in the year 2016/2017 when the services were procured, were not availed for audit verification. No plausible explanation was given to show why the State Department for East African Community took over and paid the unsupported pending bills.

In the circumstances, the propriety of the expenditure amounting to Kshs.120,977,931 cannot be ascertained.

## **2. Acquisition of Non-Financial Assets**

### **2.1 Unsupported Renovation of Office**

Note 8 to the financial statements reflects an expenditure on refurbishment of buildings of Kshs.6,912,689 which includes an amount of Kshs.6,854,938.80 incurred by the State Department on renovation of the Principal Secretary's Office. Information available indicates that the Department contracted a local company at a contract sum of Kshs.6,854,938.80 for a period of six (6) weeks. The works commenced on 21 June, 2018 and was completed as scheduled on 2 August, 2018 and a handing over certificate issued. A payment of Kshs.6,854,938.80 was made on 22 November, 2019 after certification of the renovation works by the State Department for Public Works. However, Management did not avail a priced bill of quantities in support of the amount paid.

In the circumstances, it was not possible to ascertain the authenticity of the expenditure incurred.

### **2.2 Unsupported Procurement of Furniture**

Note 8 to the financial statements reflects total expenditure of Kshs.29,915,208 under acquisition of assets which included Kshs.3,955,600 relating to purchase of furniture and general equipment. Out of this expenditure of Kshs.3,955,600, the State Department contracted two local firms to supply furniture items for Kshs.1,749,200 through request for quotations. However, Management did not avail the quotations issued to the firms for audit review. In addition, professional advice from the Head of Procurement to the Accounting Officer as required by Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 was not availed for audit.

In the circumstances, it has not been possible to confirm whether the State Department obtained value for money in incurring the expenditure of Kshs.1,749,200 on various furniture items.

## **3. Unsupported Payments on Conference Facilities**

Note 4 to the financial statements reflects a total expenditure of Kshs.35,901,915 under hospitality supplies and services which includes Kshs.918,370 expended on an induction course. The State Department had initially planned to hold an induction course in Mombasa for East African Legislative Assembly (EALA) Kenya Chapter between 11



November, 2018 to 17 November, 2018, but due to a mix up of EALA Committee activities, the induction was rescheduled to take place between 14 January, 2019 and 18 January, 2019. The following anomalies were noted;

- i. There was no request for quotations for half board accommodation and dinner charge of Kshs.15,000 and Kshs.3,774 per day respectively.
- ii. There was an extra charge of Kshs.10,000 daily for hiring a hall.
- iii. Invoices dated 15 January, 2019 reflected attendance of 50 persons, while supporting attendance register reflected 44 persons in attendance.
- iv. The banquet/conference invoice charges dated 16 January, 2019 reflected an amount of Kshs.195,550 but the State Department paid Kshs.207,570 resulting to an over payment of Kshs.12,020.
- v. There was no attendance list to support expenditure for participants on 16 January, 2019.

From the foregoing, it has not been possible to confirm the propriety of the expenditure of Kshs. 918,370 incurred during the conference.

#### **4. Long Outstanding Imprests**

Included in the accounts receivable balance of Kshs.454,188 is Kshs.406,778 which relates to long outstanding imprests held by officers who were transferred to other Government Entities. No explanation was provided as to why the long outstanding imprests have not been recovered from the officers from their current stations and remitted to the State Department. As such, the Department is in violation of the provisions of Section 93 of the Public Finance Management Regulations of 2015.

#### **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.

#### **Other Matter**

##### **1. Budget and Budgetary Control**

A review of the summary statement of appropriation - recurrent and development combined showed that the Department realized actual receipts from proceeds from domestic and foreign grants amounting to Kshs.7,541,418 against a budget of Kshs.16,250,000 resulting to under-collection of Kshs.8,708,582 or 54% of the expected receipts of Kshs.16,250,000. This shortfall was attributed to austerity measures imposed

on soft projects in favour of infrastructure projects. This therefore, implies that the State Department may not have achieved all the planned activities.

## **2. Pending Bills**

Note 15 to the financial statements reflects pending bills amounting to Kshs.25,414,982 as at 30 June, 2019. A review of the records for the pending bills revealed that out of the total pending bills of Kshs.25,414,982, bills amounting to Kshs.15,735,919 were due to incomplete documentation, bills amounting to Kshs.2,945,654 related to returned cheques, pending bills of Kshs. 1,364,863.95 related to incomplete payee details while the balance of Kshs. 5,368,545.00 related to insufficient funds. No satisfactory reasons were provided for accumulating the pending bills during the year and committing the State Department's Funds beyond the available resources. Failure to settle bills during the year in which they relate to adversely affects the provisions of the subsequent year to which they have to be charged.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department of East African Community 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.

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

### **Basis for Conclusion**

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for matter described in the Basis for Conclusion on



Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

### **Lack of Audit Committee**

During the year under review, the State Department operated without an Audit Committee hence, its activities were not appraised, contrary to the Public Finance Management Act Regulations 174(1) which requires every National Government entity to establish an Audit Committee to provide oversight over management activities.

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

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

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

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

to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the 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 Department's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the State Department to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the State Department to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

**Nairobi**

**27 October, 2020**



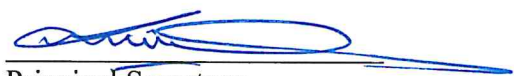



**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

**V. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2018-2019	2017-2018
		Kshs	Kshs
<b>RECEIPTS</b>			
Proceeds from Domestic and Foreign Grants	1	7,541,418	7,755,094
Exchequer releases	2	895,919,570	1,514,070,071
<b>TOTAL RECEIPTS</b>		<b>903,460,988</b>	<b>1,521,825,165</b>
<b>PAYMENTS</b>			
Compensation of Employees	3	271,709,994	184,935,022
Use of goods and services	4	600,432,274	265,907,369
Transfers to Other Government Units	5	-	87,045,771
Other grants and transfers	6	-	976,650,000
Social Security Benefits	7	-	3,840,804
Acquisition of Assets	8	29,915,208	2,947,825
<b>TOTAL PAYMENTS</b>		<b>902,057,476</b>	<b>1,521,326,791</b>
<b>SURPLUS/DEFICIT</b>		<b>1,403,512</b>	<b>498,374</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 30/09/ 2019 and signed by:

  
Principal Secretary  
Name: Margaret W. Mwakima PhD,CBS

  
Assistant Accountant General  
Name: Maureen Oganga  
ICPAK Member Number: 6763

MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT  
STATE DEPARTMENT OF EAST AFRICAN COMMUNITY  
Reports and Financial Statements  
For the year ended June 30, 2019

VI. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019	2017-2018
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	9A	1,145,957	6,513,122
Cash Balances	9B	560,633	292,633
<b>Total Cash and cash equivalent</b>		<b>1,706,590</b>	<b>6,805,755</b>
Accounts receivables – Outstanding Imprests & Salary Ad	10	454,188	822,405
<b>TOTAL FINANCIAL ASSETS</b>		<b>2,160,778</b>	<b>7,628,160</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables – Deposits and retentions	11	5,000	6,460,268
<b>NET FINANCIAL ASSETS</b>		<b>2,155,778</b>	<b>1,167,892</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	12	1,167,892	12,825,102
Prior year adjustment	13	(415,626)	(12,155,584)
Surplus/Deficit for the year		1,403,512	498,374
<b>NET FINANCIAL POSITION</b>		<b>2,155,778</b>	<b>1,167,892</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 30/09/ 2019 and signed by:



Principal Secretary

Name: Margaret W. Mwakima PhD,CBS



Assistant Accountant General

Name: Maureen Oganga

ICPAK Member Number: 6763





**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
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**VII. STATEMENT OF CASH FLOWS**

		2018-2019	2017-2018
		Kshs	Kshs
<b>Receipts for operating income</b>			
Proceeds from Domestic and Foreign Grants	1	7,541,418	7,755,094
Exchequer Releases	2	895,919,570	1,514,070,071
<b>Payments for operating expenses</b>			
Compensation of Employees	3	271,709,994	184,935,022
Use of goods and services	4	600,432,274	265,907,369
Transfers to Other Government Units	5	-	87,045,771
Other grants and transfers	6	-	976,650,000
Social Security Benefits	7	-	3,840,804
		<b>872,142,268</b>	<b>1,518,378,966</b>
<b>Adjusted for:</b>			
<b>Changes in Receivables</b>		(368,217)	930,361
<b>Changes in Payables</b>		(6,455,268)	4,205,253
Adjustments during the year		(415,626)	(12,155,584)
<b>Net cash flow from operating activities</b>		<b>24,816,043</b>	<b>(11,984,277)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	8	29,915,208	2,947,825
<b>Net cash flows from Investing Activities</b>		<b>29,915,208</b>	<b>2,947,825</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>5,099,165</b>	<b>(14,932,101)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>6,805,755</b>	<b>21,737,857</b>
<b>Cash and cash equivalent at END of the year</b>		<b>1,706,591</b>	<b>6,805,755</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 30/09/2019 and signed by:

  
Principal Secretary  
Name: Margaret W. Mwakima PhD, CBS


  
Assistant Accountant General  
Name: Maureen Oganga  
ICPAK Member Number: 6763

**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
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**VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
<b>RECEIPTS</b>						
Proceeds from Domestic and Foreign Grants	65,000,000	(48,750,000)	16,250,000	7,541,418	8,708,582	46%
Exchequer releases	553,084,969	342,834,782	895,919,751	895,919,570	181	100%
<b>TOTAL RECEIPTS</b>	<b>618,084,969</b>	<b>294,084,782</b>	<b>912,169,751</b>	<b>903,460,988</b>	<b>8,708,763</b>	
<b>PAYMENTS</b>						
Compensation of Employees	175,500,000	97,134,814	272,634,814	271,709,994	924,820	99.6%
Use of goods and services	209,887,118	398,542,086	608,429,205	600,432,274	7,996,931	98.7%
Acquisition of Assets	14,655,366	16,450,366	31,105,732	29,915,208	1,190,524	96.2%
<b>TOTAL PAYMENTS</b>	<b>400,042,484</b>	<b>512,127,266</b>	<b>912,169,751</b>	<b>902,057,474</b>	<b>10,112,275</b>	<b>98.9%</b>
<b>Surplus/ Deficit</b>	<b>218,042,485</b>	<b>-218,042,484</b>	<b>-</b>	<b>1,403,512</b>	<b>1,403,512</b>	

(a.) The entity financial statements were approved on 30/09/ 2019 and signed by:

  
Principal Secretary

Name: Margaret W. Mwakima PhD,CBS

  
Assistant Accountant General

Name: Maureen Oganga

ICPAK Member Number: 6763

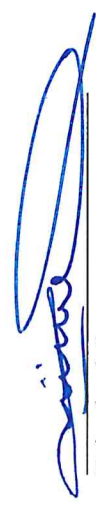


Reports and Financial Statements  
For the year ended June 30, 2019

IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
<b>RECEIPTS</b>						
Exchequer releases	553,084,969	342,834,782	895,919,751	895,919,570	181	100%
<b>TOTAL RECEIPTS</b>	<b>553,084,969</b>	<b>342,834,782</b>	<b>895,919,751</b>	<b>895,919,570</b>	<b>181</b>	<b>100%</b>
<b>PAYMENTS</b>						
Compensation of Employees	175,500,000	97,134,814	272,634,814	271,709,994	924,820	99.6%
Use of goods and services	158,887,118	439,087,086	597,974,205	598,040,420	66,215	99.8%
Acquisition of Assets	655,366	24,655,366	25,310,732	24,765,644	545,088	97.8%
<b>TOTAL PAYMENTS</b>	<b>335,042,484</b>	<b>560,877,266</b>	<b>895,919,751</b>	<b>894,516,057</b>	<b>1,403,694</b>	<b>99.8%</b>
<b>Surplus/Deficit</b>			-	<b>1,403,512</b>		

The entity financial statements were approved on 30/09/2019 and signed by:



Principal Secretary  
Name: Margaret W. Mwakima PhD,CBS



Assistant Accountant General  
Name: Maureen Oganga  
ICPAK Member Number: 6763



**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

**X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
<b>RECEIPTS</b>						
Proceeds from Domestic and Foreign Grants	65,000,000	(48,750,000)	16,250,000	7,541,418	8,708,582	46%
<b>TOTAL RECEIPTS</b>	<b>65,000,000</b>	<b>(48,750,000)</b>	<b>16,250,000</b>	<b>7,541,418</b>	<b>8,708,582</b>	<b>46%</b>
<b>PAYMENTS</b>						
Use of goods and services	51,000,000	(40,545,000)	10,455,000	2,391,854	8,063,146	22%
Acquisition of Assets	14,000,000	(8,205,000)	5,795,000	5,149,564	645,436	88%
<b>TOTAL PAYMENTS</b>	<b>65,000,000</b>	<b>(48,750,000)</b>	<b>16,250,000</b>	<b>7,541,418</b>	<b>8,708,582</b>	<b>46%</b>
<b>Surplus/Deficit</b>						

**Notes**

The expenditure under-absorption was occasioned by the following;


1. TMEA supports multiple projects in Kenya including the KPA Mombasa Port Infrastructure upgrade, One Stop Border Posts and Integrated customs Management System (ICMS) under the Kenya Revenue Authority.
2. TMEA resolved administratively to prioritize financing of the Infrastructure projects and imposed austerity measures on the soft projects that agencies such as our State Department implements, thus leading to under absorption.

(a) The entity financial statements were approved on 30/09/2019 and signed by:



Principal Secretary

Name: Margaret W. Mwakima PhD,CBS



Assistant Accountant General

Name: Maureen Oganga

ICPAK Member Number: 6763

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## XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019 Kshs	Adjustments Kshs	Final Budget 2019 Kshs	Actual on comparable basis Date, 2019 Kshs	Budget utilization difference Kshs
Programme 1					
East African Customs Union	223,239,581	-	223,239,581	223,212,043	27,537
East African Common Market	655,743,842	-	655,743,842	654,378,258	1,365,583
EAC Monetary Union	33,186,328	-	33,186,328	24,467,173	8,719,154
<b>Grand Total</b>	<b>912,169,751</b>	<b>-</b>	<b>912,169,751</b>	<b>902,057,475</b>	<b>10,112,275</b>



## **XII. SIGNIFICANT ACCOUNTING POLICIES**

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

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

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts.

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

- **Tax Receipts**

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

- **Transfers from the Exchequer**

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



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- **External Assistance**

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

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

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

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

- **Other receipts**

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

**b) Recognition of payments**

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

- **Compensation of Employees**

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

- **Use of Goods and Services**

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

- **Interest on Borrowing**

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

- **Repayment of Borrowing (Principal Amount)**

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

- **Acquisition of Fixed Assets**

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

A fixed asset register is maintained by each public entity and a summary provided for

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purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

**5. In-kind contributions**

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

**6. Third Party Payments**

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

**7. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

**Restriction on Cash**

Restricted cash represents amounts that are limited/ restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2019, this amounted to **Kshs 5,000** compared to **Kshs 6,460,268** in prior period as indicated on note 11.

There were no other restrictions on cash during the year.

**8. Accounts Receivable**

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

**9. Accounts Payable**

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

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**10. Pending Bills**

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

**11. Budget**

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

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

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

**12. Comparative Figures**

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

**13. Subsequent Events**

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

**14. Errors**

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

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

**15. Related Party Transactions**

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



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**XIII. NOTES TO THE FINANCIAL STATEMENTS**

**1 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

	Name of Donor	Date received	Indicate whether it was a direct payment	Amount in foreign currency	2018 -2019 Kshs	2017 -2018 Kshs
	<b>Grants Received from Bilateral Donors (Foreign Governments)</b>					
	Trade Mark East Africa	-	-	-	7,541,418	7,755,094
	<b>Grants Received from Multilateral Donors (International Organisations)</b>	-	-	-	-	-
					<b>7,541,418</b>	<b>7,755,094</b>

**2 EXCHEQUER RELEASES**

Description	20 18-20 19 Kshs	20 17 -20 18 Kshs
Total Exchequer Releases for quarter 1	103,707,870	76,923,171
Total Exchequer Releases for quarter 2	196,514,600	608,151,500
Total Exchequer Releases for quarter 3	140,058,000	619,500,000
Total Exchequer Releases for quarter 4	455,639,100	209,495,400
<b>Total</b>	<b>895,919,570</b>	<b>1,514,070,071</b>

*(Total amount of budgeted exchequer as per the approved estimates for the financial year amounted to Kshs.895, 919,751 against the total exchequer received of Kshs. 895,919,570 resulting to a difference/shortfall of Kshs. 181).*

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**3 COMPENSATION OF EMPLOYEES**

	2018 -2019	2017 -2018
	Kshs	Kshs
Basic salaries of permanent employees	153,747,825	133,822,569
Basic wages of temporary employees	-	-
Personal allowances paid as part of salary	117,962,169	51,112,453
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
<b>Total</b>	<b>271,709,994</b>	<b>184,935,022</b>

**4 USE OF GOODS AND SERVICES**

	2018 -2019	2017 -2018
	Kshs	Kshs
Utilities, supplies and services	3,598,779	-
Communication, supplies and services	15,304,375	5,869,929
Domestic travel and subsistence	87,137,594	41,369,922
Foreign travel and subsistence	120,673,086	96,694,284
Printing, advertising and information supplies & services	21,538,462	4,631,915
Rentals of produced assets	86,437,269	45,746,267
Training expenses	11,669,016	6,777,089
Hospitality supplies and services	35,901,915	34,525,995
Specialized materials and services	1,823,710	1,469,045
Office and general supplies and services	13,686,563	6,434,098
Other operating expenses	176,535,868	7,290,625
Fuel, Oil and Lubricants	11,837,468	6,449,767
Routine maintenance – vehicles and other transport equipment	9,970,462	6,444,724
Routine maintenance – other assets	4,317,707	2,203,709
<b>Total</b>	<b>600,432,274</b>	<b>265,907,369</b>



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**5 GRANTS AND TRANSFERS TO OTHER GOVERNMENT ENTITIES**

Description	2018 -2019	2017 -2018
	Kshs	Kshs
Transfers to National Government entities (SCOA Codes 2630100, 2630200, 2640400, 2640500, 2649900, 2820100, 2820200, 2820300)		
<b>2630101</b>	-	87,045,771
<b>TOTAL</b>	-	<b>87,045,771</b>

The Kshs.87, 045,771 represents payment amount made to the EALA members for car Grants and other operations.

**6 OTHER GRANTS AND TRANSFERS**

Explanation	2018 -2019	2017 -2018
	Kshs	Kshs
Membership dues and subscriptions to international organizations	-	976,650,000
<b>Total</b>	-	<b>976,650,000</b>

Provided below are the beneficiaries of the other grants and transfers

NO.	Beneficiary	Item	Amount
1.	East African Community Secretariat	2620121	450,633,383
2.	East African Court of Justice	2620122	82,221,000
3.	Lake Victoria Fisheries Organisation	2620153	55,327,800
4.	East Africa Legislative Assembly (Parliament)	2620123	305,910,517
5.	Inter University Council of Africa (IUCEA)	2620214	82,557,300
	<b>TOTALS</b>		<b>976,650,000</b>

**7 SOCIAL SECURITY BENEFITS**

Explanation	2018 -2019	2017 -2018
	Kshs	Kshs
Government pension and retirement benefits	-	3,840,804
<b>Total</b>	-	<b>3,840,804</b>

*The above social security benefit relates to payment of service gratuity for the Principal Secretary who was leaving the State Department. The tax component was paid to Kenya Revenue Authority.*



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**8 ACQUISITION OF ASSETS**

<b>Non Financial Assets</b>	<b>2018 -2019</b>	<b>2017 -2018</b>
	<b>Kshs</b>	<b>Kshs</b>
Refurbishment of Buildings	6,912,689	-
Purchase of Vehicles and Other Transport Equipment	13,897,355	-
Overhaul of Vehicles and Other Transport Equipment	-	238,200
Purchase of Office Furniture and General Equipment	3,955,600	357,000
Research, Studies, Project Preparation, Design & Supervision	5,149,564	2,352,625
<b>Financial Assets</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>29,915,208</b>	<b>2,947,825</b>

*No financial Asset was purchased during the entire financial period*

**9A: BANK ACCOUNTS**

<b>Name of Bank, Account No. &amp; currency</b>	<b>Amount in bank account currency</b>	<b>Indicate whether recurrent, Development, deposit e.t.c</b>	<b>Exc rate (if in foreign currency)</b>	<b>2018 -2019</b>	<b>2017 -2018</b>
				<b>Kshs</b>	<b>Kshs</b>
<i>Recurrent A/C- 1000384778 Kshs.</i>	-	Recurrent	-	1,140,957	52,854
<i>Development A/C- 1000384786 Kshs.</i>	-	Development	-	-	-
<i>Deposit A/C- 1000384794 Kshs.</i>	-	Deposit	-	5,000	6,460,268
<b>Total</b>				<b>1,145,957</b>	<b>6,513,122</b>

**9B: CASH IN HAND**

	<b>2018 -2019</b>	<b>2017 -2018</b>
	<b>Kshs</b>	<b>Kshs</b>
Cash in Hand – Held in domestic currency	560,633	292,633
<b>Total</b>	<b>560,633</b>	<b>292,633</b>

Cash in hand has also been analyzed as follows:

	<b>2018 -2019</b>	<b>2017 -2018</b>
	<b>Kshs</b>	<b>Kshs</b>
Location 1(Cash office-headquarters)	560,633	292,633
<b>Total</b>	<b>560,633</b>	<b>292,633</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**10: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS AND SALARY ADVANCES**

Description	2018 -2019	2017 -2018
	Kshs	Kshs
Government Imprests	406,778	738,716
Salary advances	47,410	83,689
<b>Total</b>	<b>454,188</b>	<b>822,405</b>

*Included below is a breakdown of the outstanding imprests*

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
<b>2015/2016 b/f balances</b>				
Peter Kiplgat		174,836	-	174,836
Rehema Chemas		154,836	-	154,836
Joseph k. Kariuki		194,836	117,730	77,106
<b>2017/2018 balances</b>		-	-	-
<b>2018/2019 balances</b>		-	-	-
<b>Grand Total</b>				<b>406,778</b>

**11. ACCOUNTS PAYABLE**

Description	2018 -2019	2017 -2018
	Kshs	Kshs
Deposits	5,000	6,460,268
<b>Total</b>	<b>5,000</b>	<b>6,460,268</b>

*The Accounts payable represent balances in deposits for payments of activities that were implemented late towards end of the 2018/2019 financial year.*

**12. FUND BALANCE BROUGHT FORWARD**

Description	2018 -2019	2017 -2018
	Kshs	Kshs
Bank accounts	6,513,122	21,614,471
Cash in hand	292,633	123,386
Accounts Receivables	822,405	1,752,766
Accounts Payables	(6,460,268)	(10,665,521)
<b>Total</b>	<b>1,167,892</b>	<b>12,825,102</b>

*The Accounts payable are COMESA RIIP funds for implementation of work plan activities which were not done due to late receipt of the amounts.*



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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**13. PRIOR YEAR ADJUSTMENTS**

Description of the error	2018-2019	2017-2018
	Kshs	Kshs
Adjustments on bank account balances	-	(10,948,950)
Adjustments on cash in hand	-	-
Adjustments on payables	-	-
Adjustments on receivables	(415,626)	(1,206,634)
<b>Total</b>	<b>(415,626)</b>	<b>(12,155,584)</b>

*The prior year adjustments represent adjustments on bank balances transferred/ swept back to the exchequer and receivables balances cleared in the current 2018/2019 period, but relates to 2017/2018 financial period.*

**14. RELATED PARTY DISCLOSURES**

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

Related parties to the State Department of East Africa Community represent Key management personnel that include the Cabinet Secretary, Accounting Officer and the Chief Administrative Secretary.

**Related party transactions:**

	2018- 2019	2017- 2018
	Kshs	Kshs
<b>Key Management Compensation</b>		
Cabinet Secretary	14,688,000	5,464,286
Principal Secretary	9,182,256	11,614,799
Chief Administrative Secretary	10,220,640	3,260,372
<b>Transfers to related parties</b>		
Transfers to SCs and SAGAs (EALA)	-	87,045,771
<b>Total Transfers to related parties</b>	<b>-</b>	<b>87,045,771</b>
<b>Transfers from related parties</b>		
Transfers from the Exchequer	895,919,570	1,514,070,071
<b>Transfers from other MDAs</b>		
Ministry of Finance(COMESA RIIP funds)	15,000,000	15,000,000
Cabinet Office(Summit funds)	-	11,527,580
Ministry of Finance(RRI)	-	10,000,000
<b>Total Transfers from related parties</b>	<b>910,919,570</b>	<b>1,541,847,651</b>



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**15. OTHER IMPORTANT DISCLOSURES**

**15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

Description	2018 -2019	2017 -2018
	Kshs	Kshs
Supply of goods	1,325,632	37,346,235
Supply of services	17,355,941	51,730,047
	<b>18,681,573</b>	<b>89,076,282</b>

**15.2: PENDING STAFF PAYABLES (See Annex 2)**

	2018 -2019	2017 -2018
	Kshs	Kshs
Senior management	3,128,433	3,611,350
Middle management	1,296,770	858,747
Unionisable employees	943,342	1,421,609
	<b>5,368,545</b>	<b>5,891,706</b>

**15.3: OTHER PENDING PAYABLES (See Annex 3)**

	2018 -2019	2017 -2018
	Kshs	Kshs
Amounts due to third parties	<b>1,364,863.95</b>	<b>1,525,995.70</b>
Others ( <i>Grants</i> )	-	32,000,000.00
	<b>1,364,863.95</b>	<b>33,525,995.70</b>

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**16. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS: 2017/2018**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Arrears of Subscriptions to Inter University Council of East Africa	The National Treasury has transmitted all the allocated funds to IUCEA amounting to USD 787,302 in the Financial Year 2018/19. The outstanding arrears at the moment amounts to <b>USD 6,068</b> ; occasioned by exchange rate difference. The budget for Subscriptions to international organizations has been transferred to the national treasury including the arrears.	Accounts/ Finance departments	Resolved	


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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2	Payments for Services not rendered	Due to exigent factors beyond the control of the State Department, the meeting was cancelled when commitment to service providers had been made. The department was not able to communicate to the service provider earlier than 24hours as the regulations of the service provider states. The chronology of events leading to such expenditure is all explained as annexed. The Management will commit to prudent financial Management in relation to procurement of Air tickets	Procurement department	Not Resolved	
3	Somali IGAD peace Talks(pending claim)	It is true that the interest accrued on the pending claim totalling to kshs.20,991,905 had not been settled as at the time of Audit. We wish to state that the National Treasury have since provided funds to cater for the outstanding claim, and have since been paid to Solicitor General during 2018/2019 FY vide p/v no 006034	Legal/Finance Department	Resolved	



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4	Outstanding imprests	Imprests amounting to <b>Kshs. 524,508</b> were still outstanding as at the time of audit in April 2019; and pertains to officers attached to Ministries and State departments outside EAC. These imprests are still outstanding because of non-remittance of the recoveries to the state department. They have indeed been recovered by the respective state Departments. Follow ups are being made to ensure that these recoveries are remitted to the state department	Accounts Department	Not resolved	
5	Pending bills	Pending bills arose due to other external factors beyond the control of the state department as most activities of EAC fell towards the end of the year as per the calendar of activities. The said payments had funds and were even processed up to cash office level but later not paid due to lack of exchequer.	Procurement/Accounts Department	Resolved	

  
Principal Secretary  
Name: Margaret W. Mwakima PhD,CBS

  
Assistant Accountant General  
Name: Maureen Oganga  
ICPAK Member Number: 6763

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2019	Comments
	A	B	c	d=a-c		
<b>Construction of buildings</b>						
Sub-Total	-	-	-	-	-	-
<b>Construction of civil works</b>						
Sub-Total	-	-	-	-	-	-
<b>Supply of goods</b>						
1.Cltoco general suppliers 30 <sup>th</sup> June 2019	114,020	01/06/2019	-	-	114,020	Documentation not complete
2.Cltoco general suppliers 31 <sup>st</sup> May 2019	99,200	01/06/2019	-	-	99,200	Documentation not complete
3.Ngwomwa enterprises	387,500	01/06/2019	-	-	387,500	Documentation not complete
4.Thamani concierge	65,000	01/06/2019	-	-	65,000	Documentation not complete
5.Stagom Investments	48,180	01/06/2019	-	-	48,180	Documentation not complete
6.Irengo investment	396,000	01/06/2019	-	-	396,000	Returned Cheques
7.Life suppliers	215,732	01/06/2019	-	-	215,732	Returned Cheques
Sub-Total	1,325,632				1,325,632	
<b>Supply of services</b>						
1.Bewada enterprises	26,250	01/06/2019	-	-	26,250	Documentation not complete
2.Bewada enterprises	29,500	01/06/2019	-	-	29,500	Documentation not complete
3.Bewada enterprises	28,000	01/06/2019	-	-	28,000	Documentation not complete
4.Bewada enterprises	24,500	01/06/2019	-	-	24,500	Documentation not complete
5.Bewada enterprises	28,500	01/06/2019	-	-	28,500	Documentation not complete
6.Joto enterprises	68,730	01/06/2019	-	-	68,730	Documentation not complete
7.Joto enterprises	48,604	01/06/2019	-	-	48,604	Documentation not complete
8.Joto enterprises	24,012	01/06/2019	-	-	24,012	Documentation not complete



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9.Joto enterprises	30,566	01/06/2019	-	-	30,566	Documentation not complete
10.Bewada enterprises	28,072	01/06/2019	-	-	28,072	Documentation not complete
11.Bewada enterprises	14,500	01/06/2019	-	-	14,500	Documentation not complete
12.Bewada enterprises	18,500	01/06/2019	-	-	18,500	Documentation not complete
13.Cmc motors	22,991	01/06/2019	-	-	22,991	Documentation not complete
14.Jeb motors	28,800	01/06/2019	-	-	28,800	Documentation not complete
15.Jeb motors	29,600	01/06/2019	-	-	29,600	Documentation not complete
16.Jeb motors	29,100	01/06/2019	-	-	29,100	Documentation not complete
17.Joto enterprises	32,886	01/06/2019	-	-	32,886	Documentation not complete
18.Joto enterprises	32,828	01/06/2019	-	-	32,828	Documentation not complete
19.Joto enterprises	30,508	01/06/2019	-	-	30,508	Documentation not complete
20.Joto enterprises	29,696	01/06/2019	-	-	29,696	Documentation not complete
21.Jeb motors	29,700	01/06/2019	-	-	29,700	Documentation not complete
22.Joto enterprises	23,142	01/06/2019	-	-	23,142	Documentation not complete
23.Joto enterprises	22,156	01/06/2019	-	-	22,156	Documentation not complete
24.Joto enterprises	23,200	01/06/2019	-	-	23,200	Documentation not complete
25.Decasa hotel	41,654	01/06/2019	-	-	41,654	Documentation not complete
26.Decasa hotel	771,720	01/06/2019	-	-	771,720	Documentation not complete
27.Decasa hotel	8,260	01/06/2019	-	-	8,260	Documentation not complete
28.Decasa hotel	20,650	01/06/2019	-	-	20,650	Documentation not complete
29.Decasa hotel	32,450	01/06/2019	-	-	32,450	Documentation not complete
30.Decasa hotel	12,390	01/06/2019	-	-	12,390	Documentation not complete
31.Decasa hotel	4,602	01/06/2019	-	-	4,602	Documentation not complete
32.Decasa hotel	10,500	01/06/2019	-	-	10,500	Documentation not complete
33.Decasa hotel	11,505	01/06/2019	-	-	11,505	Documentation not complete
34.Jeb motors	29,800	01/06/2019	-	-	29,800	Documentation not complete
35.Dt dobie	291,566	01/06/2019	-	-	291,566	Documentation not complete



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36.Scarbex services	369,000	01/06/2019	-	-	369,000	Documentation not complete
37.Scarbex services	24,000	01/06/2019	-	-	24,000	Documentation not complete
38.Jeb motors	29,500	01/06/2019	-	-	29,500	Documentation not complete
39.Jeb motors	196,000	01/06/2019	-	-	196,000	Documentation not complete
40.Gina motors	37,584	01/06/2019	-	-	37,584	Documentation not complete
41.Cmc motors groups	92,547	01/06/2019	-	-	92,547	Documentation not complete
42.Stantech motors	31,900	01/06/2019	-	-	31,900	Documentation not complete
43.Bewada enterprises	29,500	01/06/2019	-	-	29,500	Documentation not complete
44.Toyota Kenya limited	14,800	01/06/2019	-	-	14,800	Documentation not complete
45.Toyota Kenya limited	183,282	01/06/2019	-	-	183,282	Documentation not complete
46.Toyota Kenya limited	32,582	01/06/2019	-	-	32,582	Documentation not complete
47.Jeb motors	28,100	01/06/2019	-	-	28,100	Documentation not complete
48.Jeb motors	29,800	01/06/2019	-	-	29,800	Documentation not complete
49.Jeb motors	26,700	01/06/2019	-	-	26,700	Documentation not complete
50.Jeb motors	26,400	01/06/2019	-	-	26,400	Documentation not complete
51.Geotide safaris ltd	62,600	01/06/2019	-	-	62,600	Documentation not complete
52.Geotide safaris ltd	90,000	01/06/2019	-	-	90,000	Documentation not complete
53.Geotide safaris ltd	73,200	01/06/2019	-	-	73,200	Documentation not complete
54.Primate tours ltd	150,800	01/06/2019	-	-	150,800	Documentation not complete
55.Primate tours ltd	104,400	01/06/2019	-	-	104,400	Documentation not complete
56.Primate tours ltd	69,400	01/06/2019	-	-	69,400	Documentation not complete
57.Primate tours ltd	58,900	01/06/2019	-	-	58,900	Documentation not complete
58.Primate tours ltd	177,800	01/06/2019	-	-	177,800	Documentation not complete
59.Primate tours ltd	73,800	01/06/2019	-	-	73,800	Documentation not complete
60.Primate tours ltd	257,700	01/06/2019	-	-	257,700	Documentation not complete
61.Air fares travel agency ltd	77,500	01/06/2019	-	-	77,500	Documentation not complete
62.Air fares travel agency ltd	9,500	01/06/2019	-	-	9,500	Documentation not complete



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63. Air fares travel agency ltd	78,520	01/06/2019	-	-	78,520	Documentation not complete
64. Air fares travel agency ltd	11,500	01/06/2019	-	-	11,500	Documentation not complete
65. Air fares travel agency ltd	15,700	01/06/2019	-	-	15,700	Documentation not complete
66. Air fares travel agency ltd	7,500	01/06/2019	-	-	7,500	Documentation not complete
67. Air fares travel agency ltd	417,000	01/06/2019	-	-	417,000	Documentation not complete
68. Air fares travel agency ltd	236,800	01/06/2019	-	-	236,800	Documentation not complete
69. Air fares travel agency ltd	79,500	01/06/2019	-	-	79,500	Documentation not complete
70. Air fares travel agency ltd	126,600	01/06/2019	-	-	126,600	Documentation not complete
71. Air fares travel agency ltd	101,460	01/06/2019	-	-	101,460	Documentation not complete
72. Air fares travel agency ltd	36,800	01/06/2019	-	-	36,800	Documentation not complete
73. Air fares travel agency ltd	87,700	01/06/2019	-	-	87,700	Documentation not complete
74. Air fares travel agency ltd	30,000	01/06/2019	-	-	30,000	Documentation not complete
75. Air fares travel agency ltd	102,085	01/06/2019	-	-	102,085	Documentation not complete
76. Air fares travel agency ltd	57,390	01/06/2019	-	-	57,390	Documentation not complete
77. Longrock tours & travel ltd	91,532	01/06/2019	-	-	91,532	Documentation not complete
78. Longrock tours & travel ltd	29,300	01/06/2019	-	-	29,300	Documentation not complete
79. Longrock tours & travel ltd	164,420	01/06/2019	-	-	164,420	Documentation not complete
80. Longrock tours & travel ltd	60,050	01/06/2019	-	-	60,050	Documentation not complete
81. Longrock tours & travel ltd	38,980	01/06/2019	-	-	38,980	Documentation not complete
82. Longrock tours & travel ltd	92,230	01/06/2019	-	-	92,230	Documentation not complete
83. Longrock tours & travel	113,918	01/06/2019	-	-	113,918	Documentation not complete
84. Longrock tours & travel	314,501	01/06/2019	-	-	314,501	Documentation not complete
85. Vercelli tours & travel	78,850	01/06/2019	-	-	78,850	Documentation not complete
86. Vercelli tours & travel	77,800	01/06/2019	-	-	77,800	Documentation not complete
87. Vercelli tours & travel	78,595	01/06/2019	-	-	78,595	Documentation not complete
88. Vercelli tours & travel	151,700	01/06/2019	-	-	151,700	Documentation not complete
89. Vercelli tours & travel	78,560	01/06/2019	-	-	78,560	Documentation not complete



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90. Vercelli tours & travel	136,350	01/06/2019	-	-	136,350	Documentation not complete
91. Angani tours	92,050	01/06/2019	-	-	92,050	Documentation not complete
92. Kenya Railways Staff R.B.S	2,949,928	01/06/2019	-	-	2,949,928	Documentation not complete
93. AIMAT Company Ltd	944,240	01/06/2019	-	-	944,240	Documentation not complete
Joto enterprises	364,000	01/06/2019	-	-	364,000	Documentation not complete
Jeb Motors	27,800	01/06/2019	-	-	27,800	Documentation not complete
Jeb Motors	29,500	01/06/2019	-	-	29,500	Documentation not complete
Jeb Motors	26,700	01/06/2019	-	-	26,700	Documentation not complete
Jeb Motors	28,400	01/06/2019	-	-	28,400	Documentation not complete
Jeb Motors	28,600	01/06/2019	-	-	28,600	Documentation not complete
Jeb Motors	28,600	01/06/2019	-	-	28,600	Documentation not complete
Jeb Motors	29,100	01/06/2019	-	-	29,100	Documentation not complete
Jeb Motors	29,200	01/06/2019	-	-	29,200	Documentation not complete
Joto enterprises	69,600	01/06/2019	-	-	69,600	Documentation not complete
Joto enterprises	34,985	01/06/2019	-	-	34,985	Documentation not complete
Jeb Motors	26,500	01/06/2019	-	-	26,500	Documentation not complete
Jeb Motors	28,300	01/06/2019	-	-	28,300	Documentation not complete
Jeb Motors	28,500	01/06/2019	-	-	28,500	Documentation not complete
Jeb Motors	29,500	01/06/2019	-	-	29,500	Documentation not complete
Jeb Motors	24,000	01/06/2019	-	-	24,000	Documentation not complete
Jeb Motors	27,100	01/06/2019	-	-	27,100	Documentation not complete
Jeb Motors	25,900	01/06/2019	-	-	25,900	Documentation not complete
Joto enterprises	26,100	01/06/2019	-	-	26,100	Documentation not complete
Joto enterprises	27,260	01/06/2019	-	-	27,260	Documentation not complete
Joto enterprises	29,850	01/06/2019	-	-	29,850	Documentation not complete
Joto enterprises	29,850	01/06/2019	-	-	29,850	Documentation not complete
Joto enterprises	28,000	01/06/2019	-	-	28,000	Documentation not complete



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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2019	Comments
Bewada enterprises	29,300	01/06/2019	-	-	29,300	Documentation not complete
Bewada enterprises	28,500	01/06/2019	-	-	28,500	Documentation not complete
Bewada enterprises	25,500	01/06/2019	-	-	25,500	Documentation not complete
Bewada enterprises	12,500	01/06/2019	-	-	12,500	Documentation not complete
Bewada enterprises	29,500	01/06/2019	-	-	29,500	Documentation not complete
RH devani	2,100,000	01/06/2019	-	-	2,100,000	Documentation not complete
Esami (Trapca)	2,765,250	01/06/2019			2,765,250	Returned Cheques
Kenya Power	180,404	01/06/2019			180,404	Returned Cheques
<b>Sub-Total</b>	<b>17,355,941</b>				<b>17,355,941</b>	
<b>Grand Total</b>	<b>18,681,573</b>				<b>18,681,573</b>	

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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2018	Comments
<b>Senior Management</b>		a	b	c	d=a-c		
1. John Mwendwa	P	939,626	June 2019	-	939,626	-	Insufficient Funds
2. Hezron Momanyi	Q	176,154	June 2019	-	176,154	-	Insufficient Funds
3. Hezron Momanyi	Q	111,269	June 2019	-	111,269	-	Insufficient Funds
4. Fredrick Gitahi	Q	145,323	June 2019	-	145,323	-	Insufficient Funds
5. Edward Owango	P	145,588	June 2019	-	145,588	-	Insufficient Funds
6. Solomon Odundo	S	52,500	June 2019	-	52,500	-	Insufficient Funds
7. Samwel Kahenu	S	56,000	June 2019	-	56,000	-	Insufficient Funds
8. Fredrick Gitahi	P	10,000	June 2019	-	10,000	-	Insufficient Funds
9. Nicholas Ndongi	V	52,500	June 2019	-	52,500	-	Insufficient Funds
10. Jane Njuguna	Q	63,000	June 2019	-	63,000	-	Insufficient Funds
11. Maina Kiondo	U	67,800	June 2019	-	67,800	-	Insufficient Funds
12. Mark Ogot	Q	98,653	June 2019	-	98,653	-	Insufficient Funds
13. Juma Wakhungu	P	42,000	June 2019	-	42,000	-	Insufficient Funds
14. Hillary Mwongera	T	56,000	June 2019	-	56,000	-	Insufficient Funds
15. Hillary Mwongera	Q	37,100	June 2019	-	37,100	-	Insufficient Funds
16. Flora Mutua	R	63,000	June 2019	-	63,000	-	Insufficient Funds
17. Raphael Kanothi	Q	38,000	June 2019	-	38,000	-	Insufficient Funds
18. Mark Ogot	V	14,000	June 2019	-	14,000	-	Insufficient Funds
19. James Wafula	Q	8,400	June 2019	-	8,400	-	Insufficient Funds
20. George Arogo	Q	10,120	June 2019	-	10,120	-	Insufficient Funds
21. Leonard Kwinga	P	56,000	June 2019	-	56,000	-	Insufficient Funds
22. Leonard Kwinga	R	63,000	June 2019	-	63,000	-	Insufficient Funds
23. Safin Muindi	P	42,000	June 2019	-	42,000	-	Insufficient Funds



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24. Kenneth Orina	R	63,000	June 2019	-	63,000	-	Insufficient Funds
25. James Munyu	V	63,000	June 2019	-	63,000	-	Insufficient Funds
26. Elkana Misiori	V	63,000	June 2019	-	63,000	-	Insufficient Funds
27. John Chelimo	Q	63,000	June 2019	-	63,000	-	Insufficient Funds
28. Leakey Ila	Q	56,000	June 2019	-	56,000	-	Insufficient Funds
29. Stephen Ivai	P	50,400	June 2019	-	50,400	-	Insufficient Funds
30. Soita Wafuke	P	50,400	June 2019	-	50,400	-	Insufficient Funds
31. Maina Kiando	P	50,400	June 2019	-	50,400	-	Insufficient Funds
32. Maina Kiando	P	63,000	June 2019	-	63,000	-	Insufficient Funds
33. Juma Wakhungu	Q	65,000	June 2019	-	65,000	-	Insufficient Funds
34. Wanjiku Manyatta	R	63,000	June 2019	-	63,000	-	Insufficient Funds
35. Wanjiku Manyatta	P	33,600	June 2019	-	33,600	-	Insufficient Funds
36. Edmond Wandera	R	8,400	June 2019	-	8,400	-	Insufficient Funds
37. Lincoln Ngugi	P	25,200	June 2019	-	25,200	-	Invalid Bank Details
38. Maina Weru	P	63,000	June 2019	-	63,000	-	Invalid Bank Details
<b>Sub-Total</b>		<b>3,128,433</b>		<b>-</b>	<b>3,128,433</b>	<b>-</b>	
<b>Middle Management</b>							
39. James Mugere	K	341,784	June 2019	-	341,784	-	Insufficient Funds
40. Agnes Mkalla	M	48,600	June 2019	-	48,600	-	Insufficient Funds
41. Margaret Mainda	K	48,600	June 2019	-	48,600	-	Insufficient Funds
42. Lawrence Nyanja	M	56,000	June 2019	-	56,000	-	Insufficient Funds
43. Jacklyne Munyiva	M	77,200	June 2019	-	77,200	-	Insufficient Funds
44. Jairo Kamanda	K	92,342	June 2019	-	92,342	-	Insufficient Funds
45. Lawrence Nyanja	M	44,800	June 2019	-	44,800	-	Insufficient Funds
46. Loise Patita	M	56,000	June 2019	-	56,000	-	Insufficient Funds
47. Dinah Jepkoei	M	77,200	June 2019	-	77,200	-	Insufficient Funds
48. Alice Muten	M	57,000	June 2019	-	57,000	-	Insufficient Funds

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49. Peter Kiguta	K	67,200	June 2019	-	67,200	-	Insufficient Funds
50. Sally Michemi	M	10,000	June 2019	-	10,000	-	Insufficient Funds
51. Everlyne Akendow	M	30,000	June 2019	-	30,000	-	Insufficient Funds
52. Joseph Mburu	M	8,400	June 2019	-	8,400	-	Insufficient Funds
53. Mary Ngugi	K	42,000	June 2019	-	42,000	-	Insufficient Funds
54. Joyce Omariba	K	49,100	June 2019	-	49,100	-	Insufficient Funds
55. Monica Memai	K	28,000	June 2019	-	28,000	-	Insufficient Funds
56. Lucy Mwangi	L	10,000	June 2019	-	10,000	-	Insufficient Funds
57. Evelyn Akendow	J	30,000	June 2019	-	30,000	-	Insufficient Funds
58. Dinah Jekogei	N	29,544	June 2019	-	29,544	-	Insufficient Funds
59. Joyce Omariba	L	16,000	June 2019	-	16,000	-	Insufficient Funds
60. Selerine Sheshe	K	6,000	June 2019	-	6,000	-	Insufficient Funds
61. Jane Nyakundi	N	5,000	June 2019	-	5,000	-	Insufficient Funds
62. Jane Nyakundi	N	5,000	June 2019	-	5,000	-	Insufficient Funds
63. Mary Ngugi	L	10,000	June 2019	-	10,000	-	Insufficient Funds
64. Agnes Mkalla	K	6,000	June 2019	-	6,000	-	Insufficient Funds
65. Jayne Muchemi	K	15,000	June 2019	-	15,000	-	Insufficient Funds
66. Evelyn Akendow	L	30,000	June 2019	-	30,000	-	Insufficient Funds
<b>Sub-Total</b>		<b>1,296,770</b>			<b>1,296,770</b>		
<b>Unionisable Employees</b>							
67. Yuvinalis Onkangi	H	134,903	June 2019	-	134,903	-	Insufficient Funds
68. Anthony Mwangi	H	37,700	June 2019	-	37,700	-	Insufficient Funds
69. Ishmael Shabura	H	16,800	June 2019	-	16,800	-	Insufficient Funds
70. Henry Onyari	F	40,200	June 2019	-	40,200	-	Insufficient Funds
71. William Rono	F	38,900	June 2019	-	38,900	-	Insufficient Funds
72. Julius Rotich	L	57,800	June 2019	-	57,800	-	Insufficient Funds
73. Peter Cheruiyot	F	41,400	June 2019	-	41,400	-	Insufficient Funds



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74. Jackline Kanini	L	54,500	June 2019	-	54,500	-	Insufficient Funds
75. John Kihuha	F	39,400	June 2019	-	39,400	-	Insufficient Funds
76. Michael Mbugua	H	51,500	June 2019	-	51,500	-	Insufficient Funds
77. Ruth Omom	G	20,000	June 2019	-	20,000	-	Insufficient Funds
78. John Kihuha	J	51,500	June 2019	-	51,500	-	Insufficient Funds
79. Sammy Mbiti	J	21,000	June 2019	-	21,000	-	Insufficient Funds
80. Brenda Musalia	J	6,000	June 2019	-	6,000	-	Insufficient Funds
81. Brenda Musalia	F	6,000	June 2019	-	6,000	-	Insufficient Funds
82. Antony Akama	F	30,000	June 2019	-	30,000	-	Insufficient Funds
83. Henry Onyari	F	34,500	June 2019	-	34,500	-	Insufficient Funds
84. Julius Rotich	G	51,500	June 2019	-	51,500	-	Insufficient Funds
85. Ruth Omom	G	20,000	June 2019	-	20,000	-	Insufficient Funds
86. Salome Murugi	H	15,000	June 2019	-	15,000	-	Insufficient Funds
87. Sheila Koivet	K	6,000	June 2019	-	6,000	-	Insufficient Funds
88. Judith Kerubo	K	7,504	June 2019	-	7,504	-	Insufficient Funds
89. Margaret Mainda	K	12,000	June 2019	-	12,000	-	Insufficient Funds
90. Pauline Kituyi	G	49,650	June 2019	-	49,650	-	Insufficient Funds
91. Josephine Ndunda	M	8,000	June 2019	-	8,000	-	Insufficient Funds
92. Josephine Ndunda	G	8,000	June 2019	-	8,000	-	Insufficient Funds
93. James Omoke	G	8,000	June 2019	-	8,000	-	Insufficient Funds
94. Regina Njue	E	5,000	June 2019	-	5,000	-	Insufficient Funds
95. Agnes Kamau	G	6,000	June 2019	-	6,000	-	Insufficient Funds
96. Nancy Itugu	G	20,000	June 2019	-	20,000	-	Insufficient Funds
97. Nancy Itugu	G	20,000	June 2018	-	20,000	-	Insufficient Funds
98. Sammy Mbiti	F	17,000	June 2018	-	17,000	-	Insufficient Funds
99. Sammy Mbiti	F	45,200	June 2018	-	45,200	-	Insufficient Funds
100. Winnie Moraa	F	8,385	June 2018	-	8,385	-	Insufficient Funds

**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2018	Comments
Sub-Total		943,342			943,342		
Grand Total		5,368,545			5,368,545		



**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
		a	b	c	d=a-c		
<b>Amounts due to Third Parties</b>							
1. Harambee Sacco	Salary Deductions for 2018/2019 F/Y	532,569.20	July 2018	-	532,569.20	-	Internet Banking System challenge
2. Afya Sacco	Salary Deductions for 2018/2019 F/Y	19,316	August 2018	-	19,316	-	Internet Banking System challenge
3. Jogoo Sacco	Salary Deductions for 2018/2019 F/Y	31,815	August 2018	-	31,815	-	Internet Banking System challenge
4. Ukaguzi Sacco	Salary Deductions for 2018/2019 F/Y	78,634	Sep 2018	-	78,634	-	Internet Banking System challenge
5. Wanaanga Welfare	Salary Deductions for 2018/2019 F/Y	1,500	Sep 2018	-	1,500	-	Internet Banking System challenge
6. C/S Housing	Salary Deductions for 2018/2019 F/Y	29,212.50	Sep 2018	-	29,212.50	-	Internet Banking System challenge
7. Select Management	Salary Deductions for 2018/2019 F/Y	13,959	Sep 2018	-	13,959	-	Internet Banking System challenge
8. Energy Sacco		28,870			28,870		Internet Banking

**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
	Salary Deductions for 2018/2019 F/Y		Dec 2018	-		-	System challenge
9. MLWASA	Salary Deductions for 2018/2019 F/Y	23,592	Dec 2018	-	23,592	-	Internet Banking System challenge
10. P/S Housing	Salary Deductions for 2018/2019 F/Y	64,292.70	February 2019	-	64,292.70	-	Internet Banking System challenge
11. African Capital	Salary Deductions for 2018/2019 F/Y	13,230	March 2019	-	13,230	-	Incomplete Payee Details
12. CS Housing	Salary Deductions for 2018/2019 F/Y	35,212.50	March 2019	-	35,212.50	-	Internet Banking System challenge
13. Boresha Sacco	Salary Deductions for 2018/2019 F/Y	4,595	April 2019	-	4,595	-	Incomplete Payee Details
14. African Capital	Salary Deductions for 2018/2019 F/Y	13,230	April 2019	-	13,230	-	Incomplete Payee Details
15. Boresha Sacco	Salary Deductions for 2018/2019 F/Y	4,595	May 2019	-	4,595	-	Incomplete Payee Details
16. African Capital	Salary Deductions for 2018/2019 F/Y	13,230	May 2019	-	13,230	-	Incomplete Payee Details



**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
17. CS Housing Fund Mortgage	Salary Deductions for 2018/2019 F/Y	65,212.50	May 2019	-	65,212.50	-	Internet Banking System challenge
18. Jubilee Insurance	Salary Deductions for 2018/2019 F/Y	5,156.50	May 2019	-	5,156.50	-	Internet Banking System challenge
19. Boresha Sacco	Salary Deductions for 2018/2019 F/Y	31,595	June 2019	-	31,595	-	Incomplete Payee Details
20. Woodventure	Salary Deductions for 2018/2019 F/Y	13,230	June 2019	-	13,230	-	Internet Banking System challenge
21. Ukaguzi Sacco	Salary Deductions for 2018/2019 F/Y	65,212.50	June 2019	-	65,212.50	-	Internet Banking System challenge
22. Asili Sacco	Salary Deductions for 2018/2019 F/Y	10,442.05	June 2019	-	10,442.05	-	Internet Banking System challenge
23. Shirika Sacco	Salary Deductions for 2018/2019 F/Y	187,718.50	June 2019	-	187,718.50	-	Internet Banking System challenge
Sub-Total		1,364,863.95			1,364,863.95		
Others (specify)	-	-		-	-	-	
Sub-Total		1,364,863.95			1,364,863.95		
Grand Total		1,364,863.95			1,364,863.95		

**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost b/f (Kshs) 2017/2018	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2018/2019
Refurbishment of Buildings	-	6,912,689	-	6,912,689
Purchase of Vehicles and Other Transport Equipment	-	13,897,355	-	13,897,355
Transport equipment	2,232,646	-	-	2,232,646
Purchase of Office Furniture and General Equipment	□ -	3,955,600	-	3,955,600
Office equipment, furniture and fittings	2,743,320	-	-	2,743,320
Other Machinery and Equipment	39,050	-	-	39,050
Research, Studies, Project Preparation, Design & Supervision	4,352,625	5,149,564	-	9,502,189
<b>Total</b>	<b>9,396,212</b>	<b>29,915,208</b>	<b>-</b>	<b>39,282,849</b>

*The balance as at the end of the year is the cumulative cost of assets bought. Additions during the year ties to note. 8 on Acquisition of Assets during the year of Kshs. 29,915,208*

*Development Expenditure reflected above on the prefeasibility and appraisal studies is expenditure by TIMEA which is donor funded.*



**MINISTRY OF EAST AFRICAN COMMUNITY AND REGIONAL DEVELOPMENT**  
**STATE DEPARTMENT OF EAST AFRICAN COMMUNITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

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**ANNEX 5- REPORTS GENERATED FROM IFMIS**

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

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







### Trial Balance

Entity: 1221-State Department for East African Community

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To ADJ2-18

Account No and Description	Current Period		Previous period	
	Debit Kshs	Credit Kshs	Debit Kshs	Credit Kshs
1320102 Capital Grants from International Organizations	0.00	7,541,418.00	0.00	0.00
1320100 Grants from International Organizations - Cash through Exchequer	0.00	7,541,418.00	0.00	0.00
1320000 Grants from International Organisations	0.00	7,541,418.00	0.00	0.00
2110101 Basic Salaries - Civil Service	153,747,823.95	0.00	0.00	0.00
2110100 Basic Salaries - Permanent Employees	153,747,823.95	0.00	0.00	0.00
2110301 House Allowance	50,572,445.20	0.00	0.00	0.00
2110312 Responsibility Allowance	2,399,999.30	0.00	0.00	0.00
2110313 Entertainment Allowance	1,980,000.00	0.00	0.00	0.00
2110314 Transport Allowance	19,891,500.65	0.00	0.00	0.00
2110315 Extraneous Allowance	1,920,000.00	0.00	0.00	0.00
2110317 Domestic Servant Allowance	748,000.00	0.00	0.00	0.00
2110318 n Practising Allowance	480,000.00	0.00	0.00	0.00
2110320 Leave Allowance	2,370,223.95	0.00	0.00	0.00
2110327 Ministerial Allowance	3,600,000.00	0.00	0.00	0.00
2110336 Car Purchase Allowance	34,000,000.00	0.00	0.00	0.00
2110300 Personal Allowances paid as part of Salary	117,962,169.10	0.00	0.00	0.00
2110000 Wages and Salary Contributions	271,709,993.05	0.00	0.00	0.00
2210101 Electricity	3,598,779.40	0.00	0.00	0.00
2210100 Utilities, Supplies and Services	3,598,779.40	0.00	0.00	0.00
2210201 Telephone, Telex, Facsimile and Mobile Phone Services	10,911,992.35	0.00	0.00	0.00
2210202 Internet Connections	3,421,333.00	0.00	0.00	0.00
2210203 Courier & Postal Services	971,049.25	0.00	0.00	0.00
2210200 Communication, Supplies and Services	15,304,374.60	0.00	0.00	0.00
2210301 Travel Costs (airlines, bus, railway, mileage allowances, etc.)	30,122,847.00	0.00	0.00	0.00
2210302 Accommodation - Domestic Travel	47,468,415.00	0.00	0.00	0.00
2210303 Daily Subsistence Allowance	8,840,053.00	0.00	0.00	0.00
2210304 Sundry Items (e.g. airport tax, taxis, etc?)	706,279.00	0.00	0.00	0.00
2210300 Domestic Travel and Subsistence, and Other Transportation Costs	87,137,594.00	0.00	0.00	0.00
2210401 Travel Costs (airlines, bus, railway, etc.)	43,182,966.00	0.00	0.00	0.00
2210402 Accommodation	61,668,896.00	0.00	0.00	0.00
2210403 Daily Subsistence Allowance	14,661,588.00	0.00	0.00	0.00
2210404 Sundry Items (e.g. airport tax, taxis, etc?)	1,159,636.00	0.00	0.00	0.00
2210400 Foreign Travel and Subsistence, and other transportation costs	120,673,086.00	0.00	0.00	0.00
2210502 Publishing & Printing Services	12,082,081.20	0.00	0.00	0.00
2210503 Subscriptions to Newspapers, Magazines and Periodicals	3,615,803.00	0.00	0.00	0.00
2210505 Trade Shows and Exhibitions	5,840,577.50	0.00	0.00	0.00
2210500 Printing, Advertising and Information Supplies and Services	21,538,461.70	0.00	0.00	0.00
2210603 Rents and Rates - Non-Residential	84,365,169.00	0.00	0.00	0.00
2210604 Hire of Transport, Equipment	2,072,100.00	0.00	0.00	0.00
2210600 Rentals of Produced Assets	86,437,269.00	0.00	0.00	0.00
2210701 Travel Allowance	4,134,695.00	0.00	0.00	0.00
2210702 Remuneration of Instructors and Contract Based Training Services	98,784.00	0.00	0.00	0.00
2210704 Hire of Training Facilities and Equipment	63,000.00	0.00	0.00	0.00
2210706 Book Allowance	30,240.00	0.00	0.00	0.00
2210707 Project Allowance	49,996.00	0.00	0.00	0.00
2210710 Accommodation Allowance	367,120.00	0.00	0.00	0.00



Account No and Description	Current Period		Previous period	
	Debit	Credit	Debit	Credit
2210711 Tuition Fees Allowance	6,925,181.00	0.00	0.00	0.00
2210700 Training Expenses	11,669,016.00	0.00	0.00	0.00
2210801 Catering Services (receptions), Accommodation, Gifts, Food and Drinks	8,832,883.00	0.00	0.00	0.00
2210802 Boards, Committees, Conferences and Seminars	26,951,032.30	0.00	0.00	0.00
2210808 Purchase of Coffins	118,000.00	0.00	0.00	0.00
2210800 Hospitality Supplies and Servi	35,901,915.30	0.00	0.00	0.00
2211001 Medical Drugs	462,708.00	0.00	0.00	0.00
2211009 Education and Library Supplies	197,910.00	0.00	0.00	0.00
2211016 Purchase of Uniforms and Clothing - Staff	1,163,092.00	0.00	0.00	0.00
2211000 Specialised Materials and Supp	1,823,710.00	0.00	0.00	0.00
2211101 General Office Supplies (papers, pencils, forms, small office equipment etc)	9,587,484.65	0.00	0.00	0.00
2211102 Supplies and Accessories for Computers and Printers	4,099,078.80	0.00	0.00	0.00
2211100 Office and General Supplies and Services	13,686,563.45	0.00	0.00	0.00
2211201 Refined Fuels and Lubricants for Transport	11,837,468.00	0.00	0.00	0.00
2211200 Fuel Oil and Lubricants	11,837,468.00	0.00	0.00	0.00
2211305 Contracted Guards and Cleaning Services	7,907,890.20	0.00	0.00	0.00
2211306 Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	639,100.00	0.00	0.00	0.00
2211308 Legal Dues/fees, Arbitration and Compensation Payments	20,991,905.00	0.00	0.00	0.00
2211310 Contracted Professional Services	146,996,972.40	0.00	0.00	0.00
2211300 Other Operating Expenses	176,535,867.60	0.00	0.00	0.00
2210000 Goods and Services	586,144,105.05	0.00	0.00	0.00
2220101 Maintenance Expenses - Motor Vehicles	9,970,462.30	0.00	0.00	0.00
2220100 Routine Maintenance - Vehicles	9,970,462.30	0.00	0.00	0.00
2220202 Maintenance of Office Furniture and Equipment	3,444,681.00	0.00	0.00	0.00
2220210 Maintenance of Computers, Software, and Networks	873,026.00	0.00	0.00	0.00
2220200 Routine Maintenance - Other Assets	4,317,707.00	0.00	0.00	0.00
2220000 Routine Maintenance	14,288,169.30	0.00	0.00	0.00
3110302 Refurbishment of Non-Residential Buildings	6,912,688.80	0.00	0.00	0.00
3110300 Refurbishment of Buildings	6,912,688.80	0.00	0.00	0.00
3110701 Purchase of Motor Vehicles	13,897,355.00	0.00	0.00	0.00
3110700 Purchase of Vehicles and Other Transport Equipment	13,897,355.00	0.00	0.00	0.00
3111001 Purchase of Office Furniture and Fittings	3,955,600.00	0.00	0.00	0.00
3111000 Purchase of Office Furniture and General Equipment	3,955,600.00	0.00	0.00	0.00
3111499 Research, Feasibility Studies	5,149,564.00	0.00	0.00	0.00
3111400 Research, Feasibility Studies, Project Preparation and Design, Project Supervision	5,149,564.00	0.00	0.00	0.00
3110000 Acquisition of Fixed Capital Assets	29,915,207.80	0.00	0.00	0.00
6530101 Ministry HQ Recurrent Bank A/C	1,140,957.00	0.00	0.00	0.00
6530100 Recurrent Bank Accounts	1,140,957.00	0.00	0.00	0.00
6530000 Recurrent Bank Accounts	1,140,957.00	0.00	0.00	0.00
6550101 Ministry HQ Deposit Bank A/C	5,000.00	0.00	0.00	0.00
6550100 Deposit Bank Accounts	5,000.00	0.00	0.00	0.00
6550000 Deposit Bank Account	5,000.00	0.00	0.00	0.00
6580101 Cash	560,633.00	0.00	0.00	0.00
6580104 Cash in Transit	0.00	0.00	0.00	0.00
6580100 Cash in Hand	560,633.00	0.00	0.00	0.00
6580000 Cash in Hand	560,633.00	0.00	0.00	0.00
6710103 Salary advance	47,410.00	0.00	0.00	0.00
6710100 Debtors & Advances - Employees	47,410.00	0.00	0.00	0.00
6710000 Domestic Debtors & Advances	47,410.00	0.00	0.00	0.00
6740101 Prepayment	0.00	0.00	0.00	0.00
6740102 R/D Cheques	0.00	345,487.20	0.00	0.00



Account No and Description	Current Period		Previous period	
	Debit	Credit	Debit	Credit
6740100 Other Debtors & Pre-payments	0.00	345,487.20	0.00	0.00
6740000 Other Debtors & Pre-payments	0.00	345,487.20	0.00	0.00
6760101 Standing Imprests	0.00	0.00	0.00	0.00
6760103 Temporary Imprests	0.00	0.00	0.00	0.00
6760100 Imprests	0.00	0.00	0.00	0.00
6760000 Government Imprests	0.00	0.00	0.00	0.00
6780110 Imprest Cash 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	0.00	0.00	0.00	0.00
7310101 General Deposits	0.00	5,000.00	0.00	0.00
7310100 General Deposits Items	0.00	5,000.00	0.00	0.00
7310000 Deposits	0.00	5,000.00	0.00	0.00
7320101 PAYE	0.00	0.00	0.00	0.00
7320102 NHIF	0.00	0.00	0.00	0.00
7320103 House Rent	0.00	0.00	0.00	0.00
7320106 NSSF	0.00	0.00	0.00	0.00
7320107 Co-operatives	0.00	0.00	0.00	0.00
7320108 Insurances	0.00	0.00	0.00	0.00
7320109 Hire Purchases	0.00	0.00	0.00	0.00
7320111 WCPS	0.00	0.00	0.00	0.00
7320112 Staff Welfare Associations	0.00	0.00	0.00	0.00
7320113 HELB Deductions	0.00	0.00	0.00	0.00
7320115 Save As You Earn (SAYE)	0.00	0.00	0.00	0.00
7320116 Mortgages / Bank Loans	0.00	0.00	0.00	0.00
7320199 Salary Control Account	0.00	0.00	0.00	0.00
7320100 Salary Deductions	0.00	0.00	0.00	0.00
7320000 Other Liabilities	0.00	0.00	0.00	0.00
7380101 General Withholding Tax	0.00	0.00	0.00	0.00
7380102 VAT Withholding	0.00	0.00	0.00	0.00
7380100	0.00	0.00	0.00	0.00
7380000 Withholding Taxes	0.00	0.00	0.00	0.00
7390103 AP Liabilities	0.00	0.00	0.00	0.00
7390100 System Required Liabilities	0.00	0.00	0.00	0.00
7399999 Cash Clearing A/c	0.00	0.00	0.00	0.00
7399900	0.00	0.00	0.00	0.00
7390000 System Required Liabilities A/cs	0.00	0.00	0.00	0.00
9910101 Provision for Encumbrance	0.00	0.00	0.00	0.00
9910100 General Provisions	0.00	0.00	0.00	0.00
9910201 Exchequer Releases/ Provisioning Account	0.00	895,919,570.00	0.00	0.00
9910200 Exchequer Provisions	0.00	895,919,570.00	0.00	0.00
9910000 Provisions	0.00	895,919,570.00	0.00	0.00
<b>Total</b>	<b>903,811,475.20</b>	<b>903,811,475.20</b>	<b>0.00</b>	<b>0.00</b>

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

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

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

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

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

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

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

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MINISTRY OF EAST AFRICAN INTEGRATION (EAC), LABOUR AND SOCIAL PROTECTION  
STATE DEPARTMENT OF EAC INTEGRATION

BANK RECONCILIATION AS AT 30.06.2019  
SDEAC DEPOSIT 1221

BANK: CENTRAL BANK OF KENYA

AC/NO - 1000384794	AMOUNT	AMOUNT
	kshs	
Balance as per Bank Certificate.....		1,143,136.00
Less.....		
1. Payments in the Cash Book not yet recorded in the Bank Statement (Unpresented Cheques).....	1,138,136.00	
2. Receipts in the Bank Statements not yet recorded in Cash Book.....	-	1,138,136.00
Add.....		
3. Payments in the Bank Statement Not yet recorded in the Cash Book.....	-	
4. Receipts in the Cash Book not yet recorded in the Bank Statement.....	-	-

BANK BALANCE AS PER CASH BOOK .....

5,000.00

5,000.00

I certify that I have verified the Bank Balance in the Cash Book with the  
the Bank Statement and that the above Reconciliation is correct.

Prepared by:

Signature.....

Date..... 22.07.2019

Checked by:

Signature.....

Date..... 22.07.2019





MINISTRY OF EAST AFRICAN INTEGRATION (EAC), LABOUR AND SOCIAL PROTECTION  
STATE DEPARTMENT OF EAC INTEGRATION

BANK RECONCILIATION AS AT 30.6.2019  
SDEAC RECURRENT 1221

BANK: CENTRAL BANK OF KENYA

AC/NO - 1000384773	AMOUNT	AMOUNT
	kshs	
Balance as per Bank Certificate.....		17,973,303.20
Less.....		
1. Payments in the Cash Book not yet recorded in the Bank Statement (Unpresented Cheques).....	244,089,152.30	
2. Receipts in the Bank Statements not yet recorded in Cash Book.....	-	244,089,152.30
Add.....		
3. Payments in the Bank Statement Not yet recorded in the Cash Book.....	-	
4. Receipts in the Cash Book not yet recorded in the Bank Statement.....	227,253,503.50	227,253,503.50

BANK BALANCE AS PER CASH BOOK ..... 1,140,957.40 1,140,957.40  
(0.00)

I certify that I have verified the Bank Balance in the Cash Book with the  
the Bank Statement and that the above Reconciliation is correct.

Prepared by:

Signature.....  
Checked by:

Date..... 22-07-2019

Signature.....

Date..... 22-07-2019





## REPUBLIC OF KENYA

Date

Report of the Board of Survey on the Cash and Bank Balances of STATE DEPARTMENT OF EAST AFRICAN COMMUNITY as at the close of business on 30TH JUNE, 2019

The Board, consisting of—(Names and official titles)

- |                      |                |                  |             |
|----------------------|----------------|------------------|-------------|
| 1. JOSEPH N. MUNGERE | ASST. DIRECTOR | -                | CHAIRMAN    |
| 2. JACOB YEGO        | -              | SNR. ICT OFFICER | - MEMBER    |
| 3. JOAN A. OCHIENG   | -              | PRINCIPAL ACC.   | - SECRETARY |

assembled at the office of STATE DEPARTMENT OF EAC, CO-OPERATIVE HOUSE

at 11.00 A.M. (time) on the 11TH JULY, 2019

and the following cash was produced:—

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

It was observed that cheques amounting to Sh. N/A cts. had been on hand for more than 14 days prior to the date of the survey.

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

The Cash Book reflected the following balances as at the close of business on the 30TH JUNE, 2019

Cash on hand	Sh.	-
Bank Balance	Sh.	5,000.00
		5,000.00

The Bank Certificate of Balance showed a sum of Sh. 1,143,136

cts. 00 (Sh. cts.)

standing to the credit of the account on 30TH JUNE, 2019

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

*Signature*

Chairman.

*Signature*

Members of the Board.

Date 11<sup>th</sup> JULY, 2019

**LIST OF CHEQUES INCLUDED AS PART OF CASH ON HAND**

[illegible]



REPUBLIC OF KENYA

Date.....

Report of the Board of Survey on the Cash and Bank Balances of STATE DEPARTMENT OF EAST AFRICAN COMMUNITY as at the close of business on 30TH JUNE, 2019.

The Board, consisting of—(Names and official titles)

- |                      |                    |             |
|----------------------|--------------------|-------------|
| 1. JOSEPH N. MUNGERE | - ASST. DIRECTOR   | - CHAIRMAN  |
| 2. JACOB K. YEGO     | - SNR. ICT OFFICER | - MEMBER    |
| 3. JOAN A. OCHIENG   | - PRINCIPAL ACC.   | - SECRETARY |

assembled at the office of STATE DEPARTMENT OF EAC, CO-OPERATIVE HOUSE at 11.00 A.M (time) on the 11TH JULY, 2019

and the following cash was produced:—

Notes	Sh. 560,600
Silver	Sh. 33
Copper	Sh. -
Cheques (as per details on reverse)	Sh. -
	<u>560,633.00</u>

It was observed that cheques amounting to Sh. N/A cts. had been on hand for more than 14 days prior to the date of the survey.

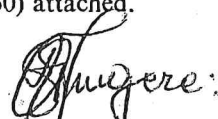
The cash consists of East African currency and does not contain any demonetized coin or notes.

The Cash Book reflected the following balances as at the close of business on the 30TH JUNE, 2019.

Cash on hand	Sh. 560,633.00
Bank Balance	Sh. 1,140,957.40
	<u>1,140,957.40</u>
	<u>1,701,590.40</u>

The Bank Certificate of Balance showed a sum of Sh. 17,976,606 cts. 00 (Sh. cts.). standing to the credit of the account on 30TH JUNE, 2019.

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



Chairman.



Members of the Board.

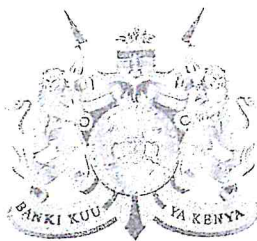
Date 11<sup>TH</sup> JULY, 2019

### LIST OF CHEQUES INCLUDED AS PART OF CASH ON HAND

[illegible]



BANKI  
KUU YA  
KENYA



CENTRAL  
BANK OF  
KENYA

Haile Selassie Avenue  
P.O. Box 60000 - 00200 Nairobi, Kenya  
Telephone: 2860000, Fax: 340192

5th July, 2019

## CERTIFICATE OF BALANCES

Customer : 138678  
Balance Date: 30-Jun-19

STATE DEPT FOR E.AFRICA COMMUNITY

Account No	Account Name	Currency	Balance
1000384778	REC-STATE DEPT FOR E.AFRICA COMM	KES	17,976,606.20
1000384786	DEV-STATE DEPT FOR E.AFRICA COMM	KES	0.00
1000384794	DEP-STATE DEPT FOR E.AFRICA COMM	KES	1,143,136.00
1000384808	CBKI 65-STATE DEPT FOR E.AFRICA COM	KES	0.00

L. K. RWERIA  
AUTHORISED SIGNATORY  
BANKING DIVISION

P. S. LENKUME  
AUTHORISED SIGNATORY  
BANKING DIVISION

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# STATEMENT OF RECEIPTS AND PAYMENTS

Entity: 1221-State Department for East African Community

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To JUN-18

	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	7,541,418.00	0.00
Exchequer releases	4	895,919,570.00	0.00
Transfers from Other Government Entities	5	0.00	0.00
Proceeds from Domestic Borrowings	6	0.00	0.00
Proceeds from Foreign Borrowings	7	0.00	0.00
Proceeds from Sales of Assets	8	0.00	0.00
Reimbursements and Refunds	9	0.00	0.00
Returns of Equity Holdings	10	0.00	0.00
Other Receipts	11	0.00	0.00
<b>TOTAL RECEIPTS</b>		<b>903,460,988.00</b>	<b>0.00</b>
<b>PAYMENTS</b>			
Compensation of Employees	12	271,709,993.05	0.00
Use of goods and Services	13	600,432,274.35	0.00
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	0.00	0.00
Other Grants and Transfers	16	0.00	0.00
Social Security Benefits	17	0.00	0.00
Acquisition of Assets	18	29,915,207.80	0.00
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>902,057,475.20</b>	<b>0.00</b>
<b>SURPLUS/DEFICIT</b>		<b>1,403,512.80</b>	<b>0.00</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: 1221-State Department for East African Community

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To JUN-18

	Note	Current Period	Previous Period
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	22A	1,145,957.00	0.00
Cash Balances	22B	560,633.00	0.00
<b>Total Cash And Cash Equivalents</b>		<b>1,706,590.00</b>	<b>0.00</b>
Accounts Receivables - Outstanding Imprest and Clearance Accounts	23	(298,077.20)	0.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,408,512.80</b>	<b>0.00</b>
<b>Financial Liabilities</b>			
Accounts Payables - Deposits	24	5,000.00	0.00
<b>NET FINANCIAL ASSETS</b>		<b>1,403,512.80</b>	<b>0.00</b>
<b>REPRESENTED BY</b>			
Fund Balance b/fwd	25	0.00	0.00
Prior Year Adjustment	26	0.00	0.00
Surplus/Deficit for the Year		1,403,512.80	0.00
<b>NET FINANCIAL POSITION</b>		<b>1,403,512.80</b>	<b>0.00</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: 1221-State Department for East African Community  
Current Period: JUL-18 To JUN-19  
Compare With: JUL-17 To JUN-18

	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	7,541,418.00	0.00
Exchequer releases	4	895,919,570.00	0.00
Transfers from Other Government Entities	5	0.00	0.00
Reimbursements and Refunds	9	0.00	0.00
Returns of Equity Holdings	10	0.00	0.00
Other Receipts	11	0.00	0.00
<b>Payments for Operating Expenses</b>			
Compensation of Employees	12	271,709,993.05	0.00
Use of goods and Services	13	600,432,274.35	0.00
Subsidies	14	0.00	0.00
Transfers to Other Government Units	15	0.00	0.00
Other Grants and Transfers	16	0.00	0.00
Social Security Benefits	17	0.00	0.00
Finance Costs, including Loan Interest	19	0.00	0.00
Other payments	21	0.00	0.00
<b>Adjusted for :</b>			
<b>Adjustments during the year</b>		303,077.20	0.00
<b>Prior year adjustments</b>		0.00	0.00
<b>Net Cash From Operating Activities</b>	A	31,621,797.80	0.00
<b>Cash Flow From Investing Activities</b>			
Proceeds from Sales of Assets	8	0.00	0.00
Acquisition of Assets	18	29,915,207.80	0.00
<b>Net Cash Flow From Investing Activities</b>	B	(29,915,207.80)	0.00
<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	1,706,590.00	0.00
<b>Cash and Cash Equivalent at BEGINNING of The Year</b>		0.00	0.00
<b>Cash and Cash Equivalent at END of The Year</b>	22A+22B	1,706,590.00	0.00

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: 1221-State Department for East African Community

Current Period: JUL-18 To JUN-19

Compare With: JUL-17 To JUN-18

### 1 Tax Receipts

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

### 2 Social Security Contribution

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

### 3 Proceeds from Domestic and Foreign Grants

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Grants from Foreign Governments	1310000	0.00	0.00
Grants from International Organisations	1320000	7,541,418.00	0.00
<b>TOTAL</b>		<b>7,541,418.00</b>	<b>0.00</b>

### 4 Exchequer releases

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Exchequer Releases/ Provisioning Account	9910201	895,919,570.00	0.00
<b>TOTAL</b>		<b>895,919,570.00</b>	<b>0.00</b>

### 5 Transfers from Other Government Entities

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

### 6 Proceeds from Domestic Borrowings

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

### 7 Proceeds from Foreign Borrowings



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

**8 Proceeds from Sales of Assets**

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

**9 Reimbursements and Refunds**

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

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

#### 10 Returns of Equity Holdings

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Returns of Equity Holdings	4550000	0.00	0.00
Returns of Equity Holdings	4610000	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

#### 11 Other Receipts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Interest Received	1410100	0.00	0.00
Profits and Dividends	1410200	0.00	0.00
Withdrawals from Income of Quasi-corporations	1410300	0.00	0.00
Rents on land, houses and buildings	1410400	0.00	0.00
Other Property Income collected as AIA	1410500	0.00	0.00
	1415000	0.00	0.00
Sales of Market Establishment	1420100	0.00	0.00
Administrative Fees and Charges	1420200	0.00	0.00
Administrative Fees and Charges collected as AIA	1420300	0.00	0.00
Incidental Sales by Non-Market Establishments	1420400	0.00	0.00
Incidental Sales by Non-Market Establishments Collected as AIA	1420500	0.00	0.00
Receipts from Sale of Incidental Goods	1420600	0.00	0.00
Fines, Penalties, Forfeitures and other Charges	1430100	0.00	0.00
Current Grants from International NGOs paid through Exchequer	1440100	0.00	0.00
Capital Grants from International NGOs paid through Exchequer	1440200	0.00	0.00
Current Grants from International NGOs collected as AIA	1440300	0.00	0.00
Capital Grants from International NGOs collected as AIA	1440400	0.00	0.00
Other Voluntary Transfers for Current purposes	1440500	0.00	0.00
Other Voluntary Transfers for Capital purposes	1440600	0.00	0.00
Paid to Exchequer	1450100	0.00	0.00
Receipts Not Classified Elsewhere	1450200	0.00	0.00
	1510200	0.00	0.00
	1510300	0.00	0.00
	1520100	0.00	0.00
Business Permits	1520200	0.00	0.00
Cesses	1520300	0.00	0.00
Poll Rates	1520400	0.00	0.00
Plot Rents	1520500	0.00	0.00
Other Local Levies	1520600	0.00	0.00
Administrative Services Fees	1530100	0.00	0.00
Various Fees	1530200	0.00	0.00
Council'S Natural Resources Exploitation	1530300	0.00	0.00
Sales Of Council Assets	1530400	0.00	0.00
Lease / Rental Of Council'S Infrastructure Assets	1530500	0.00	0.00
Other Miscellaneous Revenues	1530600	0.00	0.00
Other Miscellaneous Revenues	1540100	0.00	0.00
Insurance Claims Recovery	1540200	0.00	0.00
Medium Term Loans (1-3 Yr Repayment)	1540300	0.00	0.00
Long Term Loans (Over 3 Yr Rpayment)	1540400	0.00	0.00
Transfers From Reserve Funds	1540500	0.00	0.00
Donations	1540600	0.00	0.00
Fund Raising Events	1540700	0.00	0.00
Other Revenues From Financial Assets Loan	1540800	0.00	0.00
	1541000	0.00	0.00
Market/Trade Centre Fee	1550100	0.00	0.00
Vehicle Parking Fees	1550200	0.00	0.00
Housing	1560100	0.00	0.00
Social Premises Use Charges	1560200	0.00	0.00
School Fees	1570100	0.00	0.00
Other Education-Related Fees	1570200	0.00	0.00
Other Education Revenues	1570300	0.00	0.00
Public Health Services	1580100	0.00	0.00



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

## 12 Compensation of Employees

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Basic Salaries - Permanent Employees	2110100	153,747,823.95	0.00
Basic Wages - Temporary Employees	2110200	0.00	0.00
Personal Allowances paid as part of Salary	2110300	117,962,169.10	0.00
Personal Allowances paid as Reimbursements	2110400	0.00	0.00
Personal Allowances provided in Kind	2110500	0.00	0.00
Employer Contributions to Compulsory National Social Security Schemes	2120100	0.00	0.00
Employer Contributions to Compulsory Health Insurance Schemes	2120200	0.00	0.00
USE OF GOODS AND SERVICES	2120300	0.00	0.00
<b>TOTAL</b>		<b>271,709,993.05</b>	<b>0.00</b>

## 13 Use of goods and Services

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Utilities, Supplies and Services	2210100	3,598,779.40	0.00
Communication, Supplies and Services	2210200	15,304,374.60	0.00
Domestic Travel and Subsistence, and Other Transportation Costs	2210300	87,137,594.00	0.00
Foreign Travel and Subsistence, and other transportation costs	2210400	120,673,086.00	0.00
Printing , Advertising and Information Supplies and Services	2210500	21,538,461.70	0.00
Rentals of Produced Assets	2210600	86,437,269.00	0.00
Training Expenses	2210700	11,669,016.00	0.00
Hospitality Supplies and Servi	2210800	35,901,915.30	0.00
Insurance Costs	2210900	0.00	0.00
Specialised Materials and Supp	2211000	1,823,710.00	0.00
Office and General Supplies and Services	2211100	13,686,563.45	0.00
Fuel Oil and Lubricants	2211200	11,837,468.00	0.00
Other Operating Expenses	2211300	176,535,867.60	0.00
Routine Maintenance - Vehicles	2220100	9,970,462.30	0.00
Routine Maintenance - Other Assets	2220200	4,317,707.00	0.00
Exchange Rate Losses	2230100	0.00	0.00
<b>TOTAL</b>		<b>600,432,274.35</b>	<b>0.00</b>

## 14 Subsidies

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

## 15 Transfers to Other Government Units

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Current Grants to Government Agencies and other Levels of Government	2630100	0.00	0.00
Capital Grants to Government Agencies and other Levels of Government	2630200	0.00	0.00
Other Current Transfers, Grants and Subsidies	2640400	0.00	0.00
Other Capital Grants and Trans	2640500	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

## 16 Other Grants and Transfers



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

#### 17 Social Security Benefits

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Government Pension and Retirement Benefits	2710100	0.00	0.00
Social Security Benefits	2710200	0.00	0.00
Employer Social Benefits	2710300	0.00	0.00
Refund of Pension to UK Government	2720100	0.00	0.00
Refund of Contributions to WCPS and other Ex-Gratia	2720200	0.00	0.00
<b>TOTAL</b>		0.00	0.00

#### 18 Acquisition of Assets

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Purchase of Buildings	3110100	0.00	0.00
Construction of Building	3110200	0.00	0.00
Refurbishment of Buildings	3110300	6,912,688.80	0.00
Construction of Roads	3110400	0.00	0.00
Construction and Civil Works	3110500	0.00	0.00
Overhaul and Refurbishment of Construction and Civil Works	3110600	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	3110700	13,897,355.00	0.00
Overhaul of Vehicles and Other Transport Equipment	3110800	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	3110900	0.00	0.00
Purchase of Office Furniture and General Equipment	3111000	3,955,600.00	0.00
Purchase of Specialised Plant, Equipment and Machinery	3111100	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equipment	3111200	0.00	0.00
Purchase of Certified Seeds, Breeding Stock and Live Animals	3111300	0.00	0.00
Research, Feasibility Studies, Project Preparation and Design, Project Supervision	3111400	5,149,564.00	0.00
Rehabilitation of Civil Works	3111500	0.00	0.00
Purchase of Specialised Plant	3112200	0.00	0.00
Acquisition of Strategic Stocks	3120100	0.00	0.00
Acquisition of Other Inventori	3120200	0.00	0.00
Acquisition of Land	3130100	0.00	0.00
Acquisition of Other Intangible Assets	3130200	0.00	0.00
Domestic Lending and On-lending	4110000	0.00	0.00
Domestic Equity Participation	4120000	0.00	0.00
Other Domestic Accounts Receivable	4130000	0.00	0.00
Foreign Lending and On- Lending	4140000	0.00	0.00
Foreign Equity Participation	4150000	0.00	0.00
Other Foreign Accounts Receivable	4160000	0.00	0.00
<b>TOTAL</b>		29,915,207.80	0.00

#### 19 Finance Costs, Including Loan Interest

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

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

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

## 21 Other payments

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

## 22A Bank Balances

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Special Accounts	6510000	0.00	0.00
Treasury Bank Accounts (Exchequer and CRF Accounts)	6520000	0.00	0.00
Recurrent Bank Accounts	6530000	1,140,957.00	0.00
Development Bank Accounts	6540000	0.00	0.00
Deposit Bank Account	6550000	5,000.00	0.00
Project Specific Bank Accounts	6570000	0.00	0.00
Foreign Currency and Foreign D	6590101	0.00	0.00
<b>TOTAL</b>		<b>1,145,957.00</b>	<b>0.00</b>

## 22B Cash Balances

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Cash in Hand	6580000	560,633.00	0.00
Foreign Currency and Foreign D	6590201	0.00	0.00
<b>TOTAL</b>		<b>560,633.00</b>	<b>0.00</b>

## 23 Accounts Receivables - Outstanding Imprest and Clearance Accounts

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Domestic Debtors & Advances	6710000	47,410.00	0.00
Debtors & Advances - Govt Owne	6720000	0.00	0.00
Foreign Debtors & Advances	6730000	0.00	0.00
Other Debtors & Pre-payments	6740000	345,487.20	0.00
Government Imprests	6760000	0.00	0.00
Agency Accounts	6770000	0.00	0.00
Suspense & Clearance Account	6780000	0.00	0.00
Other Current Assets (System r	6790000	0.00	0.00



Item Description	Item Code	Current Period	Previous Period
<b>TOTAL</b>		392,897.20	0.00

**24. ACCOUNTS PAYABLE**

Item Description	Item code	Current Period	Previous Period
		Kshs	Kshs
Other Liabilities	7320000	0.00	0.00
Deposits	7310000	5,000.00	0.00
Withholding Taxes	7380000	0.00	0.00
System Required Liabilities A/cs	7390000	0.00	0.00
<b>TOTAL</b>		5,000.00	0.00

**25. FUND BALANCES BROUGHT FORWARD**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
Opening Balance Bank	22A	0.00	0.00
Opening Balance Cash	22B	0.00	0.00
Opening Balance Receivables - Imprest and Clearance Accounts	23	0.00	0.00
Opening Balance - Deposits	24	0.00	0.00
<b>TOTAL</b>		0.00	0.00

**26. PRIOR YEAR ADJUSTMENTS**

Item Description	Item Code	Current Period	Previous Period
		Kshs	Kshs
County Transfers	9910300	0.00	0.00
Exchequer Provisions	9910200	0.00	0.00
<b>TOTAL</b>		0.00	0.00







**Statement of Budget Execution - Recurrent Expenditure**  
Entity: 1221-State Department for East African Community  
Current Period: JUL-18 To JUN-19

	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
RECEIPTS		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
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%
Exchequer releases	4	0.00	0.00	0.00	0.00	895,919,570.00	(895,919,570.00)	0.00%
Transfers from Other Government Entities	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic Borrowings	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Foreign Borrowings	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Sales of Assets	8	0.00	0.00	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	895,919,570.00	(895,919,570.00)	0.00%
<b>PAYMENTS</b>								
Compensation of Employees	12	175,500,000.00	0.00	97,134,814.00	272,634,814.00	271,709,993.05	924,820.95	99.66%
Use of goods and Services	13	158,887,118.50	0.00	439,087,086.50	597,974,205.00	598,040,420.35	(66,215.35)	100.01%
Subsidies	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers to Other Government Units	15	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
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	655,366.00	0.00	24,655,366.00	25,310,732.00	24,765,643.80	545,088.20	97.85%
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>		335,042,484.50	0.00	560,877,266.50	895,919,751.00	894,516,057.20	1,403,693.80	99.84%



**Statement of Budget Execution - Recurrent Expenditure**  
Entity: 1221-State Department for East African Community  
Current Period: JUL-18 To JUN-19

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

Prepared By:

Date:

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

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





**Statement of Budget Execution - Development Expenditure**  
Entity : 1221-State Department for East African Community  
Current Period: JUL-18 To JUN-19

	Note	Printed Estimate	Reallocation / Transfer	Supplementary Estimates	Final Approved Estimate (Net)	Actual	Budget Utilization Differences	% of Utilization
		a	b	c	d=a+b+c	e	f=d-e	g=e/d%
<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	65,000,000.00	0.00	(48,750,000.00)	16,250,000.00	7,541,418.00	8,708,582.00	46.41%
Exchequer releases	4	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers from Other Government Entities	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Domestic Borrowings	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Foreign Borrowings	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Proceeds from Sales of Assets	8	0.00	0.00	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>		65,000,000.00	0.00	(48,750,000.00)	16,250,000.00	7,541,418.00	8,708,582.00	46.41%
<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	51,000,000.00	0.00	(40,545,000.00)	10,455,000.00	2,391,854.00	8,063,146.00	22.88%
Subsidies	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Transfers to Other Government Units	15	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
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	14,000,000.00	0.00	(8,205,000.00)	5,795,000.00	5,149,564.00	645,436.00	88.86%
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>		65,000,000.00	0.00	(48,750,000.00)	16,250,000.00	7,541,418.00	8,708,582.00	46.41%



**Statement of Budget Execution - Development Expenditure**

Entity: 1221-State Department for East African Community

Current Period: JUL-18 To JUN-19

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

Prepared By:

Date:

Reviewed By:

Date:

Approved By:

Date:





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**Budget Execution by Programme and Economic Classification**

Entity: 1221-State Department for East African Community

Period: JUL-18 To JUN-19

Program	Item	Description	Approved Budget	Actual Payments	Variance
0000000000		Default - Non Programmatic	0.00	0.00	0.00
	2210000	Goods and Services	0.00	0.00	0.00
0305000000		East African Affairs and Regional Integration	912,169,751.00	902,057,475.20	10,112,275.80
	2110000	Wages and Salary Contributions	272,634,814.00	271,709,993.05	924,820.95
	2210000	Goods and Services	593,815,065.00	586,144,105.05	7,670,959.95
	2220000	Routine Maintenance	14,614,140.00	14,288,169.30	325,970.70
	3110000	Acquisition of Fixed Capital Assets	31,105,732.00	29,915,207.80	1,190,524.20
		<b>Grand Total</b>	<b>912,169,751.00</b>	<b>902,057,475.20</b>	<b>10,112,275.80</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: 1221-State Department for East African Community

Period: JUL-18 To JUN-19

Head	Program	Description	Approved Budget	Actual Payments	Variance
0000000000		Default Value ( Non-Departmental)	0.00	0.00	0.00
	0000000000	Default - Non Programmatic	0.00	0.00	0.00
1221000100			643,763,951.00	641,840,428.05	1,923,522.95
	0305000000	East African Affairs and Regional Integration	643,763,951.00	641,840,428.05	1,923,522.95
1221000200			9,260,763.00	9,116,330.30	144,432.70
	0305000000	East African Affairs and Regional Integration	9,260,763.00	9,116,330.30	144,432.70
1221000300			10,671,897.00	10,668,756.00	3,141.00
	0305000000	East African Affairs and Regional Integration	10,671,897.00	10,668,756.00	3,141.00
1221000400			3,926,351.00	3,923,914.00	2,437.00
	0305000000	East African Affairs and Regional Integration	3,926,351.00	3,923,914.00	2,437.00
1221000500			13,355,400.00	13,352,304.50	3,095.50
	0305000000	East African Affairs and Regional Integration	13,355,400.00	13,352,304.50	3,095.50
1221000600			16,476,743.00	16,468,222.00	8,521.00
	0305000000	East African Affairs and Regional Integration	16,476,743.00	16,468,222.00	8,521.00
1221000700			31,990,070.00	32,494,144.80	(504,074.80)
	0305000000	East African Affairs and Regional Integration	31,990,070.00	32,494,144.80	(504,074.80)
1221000900			30,536,076.00	30,529,984.85	6,091.15
	0305000000	East African Affairs and Regional Integration	30,536,076.00	30,529,984.85	6,091.15
1221001000			38,600,359.00	38,590,205.85	10,153.15
	0305000000	East African Affairs and Regional Integration	38,600,359.00	38,590,205.85	10,153.15
1221001100			25,898,036.00	25,893,289.00	4,747.00
	0305000000	East African Affairs and Regional Integration	25,898,036.00	25,893,289.00	4,747.00
1221001200			31,689,421.00	31,679,922.75	9,498.25
	0305000000	East African Affairs and Regional Integration	31,689,421.00	31,679,922.75	9,498.25
1221001300			25,000,000.00	25,111,428.00	(111,428.00)
	0305000000	East African Affairs and Regional Integration	25,000,000.00	25,111,428.00	(111,428.00)
1221001400			14,750,684.00	14,847,127.10	(96,443.10)
	0305000000	East African Affairs and Regional Integration	14,750,684.00	14,847,127.10	(96,443.10)
1221100100			16,250,000.00	7,541,418.00	8,708,582.00
	0305000000	East African Affairs and Regional Integration	16,250,000.00	7,541,418.00	8,708,582.00
Grand Total			912,169,751.00	902,057,475.20	10,112,275.80

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: 1221-State Department for East African Community

Period: JUL-18 To JUN-19

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
0305000000		East African Affairs and Regional Integration	912,169,751.00	902,057,475.20	10,112,275.80
	0305010000	East African Customs Union	223,239,581.00	223,212,043.40	27,537.60
	0305020000	East African Common Market	655,743,842.00	654,378,258.40	1,365,583.60
	0305030000	EAC Monetary Union	33,186,328.00	24,467,173.40	8,719,154.60
		<b>Grand Total</b>	<b>912,169,751.00</b>	<b>902,057,475.20</b>	<b>10,112,275.80</b>

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

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

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

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

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

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

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



