

SPECIAL AUDIT REPORT OF THE AUDITOR-GENERAL

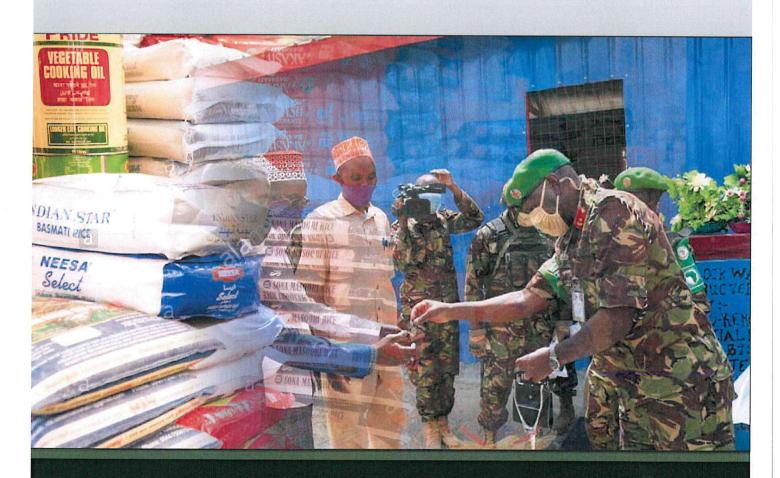
ON

PROCUREMENT OF FOODSTUFFS

BY

THE MINISTRY OF DEFENCE

FINANCIAL YEARS 2014-2015 TO 2017-2018



NOVEMBER 2021

CONFIDENTIAL

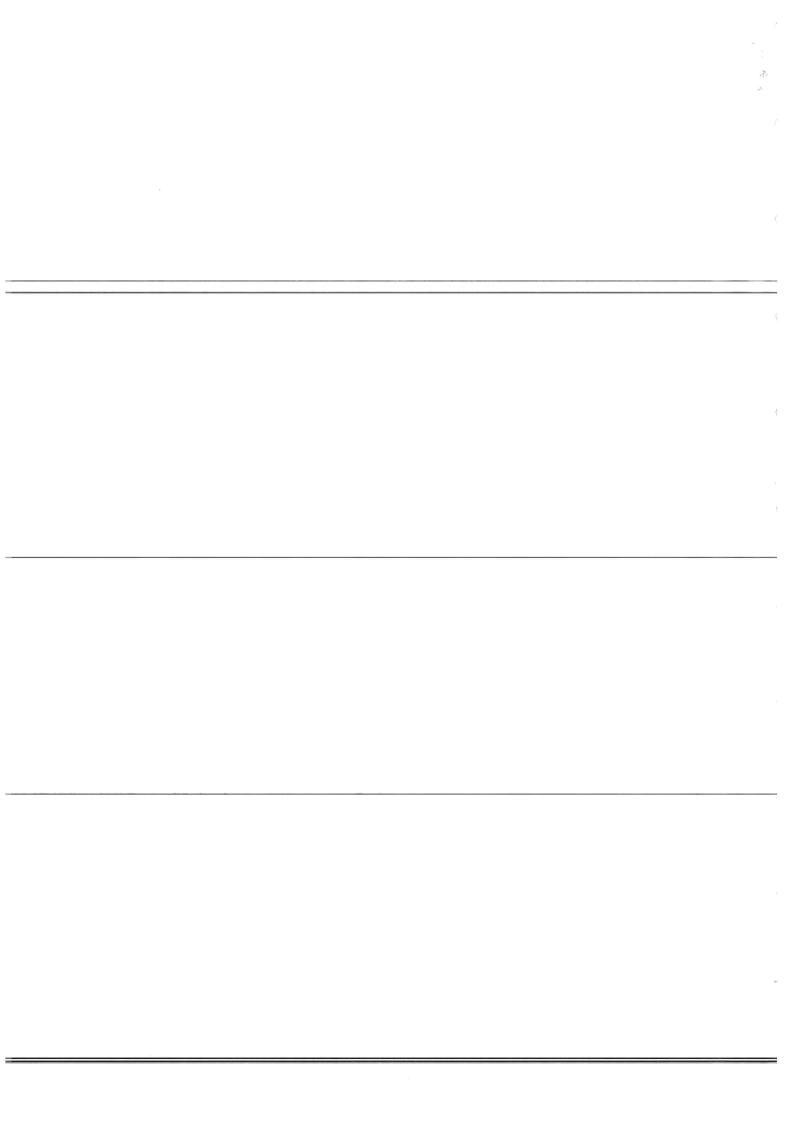
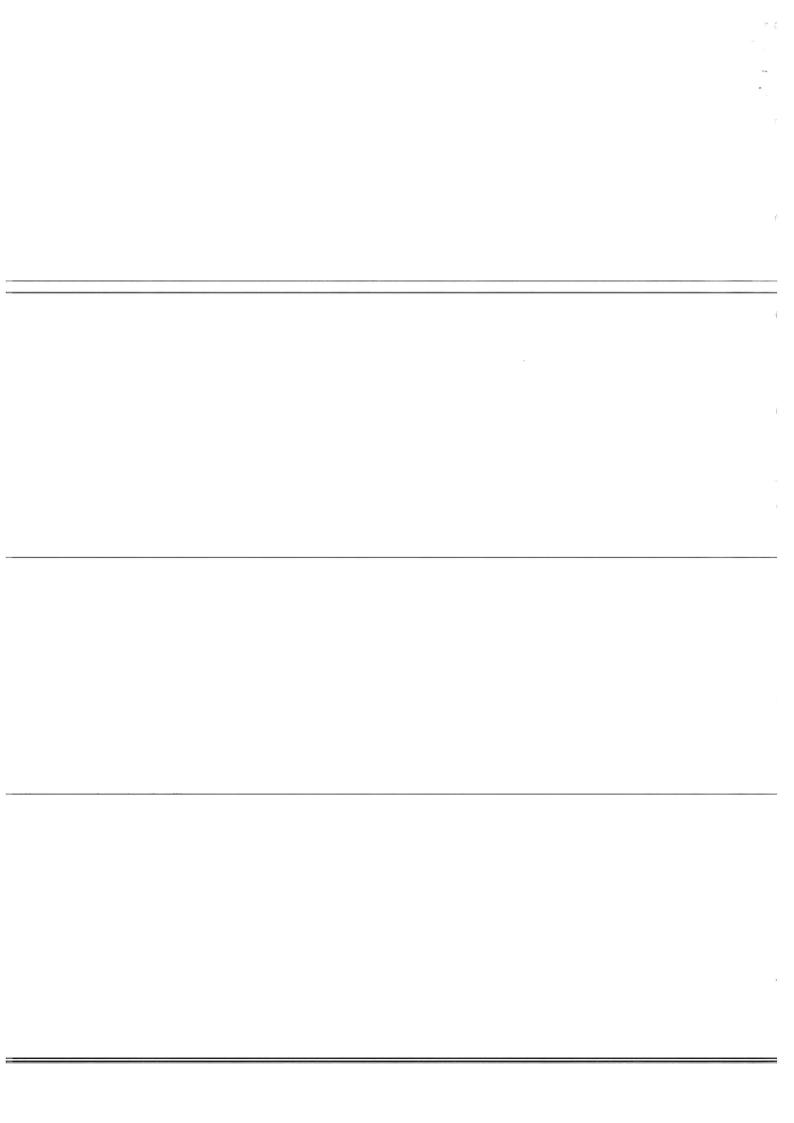


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Table 1: List of Abbreviation

Abbreviation	Full Name			
CFO	Chief Finance Officer			
DHQ	Defense Headquarters			
DOD	Department of Defense			
FF	Forces Form			
HQs	Headquarters			
KA	Kenya Army			
KAF	Kenya Air force			
KDF	Kenya Defense Forces			
KN	Kenya Navy			
LPO	Local Purchase Order			
MoD	Ministry of Defense			
PAC	Principal Accounts Controller			
PFM	Public Finance Management			
PPAD	Public Procurement and Assets Disposal Act			
PPDA	Public Procurement and Disposal Act			
PVs	Payment Vouchers			
RVs	Receipt Vouchers			
SO	Supplies Officer			

EXECUTIVE SUMMARY

1.1 Introduction

- 1.1.1 The Office of the Auditor-General received a letter referenced NA/DCS/PAC/2018/150 dated 2 October, 2018 from the Clerk of the National Assembly requesting for an investigation on the procurement of foodstuffs, other consumables, and direct and restricted procured items by the Ministry of Defence for all barracks covering financial years 2014/2015 to 2017/2018.
- 1.1.2 Consequently, on 04 December, 2018, an entry meeting was held with the Management of the Ministry of Defence to agree on the modalities of executing the special audit.
- During the meeting, it was noted that the scope of work was complex and wide. It was subsequently agreed that the audit would be carried out in two phases.
- 1.1.4 This special audit report is therefore restricted to procurement of foods stuffs by the Ministry of Defence covering financial years 2014/2015 to 2017/2018 as Phase I. A special audit report focusing on direct and restricted procured items by the Ministry of Defence for all barracks covering financial years 2014/2015 to 2017/2018 will therefore be covered under Phase II.

1.2 Terms of Reference

- 1.2.1 The special audit was guided by the following Terms of Reference:
 - Review of budgeting and budgetary controls for foods stuffs at Ministry of Defence;
 - Review of procurement process for foods stuffs at the Ministry of Defence; and
 - Review of expenditures and utilization of funds for food stuffs at the Ministry of Defence.

1.3 Scope of Work and Limitations

- 1.3.1 The special audit reviewed procurement process for foodstuffs at the Ministry of Defence for financial years 2014/15 to 2017/18 in line with the aforementioned Terms of Reference.
- 1.3.2 The scope of work covered, Operations at the Ministry of Defence Head Quarters in Nairobi, the Kenya Army Headquarters at Kahawa Barracks, Kenya Air Force Headquarters at Eastleigh-Nairobi and Kenya Navy Headquarters at Mtongwe in Mombasa. The Audit Team also visited the following Kenya Defence Forces barracks/ units: Isiolo, Garissa, Nanyuki, Mombasa, Gilgil, Nakuru and Eldoret.

These units/barracks were identified based on stratification so as to ensure the special audit covered a representation of Kenya Defence Forces barracks/ units.

- 1.3.3 The special audit encountered the following challenges that limited its ability to give assurance on whether or not procurement process for food stuffs, other consumables and all other direct procurements at the Ministry of Defence was conducted in compliance with the Public Procurement and Disposal Acts, 2005 and 2015 and the provisions of Article 227 (1) of the Constitution.
 - The Phase I of this report covered only food stuffs rather than all direct procurements within the Ministry as requested by the National Assembly.
 - The Management of the Ministry of Defence granted the special audit team access to review the original documents, however, no copies of these documents were provided due to confidentiality concerns. These are detailed in APPENDIX I.
 - Due to distance, security, time and resource constraints, the special audit did not cover all units and/or barracks and had to sample. The units/ barracks not covered are detailed in APPENDIX II.
 - Contract agreements for food stuffs between Ministry of Defence and suppliers only indicated the market price per unit supplied and not quantity supplied. The special audit could not therefore quantify the value of claims made.

1.4 Report Structure

1.4.1 This Special Audit Report is structured as follows: Executive summary, Introduction and Background, and Detailed findings. The report should be read in its entirety in order to comprehend fully the approach used and the findings. The report has reported on facts as understood, with the aim of informing the Public Accounts Committee on their deliberations and decision making, cognizant of any limitations raised.

1.5 Key findings

Procurement and other related issues

Procurement Process at Ministry of Defence Headquarters

1.5.1 A total of two hundred and twenty-six (226) contracts relating to supply of food stuffs at the Ministry of Defence were provided for the special audit review as indicated below:

Contracts origin	Number of contracts
Ministry of Defence Headquarters	97
Service Lines/Barracks	129
Total	226

1.5.2 For the ninety-seven (97) contracts for food stuffs reviewed at the Ministry of Defence they were classified as indicated in the table below:

Type	Number of contracts
Open Tender Method	60
Restricted Tender Method	36
Direct Procurement Method.	1
Total	97

- 1.5.3 The audit team reviewed these contracts with a view to establishing whether the procurements were done in compliance with the Public Procurement and Disposal Act, 2005, Public Procurement and Disposal Regulations, 2006 and Public Procurement and Asset Disposal Act, 2015.
- 1.5.4 Our findings were as follows:

PROCUREMENT	IRREGULARITY NOTED	NO. OF
PROCESS		CONTRACTS
		INFRACTIONS
1. Advertisement	Firms awarded contracts through	18
	Restricted Tender, but do not appear in	
	the Prequalified List of Suppliers	
	Use of restricted tendering without	36
	justification	
2. Tender Opening,	Unsigned Opening tender opening	04
Evaluation and	Minutes	
Award	Irregularities in Tender Evaluations	04
	Award of Tender to Supplier not	01
	evaluated	
3. Notification of	Unstamped letter declining notification of	01
Award	award	
	Failure to notify unsuccessful bidders	01
	Notification period less than 14 days	01

PROCUREMENT	IRREGULARITY NOTED	NO. OF	
PROCESS		CONTRACTS	
		INFRACTIONS	
	01		
	Public Procurement Review Board		
4.Contract	Unsigned Contract	01	
	Irregularities in price adjustment of	06	
	Contracts		

1.5.5 The special audit noted that the contracts availed for review only indicated the price charged per unit item. Under the circumstances, the special audit could not quantify the value of the procurement infractions noted above and therefore report on the frequency of the irregularities.

Award of Contracts to Firms Who Do Not Appear in List of Pre-Qualified Firms

- 1.5.6 The Ministry of Defence used restricted tendering method to procure food stuffs for thirty-six (36) contracts in financial years 2016/2017 and 2017/2018. Eighteen (18) of these firms did not appear in the list of the pre-qualified suppliers. The Ministry of Defence therefore engaged eighteen (18) suppliers with contracts for supply of food stuffs through restricted tendering method from suppliers who were not prequalified, contrary to Section 95(3) of the Public Procurement and Asset Disposal Act, 2015.
- 1.5.7 Section 95(3) of the Public Procurement and Asset Disposal Act, 2015 requires procuring entities to invite tenders from only the approved persons who have been pre-qualified.

Use of Restricted Tendering Method of Procurement

- 1.5.8 It was established that the Ministry of Defence used restricted tendering method as authorized by the Accounting Officer in thirty-six (36) contracts for procurement of food stuffs, however, no explanation and justification for the same was provided for audit verification.
- 1.5.9 Section 102(1) of the Public Procurement and Asset Disposal Act, 2015 allows the use of restricted tendering method as long as the following conditions are satisfied: Competition for contract, because of the complex or specialized nature of the goods/services is limited to prequalified contractors; the time and cost required to

examine and evaluate a large number of tenders will be disproportionate to the value of the goods/ services to be procured; there is evidence to the effect that there are only a few known suppliers of the whole market and an advertisement is placed, where applicable, on the procuring entity website regarding the intention to procure through limited tender.

Tender Opening and Evaluation

- 1.5.10 The audit reviewed the tender processing and identified the following irregularities:
 - a. It was established that four (4) contracts for different foodstuffs did not have their Tender Opening Minutes and registers signed as per the provisions of Section 78(11) (a) and (b) of the Public Procurement and Asset Disposal Act, 2015 as follows:

FINAN CIAL YEAR	DOCUMENT	DESCRIPTION	DATE	REMARKS
2014-	MOD/423	Supply of meat	06-11-14	Two Committee
2015	(0104)	(beef) on Bone to		Members, did not sign
	2014/2015	Wajir Military		the minutes
8.0		camp	1	o feet and
2015-	MOD/423	Supply of Canned	16-12-15	Two Committee
2016	(06011)	Pineapples		Members did not sign
	15/16			the opening minutes
2016-	MOD/423	Supply of	20-09-16	One out of two pages in
2017	(0508)	unfertilized		the Tender Opening
	16/17	chicken eggs to		Register were signed by
		Isiolo		those present for the
				exercise.
2017-	MOD/423	Supply of white	06-03-18	The Tender Opening
2018	(011092)	and brown block		Minutes had not been
	17/18	(unsliced) to		signed by the Members
		Hakati military		of the Tender Opening
		camp.		Committee

Section 78(11) (a) and (b) of the Public Procurement and Asset Disposal Act of 2015 requires that to acknowledge that the Tender Opening Minutes are true reflection of the proceedings held, each member of the Tender Opening Committee should; initial each page of the minutes and append his or her

- signature as well as initial the final page of the minutes indicating their full name and designation.
- b. A review of the Evaluation Committee Report for the award of Contract No. MOD/423(0208)14/15 revealed that financial evaluation was not done for this tender contrary to Section 16(7) of the of the Public Procurement and Disposal Regulations of 2006 and Section 2.27.2 of the tender document. This contract No. MOD/423(0208)14/15, was for supply of fresh vegetables, fruits and potatoes to Isiolo based units. In this tender, 11 firms had applied for the tender and 10 proceeded to the evaluation stage. On 8 December, 2014 technical evaluation was done and based on the technical evaluation report, M/s. Medabs Enterprises Ltd was recommended for award of the tender. Section 16 (7) of the Public Procurement and Disposal Regulations, 2006 requires financial evaluations of tenders to be done in accordance with set criteria. Failure to conduct financial evaluation of the tender also violated Section 2.27.2 of the tender document on award of contract, that required that the determination take into account the tenderers' financial, technical and production capabilities.
- c. Review of the Ministerial Tender Committee (MTC) report established that, the MTC awarded Tender No. MOD/423(0208)14/15 for the supply of fresh vegetables, fruits and potatoes to Isiolo based units to M/s. Shamz Enterprises instead of M/s. Medabs Enterprises Ltd as recommended by the Evaluation Committee, thereby, overriding the Evaluation Committee Report without justification. The MTC did not give any reason for rejecting the Evaluation Committee's recommendation contrary to Section 11(1) (b) the Public Procurement and Disposal Regulations, 2006. Section 11 of the Public Procurement and Disposal Regulations, 2006 requires the Tender Committee to award or reject with reasons, recommendation for Tender Award by the Evaluation Committee
- d. In a review of Contract No. MOD/423(02014) 16/17- Supply of fresh vegetable, fruits and potatoes to Wajir Military Camp, it was noted that the Evaluation Committee did not carry out a financial evaluation of the firms before recommending M/s. Wajir Vegetable Supplies for the Tender Award, contrary to the provisions in Section 16 (7) of the Public Procurement and Disposal Regulations, 2006 and Section 2.27.2 of the tender document both of which required financial evaluation of tenders to be done before awarding of tenders.
- e. The special audit also noted that the following four (4) tenders had proceeded to either technical evaluation, financial evaluation and/or award of the tender, despite the firms having not met the requirements. This was contrary to section 66(1) of the Public Procurement and Disposal Act of 2005 and Section 79(1) the

Public Procurement and Asset Disposal Act of 2015, which describe a responsive firm as one that has passed preliminary /mandatory evaluation:

CONTRAC T NO.	TENDER DESCRIPTION	BIDDER AWARDE D	REMARKS
MOD/423	Supply of	M/s.	According to the Tender Evaluation
(0110146)	Unfertilized	Jambo	Report, M/s. Pemwas Enterprises was
2017/2018	Chicken Eggs	Grocers	recommended for the Tender Award,
	to Nanyuki Barracks		However, M/s. Jambo Grocers was
MODIA	Supply of	M/s. New	awarded the Tender.
MOD/423 (0110119)	fresh Cow	KCC Ltd	New KCC was non-responsive as it did not attach a copy of the public health
17/18	Milk,	NCC Ltd	certificate, a document that was
17710	pasteurized,		considered mandatory.
	and UHT Milk	-	,
	to Gilgil		
-	Barracks		
MOD/423	Supply of	M/s.	The Evaluation Committee did not
(0110130)	fresh Cow	Mountain	recommend M/s. Mountain Slopes Ltd,
2017/2018	Milk,	slopes K	who scored 26 points. M/s. Northern
	pasteurized	Ltd	Wing General Supplies Ltd scored 37
	and UHT Milk	-	points and Habibani Enterprises got 49
	to Nanyuki Barracks		points. However, M/s. Mountain
	Ваггаскѕ		Slopes Ltd was recommended for the Tender Award.
MOD/423	Supply of	M/s.	M/s. Truefoods was not recommended
(0608)	beans in	Truefoods	by the Kenya Bureau of Standards,
14/15	tomatoes	Ltd	because it did not satisfy one of the
>	Sauce	zo-openya elektriki	eight parameters used.

Tender Award and Notifications

- 1.5.11 The special audit established the following irregularities in tender award:
 - a. The successful bidder for the Tender No. MOD/423(03022)14/15 for supply of white and brown bread block unsliced to Nairobi based units, Kenya Ordnance Factory was notified via a letter dated 06 October 2015, but there was no evidence that other unsuccessful bidders were notified. According to Section 67(1) and (2) of the Public Procurement and Disposal Act 2005, the person submitting the successful tender should be notified that his or her tender has been accepted, at the same time with the persons submitting the unsuccessful tenders. It was established that there was a contravention of the above provisions, for Contract No. MOD/423(03022)14/15 for supply of white and brown bread block unsliced to Nairobi based units.
 - b. Section 68(2) of the Public Procurement and Disposal Act, 2005 requires that a written Contract should be entered into within the period specified in the notification, but not until at least fourteen days have elapsed following the giving of that notification. It was noted that notifications to successful and unsuccessful bidders for Contract No. MOD/423(0605)2014/2015, Supply of milled rice to Kenya Defence Forces, was dated 03 November, 2014. However, the Contract for the same between the Ministry of Defence and the successful bidder, M/s. Akamai Creative Limited, was dated 13 November ,2014. The period between notification of award and Contract signing was 11 days, contrary to Section 68(2) of the PPDA, 2005.
 - c. M/s. Jackwright lodged a review request application number 50/2015 dated 28 September, 2015 to the Public Procurement Administrative Review Board (PPARB) challenging award of tender for supply of fresh meat (beef) on bone to Nanyuki based units. The main issue for the request was that the Ministry of Defence did not apply preference of 15% to all tenderers based in Nanyuki and its environs as set out in the clause 2.25.1 of the tender document. The Secretary to the PPARB vide a letter reference PPOA/ARB/7/50/2015 (3) wrote to the Principal Secretary (PS) Ministry of Defence (MOD) on 28 September, 2015, informing him of the request for review and inviting the MOD to submit its response within 5 days from the date of the letter. The Ministry of Defence did not file its response with the Review Board and proceeded to make a contractual agreement with M/s. Habibani Enterprises Ltd on 07 October, 2015 contrary to Section 94 of the Public Procurement and Disposal Act of 2005 read together with Section 74 (1) of the Public Procurement and Disposal Regulations of 2006, that requires procuring entities to suspend procurement proceedings pending the outcome of the review.

Expenditure incurred in regard to Vendors Claims for food stuffs

1.5.12 The practice at the Ministry of Defence is that Vendors Claims are prepared by various Services, The Kenya Army, The Kenya Air Force and The Kenya Navy and then forwarded to the Ministry of Defence for verification and payment. The special audit established the following irregularities with this practice:

	Particulars	Kenya	Kenya Air	Kenya Navy	Total
		Army	force	(Kshs)	(Kshs)
		(Kshs)	(Kshs)		
1	Inconsistencies	34,415,680	1,275,940	0	35,691,620
	noted in supporting				
	documents				
2	Claims for suppliers	0	0	5,259,655	5,259,655
	using wrong		-		
	contract number	21			
3	Failure to deduct	300,300	O	0	300,300
	VAT				
4	Differing payee	0	2,201,040	0	
	names in payment	-			2,201,040
	voucher and Vote				
	Book	-	-		-
	Total	34,715,980	3,476,980	5,259,655	43,452,615

1.6 Internal Control Weaknesses and Risk Identified

Based on the information provided and reviewed, the special audit identified the following Internal Control weaknesses and risks

	Internal Control Weakness	Risk /Law Violated
-	Violation of the procurement laws on invitation of tenders from only	Section 95 (3) of the Public Procurement and Asset
	prequalified firms	Disposal Act 2015.
7	Continuous use of restricted tendering method	Section 102(1), of the Public Procurement and Asset
		Disposal Act of 2015
3	Violation of the public procurement laws on tender opening and	Sections 46(4C) of the Public Procurement and
	evaluation with some procedures taking longer than the stipulated	Asset Disposal Act 2015 and Section 16 (7) of the
	period of 30 days	Public Procurement and Disposal Regulations, 2006
4	There exists a Procurement Advisory Board (PAB) which is not	Section 94 of the Public Procurement and Disposal
	provided for in law and they have the powers to change the tender	Act of 2005 read together with Section 74 (1) of the
	evaluation committee recommendations. Also, there was failure to	Public Procurement and Disposal Regulations of
	comply with decisions of the Public Procurement Administrative	2006; Section 84 (1-3) of the PPADA, 2015
	Review Board	
5	Vendors Claims with anomalies / irregularities	Risk of loss of public funds and failure to realize
		Value for Money
9	Records for procurement are maintained by the user departments and	Section 68 (1) of the PPADA, 2015 on safe custody
	not the procurement unit. User department also undertake closure of	of all procurement proceedings for 6 years; Section
	contracts and inventory control where applicable.	154 (a) of the PPADA, 2015 on closure procedures;
		Section 8 (3) aa and 8 (3) dd of Regulations 2006.

- 1.7 Conclusion and Recommendations
- 1.7.1 The special audit was triggered by a request from the Public Accounts Committee that required the scope of work to include food stuffs, other consumables and all direct procurements and restricted tenders within the Ministry of Defence. However, this audit has only reported on the findings based on information provided relating to procurement of food stuff as Phase I. The special audit identified some instances of infractions to the public procurement laws ranging from absence of approved procurement plans, failure to comply with the law on use of restricted tendering and direct procuring and failure to comply with decisions of the Public Procurement Administrative Review Board.
- 1.7.2 It is recommended that the Management of the Ministry of Defence should review its procurement procedures to ensure they comply with the public procurement laws and regulations. This calls for involvement of procurement professionals in all procurement decisions as stipulated in the Public Procurement and Asset Disposal Act, 2015.

CPA Nancy Gathungu, CBS AUDITOR- GENERAL

2 December, 2021

INTRODUCTION AND BACKGROUND

2.1 Background

- 2.1.1 The Ministry of Defence (MoD) derives its mandate from Chapter 14, Section 241 of the Constitution of Kenya 2010 which establishes the Kenya Defence Forces (KDF) consisting of the Kenya Army, the Kenya Air Force and the Kenya Navy. The roles of the Defence Forces as defined in the Constitution are as follows:
 - Defence and protection of the sovereignty and territorial integrity of the Republic.
 - Assist and cooperate with other authorities in situations of emergency or disaster, and report to the National Assembly whenever deployed in such circumstances;
 and
 - May be deployed to restore peace in any part of Kenya affected by unrest instability only with the approval of the National Assembly
- 2.1.2 The organizational structure of MoD HQs is as shown in its organization structure.

 (Annexure 1: Organization of Ministry of Defence HQs)

2.2 Introduction

- 2.2.1 The Office of the Auditor -General received a letter referenced NA/DCS/PAC/2018/150 dated 2 October, 2018 from the Clerk of the National Assembly requesting for an investigation on the procurement of foodstuffs, other consumables, direct and restricted procured items by the Ministry of Defence for all barracks covering financial years 2014/2015 to 2017/2018.
 - (Annexure 2: Letter referenced NA/DCS/PAC/2018/150 dated 2 October, 2018 from the Clerk of the National Assembly).
- 2.2.2 Consequently, on 04 December 2018, the special audit team held an entry meeting with the management of the Ministry of Defence to agree on the modalities of executing the special audit. During the meeting, the management of the Ministry of Defence raised concern on the scope of work. Specifically, the management was of the view that the scope of work should be limited to food stuffs only and not all other direct procurements by the Ministry. It was agreed that the Office of the Auditor-General seeks clarification from the National Assembly as to whether the scope of work should include all other direct procurements other than foods stuffs. (Annexure 3: Letter from Office of Auditor-General to the Principal Secretary Ministry of Defence)
- 2.2.3 In this regard, on 06 January 2019, the Office of the Auditor-General wrote to the Clerk to the National Assembly vide a letter reference C.868 /P2 (12) to seek clarity on the scope of work. The Clerk to the National Assembly in a letter to the Auditor-General

- dated of January, 2019 referenced C.868 /P2 (12) confirmed the scope of work should include "Food Stuffs, Other Consumables and All direct procurements and restricted tendering within the Ministry of Defence". (Annexure 4: Letter referenced C.868/ P2 (12) dated of January, 2019)
- 2.2.4 Upon receipt of the response from the Clerk to the National Assembly, the special audit team held a meeting with Management of the Ministry of Defence on 25 March, 2019 where the team communicated the clarification from the National Assembly on the scope of work. The special audit team commenced the work by reviewing the procurement of foodstuff as Phase I.
- 2.2.5 This special audit report is therefore restricted on procurement of foods stuffs by the Ministry of Defence covering financial years 2014/2015 to 2017/2018. Audit of direct procurement and restricted procured items will be done under Phase II.

2.3 Terms of Reference

- 2.3.1 The special audit reviewed the procurement process for food stuffs by the Ministry of Defence and was guided by the following Terms of Reference:
 - Review of budgeting and budgetary controls for foods stuffs at Ministry of Defence;
 - Review of procurement process for foods stuffs at the Ministry of Defence; and
 - Review utilization of funds for food stuffs at the Ministry of Defence.

2.4 Scope of Work and Limitations

- 2.4.1 The special audit reviewed procurement process for foodstuffs at the Ministry of Defence for financial years 2014/15 to 2017/18 in line with aforementioned Terms of Reference.
- 2.4.2 The scope of work covered, Operations at the Ministry of Defence Head Quarters in Nairobi, the Kenya Army Headquarters at Kahawa Barracks, Kenya Air Force Headquarters at Eastleigh- Nairobi and Kenya Navy Headquarters at Mtongwe in Mombasa. The special audit team also visited the following Kenya Defence Forces barracks and units: Isiolo, Garissa, Nanyuki, Mombasa, Gilgil, Nakuru and Eldoret. These barracks and units were identified based on stratification sampling so as to ensure the special audit covered a representation of the Kenya Defence Forces barracks and units.
- 2.4.3 The special audit encountered the following challenges that limited our ability to give assurance on whether or not procurement process for food stuffs at the Ministry of Defence was conducted in compliance with the Public Procurement and Disposal Act, 2005 and Public Procurement and Asset Disposal Act, 2015 and the provisions of Article 227 (1) of the Constitution.

- The Management of the Ministry of Defence granted the special audit team access
 to review the original documents, however, no copies of these documents were
 provided due to confidentiality concerns. These are detailed APPENDIX I.
- Due to distance, security, time and resource constraints, the special audit did not cover all units and/or barracks. The units/ barracks not covered are as detailed in APPENDIX II.
- Contract agreements for food stuffs between Ministry of Defence and suppliers
 only indicated the market price per unit supplied and not quantity supplied.

2.5 Audit Approach and Methodology

- 2.5.1 The special audit planned and undertook a reconnaissance visit at the Ministry of Defence (MOD) Headquarters for preliminary information gathering. We also held various planning meetings between 16 October, 2018 and 02 November, 2018. During these meetings, we discussed the activities and tasks to be undertaken to meet the Terms of Reference. Finally, a detailed work plan was developed and applied in the execution of the assignment.
- 2.5.2 The special audit adopted the following methodologies;
 - **Document review:** We reviewed the Public Finance Management Act 2012, the Public Procurement and Disposal Acts, 2005 and and Public Procurement and Asset Disposal Act, 2015 and the provisions of Article 227 (1) of the Constitution.
 - **Field visits**: We visited the following areas; Mombasa, Nanyuki, Garrissa, Isiolo, Nakuru, Gilgil and Eldoret.
 - Interviews: We interviewed officers from the Ministry of Defence who clarified
 various issues that assisted in making an informed report. Due to sensitivity of the
 special audit, we have not included the details of persons interviewed as part of
 this special audit report. The information was analyzed, authenticated and
 corroborated before using it as evidence in our report.

2.6 Report Structure

- 2.6.1 This special audit report is structured as follows:
 - i. Executive summary
 - ii. Introduction and Background
 - iii. Detailed Findings
 - iv. Appendices

2.6.2 The special audit report should be read in its entirety cognizant of limitations raised. The report has covered analysis and facts as understood in order to comprehend fully the approach to and findings of our work, with the aim of informing the Public Accounts Committee for deliberation and decision making.

3 DETAILED FINDINGS

3.1 Budget and Budget Controls

Budget process

- Defence Council to be that of overall policy, control, and supervision of the Kenya Defence Forces (KDF). Further, Section 20 (1) (c) of the KDF Act (Chapter 446 Laws of Kenya) on functions of the Defence Council states that the Council shall "receive and act on reports submitted to it by the Cabinet Secretary, the Chief of the Defence Forces and Service Commanders". These reports may include the Kenya Defence Forces Budget Estimates. In addition, Section 12 (2) (d) of the Public Finance Management, Act 2012 requires the National Treasury to co-ordinate the budget preparation process of the National Government.
- 3.1.2 The special audit reviewed the budget making process at the Kenya Defence Forces to confirm whether it complies with section 241 (7) (a) of the Constitution of Kenya and Section 12 (2) (d) of the Public Finance Management Act, 2012.

Budgetary allocation for Foodstuffs

3.1.3 The special audit reviewed the Budget Estimates for the period under review and noted that the Ministry of Defence budgeted an amount of Kshs.9,274,146,906. for foodstuffs for the three service levels: The Kenya Army, The Kenya Navy and The Kenya Air Force as detailed below:

Table 2: Budget Allocation for foodstuffs

Financial year	Kenya Army	Kenya	Kenya Navy	Total (Kshs)
	(Kshs)	Airforce	(Kshs)	
		(Kshs)		
2014-2015	1,670,530,230	150,000,000	135,814,348	1,956,344,578
2015-2016	1,837,583,253	180,000,000	140,958,957	2,158,542,210
2016-2017	2,021,341,578	216,226,780	155,000,000	2,392,568,358
2017-2018	2,329,272,212	262,419,548	175,000,000	2,766,691,760
TOTAL	7,858,727,273	808,646,328	606,773,305	9,274,146,906

Budgetary Allocation at the Service Level

- 3.1.4 Section 16 (f) of the Kenya Defence Forces Act on functions of the Service Commanders requires that, a Service Commander shall "prepare budgetary estimates and develop the Service plan for the next financial year before the end of each financial year, setting out the priorities and objectives of the Service and the justification thereof".
- 3.1.5 The special audit was provided with service procurement plans for the period under review, duly prepared by the Service Commanders. We confirmed that the budget making process at the Ministry of Defence complied with Section 16 (f) of the Kenya Defence Forces Act.

Kenya Army (KA)

3.1.6 The special audit noted that Kshs.7,858,727,273 had been planned for purchase of food stuffs, but Kshs.7,541,854,436 was allocated as detailed in APPENDIX III, thus resulting in a variance of Kshs.316,872,837 between the planned and actual budget as detailed below. However, in financial year 2015/2016 the amount allocated was more than the amount indicated in the purchase plan by Kshs.189,271,183 which was not be supported with authority for re-allocation or AIEs.

Table 3: Budget Allocation for foodstuffs – Kenya Army

No.	Financial	Purchase Plan	Amount allocated	Variance (Kshs)
	year	(Kshs)	(Kshs)	
1.	2014-2015	1,670,530,230	1,415,000,000	255,530,230
2.	2015-2016	1,837,583,253	2,026,854,436	(189,271,183)
3.	2016-2017	2,021,341,578	2,000,000,000	21,341,578
4.	2017-2018	2,329,272,212	2,100,000,000	229,272,212
TOTA	AL	7,858,727,273	7,541,854,436	

Kenya Air Force (KAF)

3.1.7 It was established that though an amount of Kshs.330,000,000 had been budgeted for in the financial years 2014/2015 and 2015/2016, an amount of Kshs.381,358,546 was allocated for the two years, thus resulting in over allocation of Kshs.51,358,546 for food stuffs for the Kenya Air Force Service line as detailed below without justification.

Table 4: Budget Allocation for foodstuffs – Kenya Air force

No	Financial Year	Purchase plans	Amount Allocated	Variance
•	(Kshs)	(Kshs)	(Kshs)	(Kshs)
1.	2014-2015	150,000,000	171,500,000	(21,500,000)
2.	2015-2016	180,000,000	209,858,546	(29,858,546)
		330,000,000	381,358,546	
3.	2016-2017	216,226,780	202,708,601	13,518,179
4.	2017-2018	262,419,488	252,419,501	9,999,987
	-	478,646,368	455,128,102	23,518,166
ТОТ	ALS	808.646,268	836,486,648	

Kenya Navy (KN)

3.1.8 The special audit noted that Kshs.606,773,305 had been planned for purchase of food stuffs, but Kshs.852,773,205 was allocated as detailed in **APPENDIX III**, thus resulting in a variance of Kshs.245,999,900 between planned and actual budget as detailed below:

Table 5: Budget Allocation for foodstuffs - Kenya Navy.

Financial year	Purchase plan	Amount allocated	Variance
	(Kshs)	(Kshs)	(Kshs)
2014-2015	135,814,348	198,814,248	(62,999,900)
2015-2016	140,958,957	185,958,957	(45,000,000)
2016-2017	155,000,000	210,000,000	(55,000,000)
2017-2018	175,000,000	258,000,000	(83,000,000)
TOTAL	606,773,305	852,773,205	(245,999,900)

3.1.9 The planned expenditure for food stuffs for the Kenya Navy was therefore understated necessitating a request for additional funds through various AIEs of Kshs.245,999,900 for the period under review.

3.2 Procurement and other related issues

Procurement process at the Ministry of Defence Headquarters

- 3.2.1 The procurement processes in the public sector are governed by the Public Procurement and Disposal Act of 2005, Public Procurement and Asset Disposal Act of 2015 and the Public Procurement and Disposal Regulations of 2006.
- 3.2.2 The special audit was provided with the two hundred and twenty-six contracts (226) for supply of food stuffs at the Ministry of Defence, as detailed in APPENDIX IV out of which ninety-seven (97) contracts were availed at the Ministry of Defence Headquarters while copies of one hundred and twenty-nine (129) contract extracts, were availed at the Service Lines and Barracks visited.
- 3.2.3 For the ninety seven (97) contracts for food stuffs reviewed at the Ministry of Defence Headquarters, it was noted that, sixty (60) contracts were procured using the open tender method, thirty six (36) contracts were procured through restricted tendering method while one (1) contract was procured through direct procurement method.
- 3.2.4 The special audit reviewed the contracts with a view to establishing whether or not the procurements were done in compliance with the Public Procurement and Disposal Act of 2005, Public Procurement and Asset Disposal Act of 2015 and the Public Procurement and Disposal Regulations of 2006. The contracts provided for review only indicated the price charged per unit item, and we could not therefore quantify the value of irregularities noted. Our findings are as follows:

Table 6: Procurement Irregularities at Ministry of Defence Headquarters

PP	ROCUREMENT	IRREGULARITY NOTED	NO. OF
PR	ROCESS		CONTRACTS
		Statules of Newstration State of the	INFRACTIONS
1.	Advertisement	Firms awarded contracts through	18
		Restricted Tender, but do not appear in	
		the Prequalified List of Suppliers	
		Use of restricted tendering without	36
		justification	

PROCUREMENT	IRREGULARITY NOTED	NO. OF
PROCESS		CONTRACTS
	医尼尼斯斯特斯斯斯特斯斯特斯斯特斯	INFRACTIONS
2. Tender Opening,	Unsigned Opening tender opening	04
Evaluation and	Minutes	
Award	Irregularities in Tender Evaluations	04
	Award of Tender to Supplier not evaluated	01
3. Notification of	Unstamped letter declining notification of	01
Award	award	
	Failure to notify unsuccessful bidders	01
	Notification period less than 14 days	01
	Failure to comply with the decisions of the	01
	Public Procurement Review Board	
4.Contract	Unsigned Contract	01
	Irregularities in price adjustment of	06
	Contracts	

Procurement Planning

Award of Contracts to Firms that do not Appear in the Pre-Qualified List of Suppliers

- 3.2.5 Section 95(3) of the Public Procurement and Asset Disposal Act, 2015 requires procuring entities to invite tenders from only the approved persons who have been pre-qualified.
- 3.2.6 The special audit noted that the Ministry of Defence used restricted tendering method to procure food stuffs for thirty-six (36) contracts in financial years 2016/2017 and 2017/2018, as detailed in APPENDIX IV. The special audit requested for the pre-qualified list of suppliers and noted that out of the thirty-six (36) contracts, eighteen (18) of the firms that were awarded the contracts appeared in the list. This meant that the balance of eighteen (18) contracts, were contracts awarded to firms that were not in the list of prequalified firms, thus contravening Section 95(3) of the Public Procurement and Asset Disposal Act 2015. There is therefore a likelihood that the companies awarded the 18 contracts did not meet the criteria prescribed in the Act, during prequalification.

Advertisement / Invitation to bid

Use of restricted tendering method without justification

- 3.2.7 Section 102(1) of the Public Procurement and Asset Disposal Act, 2015 and Section 73

 (2) of the Public Procurement and Disposal Act, 2005 allows the use of restricted tendering method as long as the following conditions are satisfied: Competition for contract, because of the complex or specialized nature of the goods/services is limited to prequalified contractors; the time and cost required to examine and evaluate a large number of tenders will be disproportionate to the value of the goods/ services to be procured; there is evidence to the effect that there are only a few known suppliers of the whole market and an advertisement is placed, where applicable, on the procuring entity website regarding the intention to procure through limited tender.
- 3.2.8 The special audit noted that the Ministry of Defence used restricted tendering method to procure food stuffs for thirty-six (36) contracts in financial years 2016/2017 and 2017/2018, as detailed in APPENDIX IV. Upon review of the evaluation documents for the thirty-six (36) contracts, it was noted that there were professional opinions citing the relevant law on instances when an entity may use restricted tendering as a method. No explanation and justification on why MoD used the method was indicated, contrary to the aforementioned provisions of the Public Procurement Laws.

Tender Opening, Evaluation and Award

Failure to sign Tender Opening Minutes and Registers

- 3.2.9 Section 78(11) (a) and (b) of the Public Procurement and Asset Disposal Act, 2015 requires that to acknowledge that the Tender Opening Minutes are true reflection of the proceedings held, each member of the Tender Opening Committee should;
- (a) Initialize each page of the minutes; and
- (b) Append his or her signature as well as initial to the final page of the Minutes indicating their full name and designation".

3.2.10 It was established that four (4) contracts for different foodstuffs did not have their Tender Opening Minutes and registers signed as per the provisions of the aforementioned Act as detailed below:

Table 7: Un-signed tender opening documents

FY	DOCUMENT	DESCRIPTION	DATE	REMARKS
2014-	MOD/423	Supply of	06-11-14	Two Committee
2015	(0104)	meat(beef) on Bone		Members- S E Akili Mali
	2014/2015	to Wajir Military		and K. O Ongweng did
		camp		not sign the minutes
2015-	MOD/423	Supply of Canned	16-12-15	Two Committee
2016	(06011) 15/16	Pineapples		Members did not sign the
				opening minutes
2016-	MOD/423	Supply of	20-09-16	One out of two pages in
2017	(0508) 16/17	unfertilized chicken		the tender opening
		eggs to Isiolo		register were signed by
E-				those present for the
	1			exercise.
2017-	MOD/423	Supply of white and	06-03-18	The Minutes were not
2018	(011092)	brown block		signed by the Tender
	17/18	(unsliced) to Hakati		Opening Committee
		military camp.		,

Irregularities in Tender Evaluations

- 3.2.11 The special audit established the following irregularities in Tender Evaluations at the Ministry of Defence Headquarters:
 - MOD/ 423 (0208) 14/15- Supply of fresh vegetables, fruits and potatoes to the Isiolo based Unit
- 3.2.12 In the Contract No. MOD/423(0208)14/15, Supply of fresh vegetables, fruits and potatoes to Isiolo based units, 11 firms applied for the tender and 10 proceeded to the evaluation stage. On 8 December, 2014, Technical Evaluation was done and based on the Technical Evaluation Report, M/s. Medabs Enterprises Ltd was recommended for

award. Section 16 (7) of the Public Procurement and Disposal Regulations, 2006 requires that financial evaluations of tenders be done in accordance with set criteria. Review of the Evaluation Committee Report revealed that financial evaluation was not done for this tender contrary to Section 16(7) of the of the Public Procurement and Disposal Regulations, 2006. Failure to conduct financial evaluation of the tender also violated Section 2.27.2 of the tender document on award of contract, that required that the determination would take into account the tenderers' financial, technical and production capabilities.

3.2.13 Section 11 of the Public Procurement and Disposal Regulations, 2006 requires the Tender Committee to award or reject with reasons recommendation for tender award by the Evaluation Committee. A review of the Ministerial Tender Committee (MTC) report established that the MTC awarded Tender No. MOD/423(0208)14/15 for Supply of fresh vegetables, fruits and potatoes to Isiolo based units to M/S Shamz Enterprises Ltd instead of M/S Medabs Enterprises Ltd recommended by the Evaluation Committee, thereby, overriding the Evaluation Committee Report without justification. The MTC did not give any reason for rejecting the Evaluation Committee's recommendation contrary to Section 11(1) (b) the Public Procurement and Disposal Regulations, 2006.

MOD/ 423 (02014) 16/17 Supply of fresh vegetables, fruits and potatoes to the Wajir Military Camp

3.2.14 In the review of Contract No. MOD/423(02014) 16/17 for Supply of fresh vegetable, fruits and potatoes to Wajir Military Camp, it was noted that the Evaluation Committee did not carry out a financial evaluation of the firms before recommending M/S Wajir Vegetable Supplies, contrary to the provisions in Section 16 (7) of the Public Procurement and Disposal Regulations, 2006 and Section 2.27.2 of the tender document both of which required financial evaluation of tenders to be done before awarding of tenders.

Table 8: Irregularities in Evaluation of Tenders at Ministry of Defence

	Contract No.	Description	Irregularity
1	MOD/ 423 (0208) 14/15	Supply of fresh vegetables, fruits and potatoes to the Isiolo based Unit	 a. There was no evidence that financial evaluations were conducted contrary to section 16 (7) of the Public Procurement and Disposal Regulations, 2006. b. The Tender Committee awarded the Tender to M/s. Shamz Enterprises Ltd instead of M/S Medabs Enterprises Ltd recommended by the Evaluation Committee without Justification contrary to section 11 (1)(b) of the Public Procurement and Disposal Regulations,2006
2	MOD/ 423 (02014) 16/17	Supply of fresh vegetables, fruits and potatoes to the Wajir Military Camp	There was no evidence that financial evaluations were conducted before recommending the Tender to be awarded to M/S Wajir Vegetable Supplies contrary to section 16 (7) of the Public Procurement and Disposal Regulations, 2006.

Award of Tenders to Non-Responsive Suppliers

3.2.15 The special audit also noted that the following four (4) tenders had proceeded to either technical evaluation, financial evaluation and/or award of the tender, despite these firms having not been responsive. This was contrary to Section 66(1) of the Public Procurement and Disposal Act, 2005 and Section 79(1) the Public Procurement and Asset Disposal Act, 2015 which describe a responsive firm as one that has passed preliminary /mandatory evaluation:

Table 9: Non-Responsive Tenders Awarded Contracts

CONTRACT NO.	TENDER DESCRIPTI ON	NO. OF BIDS RETURNE D	BIDDER AWARDE D	REMARKS
MOD/423 (0110146)	Supply of Unfertilized	2	M/s. Jambo	According to the Evaluation Report, M/s. Pemwas Enterprises was
2017/2018	Chicken Eggs to Nanyuki Barracks		Grocers	recommended for award, However, M/s. Jambo Grocers Ltd was awarded the Tender as per the Professional Opinion issued to the Accounting Officer.
MOD/423 (0110119) 17/18	Supply of fresh Cow Milk pasteurized , and UHT Milk to Gilgil Barracks	8	M/s. New KCC Ltd	New KCC was non-responsive as it did not attach a copy of the Public Health Certificate, a document that was considered mandatory.
MOD/423 (0110130)	Supply of fresh Cow	4	Mountain slopes K	The Evaluation Committee did not recommend M/s. Mountain Slopes
2017/2018	and Pasteurized UHT Milk to Nanyuki Barracks		Ltd	Ltd, who scored 26 out of 50 points. M/s. Northern Wing General Supplies scored 37 out of 50 points while M/S Habibani Enterprises Ltd got 49 points. However, Mountain Slopes was recommended for award of the Tender.
MOD/423 (0608) 14/15	Supply of beans and tomatoes	18	M/s. Truefood s Ltd	M/s. Truefoods Ltd was not recommended by the Kenya Bureau of Standards because it did not
	Sauce			satisfy one of the eight parameters used.

3.2.16 Section 85 of the Public Procurement and Asset Disposal Act, 2015 requires, subject to prescribed thresholds, all tenders to be evaluated by the Evaluation Committee of the procuring entity for the purpose of making recommendations to the Accounting Officer through the Head of Procurement to inform the decision of the award of contract to the successful tenderers. It was noted that the Evaluation Committee that

evaluated Contract No. MOD/423(0110146)2017/2018, Supply of Unfertilized Chicken Eggs to Nanyuki Barracks gave a recommendation awarding M/s. Pemwas Enterprises. However, M/s Jambo Grocers was the bidder who was awarded the tender based on the Professional Opinion issued by Head of Procurement Contrary to section 85 of the Public Procurement and Disposal Act, 2015.

3.2.17 In the Contract No. MOD/423(0110130)2017/2018, Supply of fresh Cow Milk, pasteurized homogenized Milk and UHT Milk to M/s. Nanyuki based units, M/s Mountain Slopes was irregularly awarded the Contract. This was despite the supplier not having been recommended by the Evaluation Committee but was still allowed to proceed into the Financial Evaluation Stage. In the Financial Evaluation, it was noted that M/s. Mountain Slopes was ranked higher than the other two bidders. This contravened Section 85 of the PPADA, 2015 that required tenders to be evaluated and recommended for award by the Evaluation Committee.

Unstamped letter declining Notification of Award

- 3.2.18 In the Contract No. MOD/423(0507)2014/2015 for supply of unfertilized chicken eggs to Thika based units, M/s. Attrance Ltd was notified of being the successful bidder on 10 February, 2015. The firm declined the offer to supply the eggs at Kshs.310 per tray, the price at which the firm had bid and won via a letter dated 23 February, 2015. The firm requested for a change of price from Kshs.310 to Kshs.370. It was observed that there was a likelihood the decline letter was not from M/s. Attrance, due to the following reasons;
 - i. The signature on the decline letter differed with the one in M/s. Attrance's tender document; and
 - ii. The decline letter did not have M/s. Attrance's stamp, unlike in the tender document
- 3.2.19 The tender was re-awarded to M/s Genesis Office Solutions Ltd at Kshs.326 and a contract signed on 12 May, 2015.

Absence of evidence of notification of unsuccessful bidders

- 3.2.20 According to Section 67(1) and (2) of the Public Procurement and Disposal Act, 2005, the person submitting the successful tender should be notified that his/her tender has been accepted, at the same time with the persons submitting the unsuccessful tender.
- 3.2.21 It was established that there was contravention of the above provisions, for Contract No. MOD/423(03022)14/15 for Supply of unsliced white and brown bread block to Nairobi based units. The successful bidder, Kenya Ordnance Factory was notified via a letter dated of October, 2015, but there was no evidence that other unsuccessful bidders were notified.

Notification period less than 14 days

3.2.22 Section 68(2) of the Public Procurement and Disposal Act, 2005 requires that a written contract should be entered into within the period specified in the notification, but not until at least fourteen days have elapsed following the giving of that notification. It was noted that notifications to successful and unsuccessful bidders for Contract No. MOD/423(0605)2014/2015 for the supply of milled rice to Kenya Defence Forces, were dated 03 November, 2014. However, the Contract between the Ministry of Defence and the successful bidder, M/S Akamai Creative Limited, was dated 13 November 2014. The period between notification of award and contract signing was 11 days, contrary to Section 68(2) of the PPDA, 2005.

Failure to comply with decisions of the Public Procurement Administrative Review

3.2.23 In the Contract No. MOD/423(01020)2014/2015 for Supply of fresh meat (beef) on bone to Nanyuki based units, the Evaluation Committee in a report dated 05/06/2015 recommended M/S Jackwright (1982) Ltd for award of the tender. However, according to the Ministerial Tender Committee (MTC) Minutes Number 16/01/15/16 of 17 July, 2015, the tender was awarded to M/S Quality Meat Packers Ltd at a price of Kshs.328 per Kg of meat delivered. The reason for the award as per MTC Minutes were; The supplier

- was ranked second by the Evaluation Committee and that the supplier was reliable as he had not requested for price adjustment in the past.
- 3.2.24 Based on the decision of the Ministerial Tender Committee, M/s Jackwright (1982) Ltd lodged a request for review application number 42/2015 of 12 August, 2015 to the Public Procurement Administrative Review Board (PPARB) and after hearings, the Board's decision was communicated on 25 August, 2015 and its final orders were as follows;
 - a) The Procuring Entity's (PE) notification letters dated 6 August, 2015 to the applicant and to the other bidders including the "successful bidder" were annulled;
 - b) The Procuring Entity's Tender Evaluation Committee was to partially repeat the Financial Evaluation of the Tender in order to ensure: -
 - That it applies the preference set out in the clause 2.25.1 of the tender document by giving a preference of 15% to all tenderers based in Nanyuki and its environs
 - That the Procuring Entity thereafter would proceed to award the tender to the lowest evaluated price as provided for under section 66(4) of the Act. The prices to be considered were those that had been quoted by bidders as set out in the evaluation report and in the bidders' respective tender documents
 - c) The Procuring Entity should re-evaluate and award the tender within 14 days from 25 August, 2015 and should supply the Public Procurement Administrative Review Board with evidence of compliance with the above orders within 15 days from 25 August, 2015.
- 3.2.25 Documents provided for audit on compliance of the Public Procurement Administrative Review Board directive revealed the following;
 - a) The Evaluation Committee in its report dated 07 September, 2015 recommended M/S Jackwright (1982) Ltd for award of the tender but the Evaluation Committee repeated technical evaluation and not financial evaluation of the tender as directed by the Public Procurement Administrative Review Board.

- b) The Minutes of the Ministerial Tender Committee (MTC) Number MA/A/07/15/16 held on 11 September, 2015 awarded the tender to M/s. Habibani Enterprises Ltd, at a price of Kshs.260 per kg delivered reasons given for the award being;
 - i. Lowest responsive bidder
 - ii. Reliable supplier who had not requested for price adjustment in the past.

The MTC therefore, did not give any reason for rejecting the Evaluation Committee's recommendation.

- c) All the six bidders were sent notification letters on 21 September, 2015 informing them that notification of award letters issued on 6 August, 2015 were nullified and a new award made to M/s. Habibani Enterprises Ltd.
- 3.2.26 The above decision necessitated a second request for review of application number 50/2015 of 28 September, 2015 by M/s Jackwright (1982) Ltd lodged to the Public Procurement Administrative Review Board. The main issue for the request was that the Ministry of Defence did not act as directed by the Public Procurement Administrative Review Board on applying the preference of 15% to all tenderers based in Nanyuki and its environs as set out in set out in the clause 2.25.1 of the tender document.
- 3.2.27 The Secretary to the Public Procurement Administrative Review Board vide a letter reference PPOA/ARB/7/50/2015 (3) wrote to the Principal Secretary (PS) Ministry of Defence (MOD) on 28 September, 2015, informing him of the request for review and inviting the Ministry of Defence to submit its response within five (5) days from the date of the letter.
- 3.2.28 The Ministry of Defence did not file its response with the Review Board and proceeded to effect a Contractual Agreement with M/s. Habibani Enterprises Ltd on 07 October, 2015 contrary to Section 94 of the Public Procurement and Disposal Act, 2005 read together with Section 74 (1) of the Public Procurement and Disposal Regulations, 2006

that requires procuring entities to suspend procurement proceedings pending the outcome of the review.

Irregularities in contracts management

Unsigned Contract

3.2.29 It was noted that the Contract for Tender No. MOD/423(0408) 16/17 for supply of Cow Milk Pasteurized and Homogenized and UHT was not duly filled and signed by contracting parties as at the time of the audit. This contravenes Section 135 (4) which states that, "No contract is formed between the person submitting the successful tender and the accounting officer of a procuring entity until the written contract is signed by the parties".

Irregularities in price adjustment of Contracts

3.2.30 It was noted that six (6) contracts had their original contract prices varied upwards. This price variation/ adjustment was contrary to the instruction to tenderers under the tender prices Section 2.10.3 of the tender document, which required that prices quoted by the tenderer should be fixed during the tender performance of the contract and not subject to variation on any account. Details of these contracts are in **APPENDIX V**.

Procurement process at the Ministry of Defence Service level

- 3.2.31 The process description for receipt of foodstuffs in the Kenya Army stores is detailed in APPENDIX VI. Receipt and recording of foodstuffs for Kenya Army is handled at the Defense Forces Ordnance Depot (DFOD), Kahawa Barracks.
- 3.2.32 The special audit reviewed the procurement process for foods stuffs and noted procurement related irregularities as detailed below:

Use of the same contract numbers in different regions

3.2.33 Review of contract extracts provided for audit at the Kenya Navy showed same Contract Number allocated to more than one supplier for supply of food rations.

Information gathered in the course of the audit revealed that, a contract number cannot be shared by more than one supplier in a given financial year. The table below highlights instances where same contract number was allocated to more than one supplier.

Table 10: Use of same contractor number in different region

SHARED	SUPPLIER	ITEM	REGION	CONTRACT
CONTRACT NO.				DURATION
	KORBASH	COOKING FAT	MOMBASA	Duration not
MOD/423	TRADERS LTD		REGION	indicated
(029) 13/14	ELGON KENYA	COOKING FAT	KMA/RTS AND	Duration not
	LTD		NAIROBI REGION	indicated
	KENBLEST LTD	WHITE/BROWN	NANYUKI BASED	06/3/14-
MOD/423		BREAD	UNITS	06/2/15
(0302)	ABDI MAALIM	WHITE/BROWN	MANDA BASED	23/09/13-
13/14	HASSAN SUPPLIERS	BREAD	UNITS	22/9/14
	GENESIS	UNFERTILIZED	THIKA BASED	20/3/15-
MOD/423 (0507)	OFFICE SOLUTION LTD	CHICKEN EGGS	UNITS	19/3/16
14/15	ATRANCE	UNFERTILIZED	THIKA BASED	31/1/15-
14/13	ENTERPRISES	CHICKEN EGGS	UNITS	30/1/16
	BALLOT JA	MARGARINE	NAIROBI,	29/11/14-
MOD/423	LIMITED	SALTED 17KGS	MOMBASA,	28/11/15
(0602)	LIMITED	SALIED I/RGS	KMA/RTS	20/11/15
14/15	GEMTHI	MARGARINE	NAIROBI,	29/11/14-
	GENERAL	SALTED	MOMBASA,	28/11/15
	MERCHANTS	500GMS	KMA/RTS	
	SAYARI KENYA	COFFEE BLEND	NAIROBI,	1 YEAR
MOD/423	COMPANY LTD		MOMBASA/	
(0603)			KMA/RTS	
16/17	FINTON	FRESH COW	DEFENCE	29/11/15-
	LOGISTICS LTD	MILK	FORCES	28/11/16
	_	PASTEURIZED		
	COTTS	MARGARINE	NAIROBI,	26/1/17-
MOD/423	HOLDING LTD	SALTED	MOMBASA,	25/1/18
(0609)		500GMS	KMA/RTS	
16/17	GTREND	SALTED	NAIROBI,	26/1/17-
	CONCEPTS LTD	MARGARINE	MOMBASA,	25/1/18
		17KGS	KMA/RTS	

3.3 Expenditure items, amounts and irregular expenditures Expenditure at the Ministry of Defence Head Quarters

3.3.1 The special audit reviewed Vote Book records for the Ministry of Defence and established that the total expenditures for food stuffs for the period under review was Kshs.8,964,858,643 as detailed below:

Table 11: Expenditures for the Ministry of Defence as per vote book

FINANCIAL	KENYA ARMY	KENYA	KENYA NAVY	TOTAL (KSHS)
YEAR	(KSHS)	AIRFORCE	(KSHS)	
		(KSHS)		
2014-2015	1,296,997,689	171,494,845	210,814,254	1,679,306,789
2015-2016	2,011,851,753	209,856,454	185,958,517	2,407,306,725
2016-2017	1,871,708,250	202,701,249	216,304,756	2,290,714,256
2017-2018	2,076,373,052	252,415,329	258,742,490	2,587,530,872
TOTALS	7,256,930,746	836,467,878	871,460,018	8,964,858,643

3.3.2 The special audit compared the Vote Book and expenditure returns records for the Ministry of Defence as detailed below:

	Farificación de asidese		T		1	1
	Var	23,624,083	337	(901,770)		
201/2018	E.Returns	2,099,997,135	252,415,665	257,840,720	2,610,253,520	
	V.Book	2,016,}73,052	252,415,328	258,742,490	2587,530,870	
	Var	128,289,409	0	(6,304,765)		
2016/2017	E.Returns	1,999,997,659	202,701,249	209,999,991	2,412,698,899	·
	V. Book	1,871,708,250	202,701,249	216,304,756	2,290,714,255	
	Var	14,999,987	0	0		
2015/2016	E.Returns	2,026,851,740	209,856,454	185,958,517	2,422,666,711	
	V.Book	2,011,851,753	209,856,454	185,958,517	2,407,666,724	
	Variance	118,002,311	0	0		
2014/2015	E.Returns	1,415,000,0b0	171,494,845	210,814,254	253,809,099	
	V,Book	1,296,997,689	171,494,845	210,814,254	1,679,306,788	
		Ą	KAF	Z Z	Total	മ ജ ച

3.3.3 It was noted that there were variances between the amounts in the vote book and expenditure returns and therefore, for purposes of this audit, the amounts as per vote books were used.

Expenditure at the Services

- 3.3.4 It was established that the practice at the Ministry of Defence was that Vendors Claims were prepared by various Service units, the Kenya Army, the Kenya Air Force and the Kenya Navy and then forwarded to the Ministry of Defence for verification and payment.
- 3.3.5 The special audit was provided with merchant schedules, which are reports indicating the payments made to the suppliers who delivered foodstuffs to the Ministry of Defence. The special audit was able to trace a total of Kshs.399,737,963 payment voucher amounts from the availed merchant schedules and cashbooks for payments of foodstuffs in the period under review. This amount was for the Services' vouchers, as summarized below;

Table 12: Payments as per Merchant Schedules and Cashbooks

FINANCIAL	KENYA ARMY	KENYA AIRFORCE	KENYA NAVY (KSHS)
YEAR	(KSHS)	(KSHS)	
2014-2015	72,663,875.00	20,842,700.00	81,306,721.50
2015-2016	22,233,250.00	16,060,080.00	29,617,259.00
2016-2017	35,707,200.00	29,213,645.00	24,599,085.00
2017-2018	55,774,148.00	2,420,000.00	9,300,000.00
TOTALS	186,378,473.00	68,536,425.00	144,823,065.50
GRAND TOTAL			399,737,963.50

3.3.6 The special audit team visited various Service Units and reviewed copies of Vendors Claims forwarded by the Services to the Ministry of Defence Headquarters for payment. The following were the expenditure issues noted in each of the Service Units.

Kenya Army Expenditure

3.3.7 According to the Kenya Army Authority to Incur Expenditures (AIE's) and Vote Books provided for audit review, the amounts allocated and total commitments respectively for each year was as summarized in the table below;

Table 13: Expenditures for the Kenya Army

	Financial year	Amount allocated (Kshs)	Total Expenditure (Kshs)	Variance (Kshs)
1.	2014-2015	1,415,000,000	1,296,997,689.90	118,002,311
2.	2015-2016	2,026,854,436	2,011,851,754.00	15,002,682
3.	2016-2017	2,000,000,000	1,871,708,250.00	128,291,750
4.	2017-2018		2,076,373,053.40	23,626,947
		2,100,000,000		
TOTAL		7,541,854,436	7,256,930,747.30	284,923,689

- 3.3.8 The special audit noted that for all financial years the cumulative total expenditure was less than the cumulative amounts allocated by Kshs.284,923,689
- 3.3.9 Out of the total commitment of Kshs.7,256,930,747 for the period under review, the special audit reviewed Vendors Claims Vouchers amounting to Kshs.327,040,721, as detailed in APPENDIX VII. These expenditures were only for dry ration food stuffs for the period under review.
- 3.3.10 Out of the Kshs.327,040,721 reviewed, it was noted that a total of Kshs.34,715,980 were irregularly processed as detailed in APPENDIX VIII.

• Inconsistencies in procurement records 34,415,680

• Failure to deduct VAT on Claims 300,300

Total Irregularly Paid Vouchers 34,715,980

- (i) Delayed deliveries and Inconsistencies in supporting documents-Kshs.34,415,680
- 3.3.11 It was established that Vendors Claims amounting to Kshs.34,415,680 related to foodstuffs that had either not been delivered within the stipulated time as per the conditions in the LPO or had inconsistencies with the dates in the supporting documents. These procurements are summarized in the table below;

Table 14: Inconsistencies in procurement documents- for the Kenya Army

	Financial year	Payee	Voucher no.	Amount (kshs)
1.	2015/2016	Ballot (JA) Ltd	2652	3,868,560
2.	2015/2016	Ballot (JA) Ltd	2231	7,737,120
3.	2015/2016	Datrix Ltd	011	7,805,200
4.	2016/2017	Offlimit Brands	1392	15,004,800
TOTALS		1 - 1 -		34,415,680

(ii) Failure to deduct VAT on Claims: Kshs.300,300

3.3.12 It was established that various Vendors Claims were processed without deducting Value Added Tax of Kshs.300,300 contrary to Section 42A (4C) (a) of the Tax Procedures Act, 2015. Details of these claims are as summarized in the table below.

Table 15: Overpayments for the Kenya Army

	Payee	Voucher No.	Amount inclusive of VAT(Kshs)	Undeducted VAT (Kshs)
1.	M/s Game Changer	1633	834,400	43,158
2.	M/s Game Changer	1631	1,433,600	74,151
3.	M/s Game Changer	1163	438,200	22,665
4.	M/s Game Changer	1071	3,099,600	160,324
TOTA	LS		5,805,800	300,300

3.3.13 The non-deducted VAT amount was as a result of the 6% with-holding tax that the Ministry of Defence ought to have with-held from payment vouchers totaling Kshs.5,805,800.

Kenya Air Force Expenditure

3.3.14 It was established that the total expenditure for the Kenya Air Force according to the Vote Book records amounted to Kshs.836,467,878 for financial years 2014/2015 to 2017/2018. The special audit compared these expenditure amounts with the allocated amounts as per the copies of expenditure returns.

Table 16: Expenditure Amounts

	Financial Year	Allocations	Expenditure	Variance (Kshs)
		(Kshs)	(Kshs)	
1.	2014/2015	171,500,000	171,494,845	5,155
2.	2015/2016	209,858,546	209,856,454	2,092
3.	2016/2017	202,708,601	202,701,249	7,352
4.	2017/2018	252,419,501	252,415,329	4,172
TOTA	ALS	836,486,648	836,467,877	

3.3.15 The special audit reviewed expenditures amounting to Kshs.224,730,922 out of the total expenditures of Kshs.836,467,878. It was established that out of the Kshs.224,730,922 verified in the vote books, a total of Kshs.3,476,980 were irregular expenditures as follows;

Inconsistent supporting documents 1,275,940
 Differing payon pames 2,201,040

• Differing payee names 2,201,040

Total Irregular Expenditures 3,476,980

(i) Inconsistent supporting documents- Kshs.1,275,940

3.3.16 The special audit established that payment voucher number KAFLOGS/0141 of Kshs.1,275,940 in favor of M/S Kijani Orchards had LPO number 2768831, however a review of the Vote Book for the same financial year indicated that the said payment voucher was for LPO number 2206184 in favor of Quality Meat Packers. There was no explanation for the inconsistencies.

(ii) Differing payee names- Kshs.2,201,040

3.3.17 The special audit noted differences in the payees' names in the availed payment vouchers and vote books as follows:

Table 17: Differing Payee names

	Financial Year	Payment Voucher No.	LPO No.	Payee as per voucher	Payee as per Vote Book	Amount (Kshs)
1.	2016/2017	KAFLOGS /0583	2824000	M/s. Kenya Ordnance Factories Corporation	Kijani Orchards	1,623,540
2.	2017/2018	KAFLOGS /0402	2882218	Cotts Holding	Jarkim Merchants	307,500
3.	2017/2018	KAFLOGS /3563	3190411	Jambo	Game Changer	270,000
TOTAL	_S					2,201,040

(iii) Other Control Weaknesses- Missing LPOs in Vote book

3.3.18 The special audit noted instances where, items were procured and delivered, but the committed LPOs issued for these deliveries could not be traced in the Vote Book. It was therefore difficult to ascertain the specific amounts of these LPOs. The table below summarizes the LPOs and their receipt voucher numbers.

Table 18: Missing Vendor claims in vote book

	Financial	Payee	Receipt	LPO No.
	year	在美国企业工程,19 20年代	Voucher No.	
1.	2015/2016	M/s. Sayari Kenya Co. Ltd	417	2823978
2.	2015/2016	Bimel	099	2858748
3.	2017/2018	Game Changer	2494	2911362
4.	2017/2018	Game Changer	1961	2882216
5.	2017/2018	M/s. Korbash	113	3882211

Kenya Navy Expenditure

3.3.19 It was established that the total expenditure for the Kenya Navy amounted to Kshs.871,460,018 for financial years 2014/2015 to 2017/2018. The special audit compared these expenditure amounts with the allocated amounts and noted cumulative variances of Kshs. 18,686,813 being over expenditure as summarized in the table below.

Table 19: Expenditures for Kenya Navy

	Financial	Amount allocated	Total commitment	Variance
	Year	(Kshs)	(Kshs)	(Kshs)
1.	2014-2015	198,814,248	210,814,254	12,000,006
2.	2015-2016	185,958,957	185,598,517	(360,440)
3.	2016-2017	210,000,000	216,304,756	6,304,756
4.	2017-2018	258,000,000	258,742,490	742,490
TOTALS		852,773,205	871,460,018	

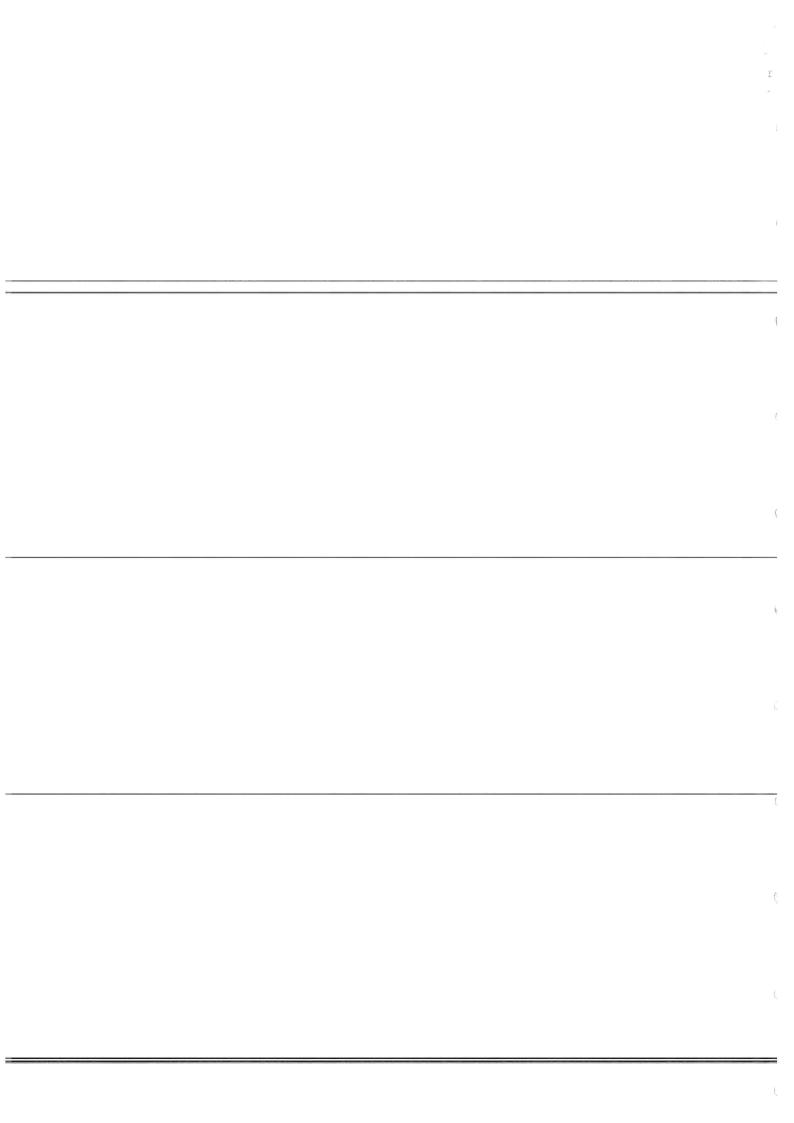
Unaccounted for Expenditure: Kshs.37,904,593.25

3.3.20 Out of the total expenditure recorded in the Vote Book amounting to Kshs.871,460,018.25, the management of the Ministry of Defence provided payment vouchers amounting to Kshs.833,555,425 for audit while payment vouchers amounting to Kshs.37,904,593 were not availed yet expenditures had been recorded as having been paid as detailed below:

Table 20: Un-accounted expenditure-Kenya Navy

Financial Year	Total Commitment	Payment Vouchers	Unaccounted for
	(Kshs)	availed (Kshs)	Expenditure (Kshs)
2014-2015	210,814,254	190,962,202	(19,852,052)
2015-2016	185,598,517	184,886,027	(712,490)
2016-2017	216,304,756	213,869,106	(2,435,650)
2017-2018	258,742,490	243,838,089	(14,904,400)
TOTALS	871,460,018	833,555,425	(37,904,593)

4 APPENDICES



APPENDIX I: DOCUMENTS SUPPORTING REPORT

No.	CONTRACT No.	DESCRIPTION	DOCUMENTS REQUIRED
1.	MOD/423(06014) 14/15	Supply of coffee blend	Contract agreement, MTC minutes, Evaluation Committee Report, KEBS laboratory test report
2.	MOD/423(01020) 14/15	Supply of fresh meat (beef) on bone to Nanyuki based units	Evaluation committee report dated 05/06/2015, MTC minutes dated 17 th July, 2015, Tender invitation notice, Tender opening minutes, Request for review letter dated 12/08/15 number 42/2015, Letter reference PPOA/ARB/7/42/2015 from PPARB dated 13/08/15, Communication from the PPARB dated 25/08/15, Evaluation committee report dated 07/09/15, MTC minutes dated 11/09/15, Contract agreement, Request for review letter dated 28/09/15 number 50/2015, Letter reference PPOA/ARB/7/50/2015 (3) from PPARB dated 28/09/15, Letter reference PPOA/ARB/7/50/215(13) from PPARB dated 07/10/15, Procuring Entity response to PPARB dated 09/10/15 and Communication from the PPARB on the outcome of the second review
3.	MOD/423(04017) 14/15	Supply of fresh and ultra- heat treated (UHT) cow milk to Hakati military camp	Evaluation committee report
4.	MOD/423(011092) 16/17	Supply of fresh vegetables, fruits and potatoes to Nairobi based units	Evaluation committee report
5.	MOD/423(03012) 16/17	Supply of white/brown bread block (unsliced) to Gilgil based units	Evaluation committee report
6.	MOD/423(011094) 17/18	Supply of white/brown bread block (unsliced) to Garissa Military camp	Evaluation committee report
7-	MOD/423(0110103) 17/18	Supply of unfertilized chicken eggs to Garissa Military camp	Evaluation committee report
8.	MOD/423(011044) 17/18	Supply of fresh vegetables, fruits and potatoes to Mombasa Based Units	Evaluation committee report, Notification of award letter
9.	MOD/423(011012) 16/17	Supply of cooking oil to defence forces	Evaluation committee report
10.	MOD/423(0601) 14/15	Supply of tea leaves to defence forces	Price variation request by trade circles and approval by MOD

11.	MOD/423(02014) 16/17	Supply of fresh vegetable, fruits and potatoes to wajir military camp	Evaluation committee report	
12.	MOD/423(0208) 14/15	Supply of fresh vegetables, fruits and potatoes to Isiolo based unit	Tender opening Minutes, Evaluation report, Tender Ministerial committee Report	
13.	MOD/423(0609) 15/16	Supply of rice to defence	Advertisement	
14.	MOD/423(02016) 14/15	forces Supply of fresh vegetables, fruits & potatoes to Nairobi based units	Evaluation Report	
15.	MOD/423(2018) 14/15	Supply of fresh vegetables, fruits & potatoes to Gilgil based units	Evaluation Report	
16.	MOD/423(0406) 15/16	Supply of fresh cow milk to Archers Post	Evaluation Report	
17.	MOD/423(0501) 15/16	Supply of unfertilized chicken eggs to Isiolo Based Units	Evaluation Report	
18.	MOD/423(04014) 14/15	Supply of fresh cow milk and ultra-treated (UHT) to Gilgil based Units	Evaluation Report	
19.	MOD/423(05011) 14/15	Supply of unfertilized chicken eggs to Manda Base	Evaluation Report	
20.	MOD/423(0208) 15/16	Supply of fresh vegetables, fruits &potatoes to Thika based units	Evaluation Report	
21.	MOD/423(04015) 15/16	Supply of fresh cow milk pasteurized & homogenized and ultraheat treated (UHT) to Wajir Military Camp	Evaluation Report	
22.	MOD/423(0104) 15/16	Supply of meat (beef) on bone to Manda Base	Evaluation Report	
23.	MOD/423(01024) 15/16	Supply of meat(beef) on bone to Wajir Military Camp	Evaluation Report	
24.	MOD/423(011089) 17/18	Supply of vegetables, fruits and potatoes to Wajir Military Camp	Evaluation Report	
25.	MOD/423(0110107) 17/18	Supply of Head Meat to Nairobi Based Units	Evaluation Report	
26.	MOD/423(012044) 17/18	Supply of fresh cow milk pasteurized & homogenized and ultra-	Evaluation Report	
				50

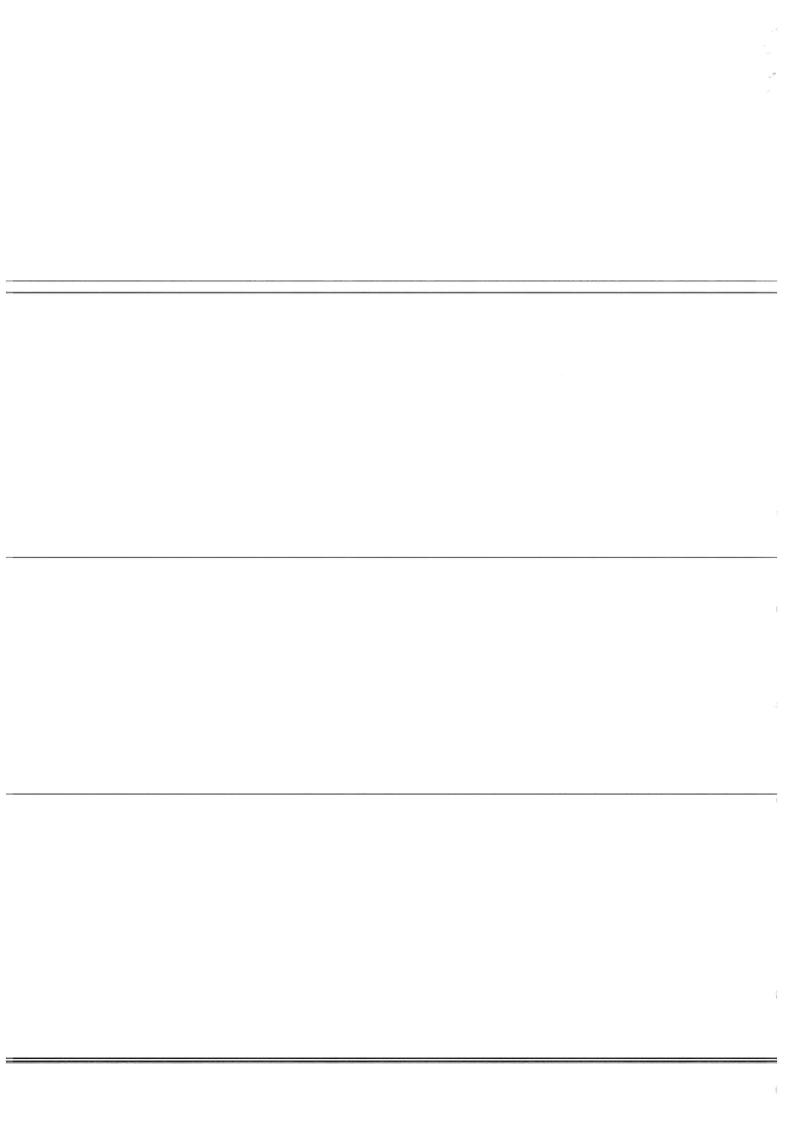
		heat treated (UHT) to Thika based units	
27.	MOD/423(0110140) 17/18	Supply of unfertilized chicken eggs to Isiolo Based Units	Evaluation Report
28.	MOD/423(0110150) 17/18	Supply of unfertilized chicken eggs to Gilgil Based Units	Evaluation Report
29.	MOD/423(0509) 15/16	Supply of unfertilized chicken eggs to Thika Units	Evaluation Report
30.	MOD/423(011067) 16/17	Supply of coffee blend to defense forces	Evaluation Report
31.	MOD/423(011093) 16/17	Supply of canned beans in tomato sauce to Kenya Defense Forces	Evaluation Report
32.	MOD/423(03022) 14/15	Supply of white/brown bread block unsliced to Nairobi based units	Evaluation report, Notification letters
33.	MOD/423(0605) 14/15	Supply of Milled Rice	Contract agreement, Notification letters
34.	MOD/423(011080) 17/18	Supply of fresh vegetables, fruits and potatoes to Eldoret based units	Contract agreement, Notification letters, Evaluation report MTC Minutes, Tender Opening Minutes, Recruits Training School letters dated 25th April, 9th July,13th July and 18th July 2018
35.	MOD/423(0110130) 17/18	Supply of fresh cow milk pasteurized homogenized and Ultra Heat Treated (UHT) to Nanyuki based units	Bid document, Tender opening minutes dated 14 March 2018, Evaluation report (physical evaluation report), Evaluation committee minutes signed on 23 April 2018 (Evaluation Memo), Notification letters, Interoffice memo dated 23 April 2018 to the accounting officer through the ADSCMS from DHQ LOGS referenced MOD/423(0110130)2017/2018, Mountain slopes K Ltd Acceptance letter, Contract, Minutes of meeting number 39/17/18 item number 1172/39/2017/2018 dated 16/5/2018, Letter Ref MOD/001/OPS/PAB to DHQ LOGS through ACDF P&L signed by Head of procurement
36.	MOD/423(06011) 15/16	Supply of Canned Pineapples to Defense Forces	Opening Committee Minutes and Evaluation Report
37-	MOD/423(0607)14/15	Supply of Dry Beans to NBI, Lanet & Eldoret	Bid document for the Supplier who was awarded the contract

38.	MOD/423(0408) 16/17	Supply of Cow Milk Pasteurized & Homogenized & Ultra Heat Treated	Bid document for the Supplier who was awarded the contract Ministerial Tender Committee Minutes Contract Agreement
39.	MOD/423(0110146) 2017/2018	Supply of Unfertilized Chicken Eggs to Nanyuki Based Units	Approval for restricted tendering by Accounting Officer, Evaluation Report, Branch Recommendation, Internal
			Memo from DHQ LOGS to Accounting officer dated 13-06-18, Notifications to Successful and unsuccessful bidders, Contract Agreement
40.	MOD/423(011056) 2017/2018	Supply of Margarine Salted to the KDF	Approval for restricted tendering by Accounting Officer
41.	MOD/423(011077) 2017/2018	Supply of Fresh Cow Milk Pasteurized Homogenized & UHT to Wajir Military Camp	Approval for restricted tendering by Accounting Officer, Procurement Advisory Board recommendation, Accounting officer memo appointing opening committee, Tender opening Minutes, Branch Recommendation, Notification of Award, Letter of Acceptance, SCMS letter to DHQ LOGS dated 25-01-18, Award approval by Accounting Officer
	MODITORIO	C 1 f + 1	7
42.	MOD/423(0601) 14/15 MOD/423(01104)2016-17	Supply of tea leaves Supply of sugar milled	Bid Document for Supplier Awarded Award approval by Accounting Officer
44.	MOD/423(01104)2017-18	Supply of sugar milled	Contract Agreement Award approval by Accounting Officer Contract Agreement
45.	MOD/423(0507)2014/2015	Supply of unfertilized chicken eggs to Thika Based units	Advertisement for tender, Bid documents for M/S Attrance Ltd, Tender evaluation report, Notification of award to Attrance Ltd, Decline letter for Attrance Ltd, MTC extract on award of tender
46.	MOD/423(0110119)17/18	Supply of fresh cow milk pasteurized,	Bid documents for all suppliers, Tender opening register, Price
		heated (UHT) to Gilgil based units	opening, Tender opening minutes, Tender evaluation minutes, Notifications to successful and unsuccessful bidders, letter referenced DHQ/318/sup/contracts, report referenced HQ KA/3212/LOGS dated 15th Nov 2016, technical evaluation report, Tender award ministerial committee extract
47-	MOD/423(04014) 14/15	Supply of fresh cow milk & ultra-heat Treated (UHT) Gilgil based units	Opening minutes and opening register

48.	MOD/423(0104) 2014/2015	Supply of meat(beef) on Bone to Wajir Military	Opening minutes and opening register
49.	MOD/423(0508) 16/17	Supply of unfertilized chicken eggs to Isiolo	Opening minutes and opening register
50.	MOD/423(011092) 17/18-	Supply of white and brown block (unsliced to Hakati military camp	Opening minutes and opening register
51.	MOD/423(04012) 14/15	Supply of fresh cow milk pasteurized and homogenized and ultra- heat treated(UHT) to Mombasa based units	Advertisement, bid documents for NEW KCC, opening register, opening minutes, evaluation minutes and extract of the MTC minutes
52.	MOD/423(0608) 14/15.	Supply of beans in tomatoes Sauce	Advertisement, opening minutes, evaluation minutes, extract of the MTC minutes, notification to successful and unsuccessful bidders, contract agreement
53.	MOD/423(0609) 15/16	Supplied milled rice to KAF	Payment Voucher number KAF LOGS/ 0236
54.	MOD/423(0110121) 17/18	Supply of fresh eggs to KAF	Payment Voucher KAF LOGS/3731
55.	MOD/423(0201) 16/17	Supply of vegetables to KAF	Payment voucher number KAF LOGS/0855, LPO number 3057447 of Kshs 1,694,340, 2 Receipt vouchers number 1-16 dated 11 October 2017, Invoice number 658, Delivery note number 4483 dated 11/9/2017, Delivery note number 4484 dated 13/9/2017, Delivery note number 4267 dated 15/9/2017, Delivery note number 4485 dated 18/9/2017, Delivery note number 4486 dated 20/9/2017, Delivery note number 4489 dated 22/9/2017, Delivery note number 4487 dated 25/9/201, Delivery note number 4490 dated 27/9/2017, Delivery note number 4491 dated 29/9/2017
56.	MOD/423(0605)2014/2015	Being payment in respect of items (milled rice) supplied to KAF	Payment voucher KAF/LOGS/027
57.	MOD/423(011012)2016/2017	Being payment in respect of cooking oil golden supplied to KAF	Payment voucher KAF/LOGS/3619
58.	MOD/423(011012)2016/2017	Being payment in respect of cooking oil golden supplied to KAF	Payment voucher KAF/LOGS/3619
59.	MOD/423(011093)2016-17	Being payment in respect of beans supplied to KAF	Payment voucher KA/LOGS/3515

60.	MOD/423(06012)2015-16	Being payment in respect of spaghetti brand Santa Lucia supplied to KAF	Payment voucher KAF/LOGS/0235	
61.	MOD/423(06011)2015-16	Being payment in respect of canned pineapples supplied to KAF	Payment voucher KAF/LOGS/1160	
62.	MOD/423(060117)2016-17	Being payment in respect of coffee blend supplied	Payment voucher KAF/LOGS/2301	
		to KAF		-
63.	MOD/423(011012)2016/2017	Being payment in respect of cooking oil golden fry supplied to KAF	Payment voucher KAF/LOGS/3249	
64.	MOD/423(060117)2016-17	Being payment in respect of coffee blend supplied to KAF	Payment voucher KAF/LOGS/3706	
65.	MOD/423(0605)2014/2015	Being payment in respect of items (milled rice) supplied to KAF	Payment voucher KAF/LOGS/0614	
66.	MOD/423(06010) 2015/16	Being payment in respect of biscuits brand Jambo supplied to KAF	Payment voucher KAF/LOGS/3053	
67.	MOD/423(06011) 2014/2015	Being payment in respect of canned pineapples supplied	Payment voucher KAF/LOGS/0836	
68.	MOD/423(06012) 2014/15	Being payment in respect	Payment voucher KAF/LOGS/0682	
		of items (spaghetti) supplied to KAF		
69.	MOD/423(0601)2014/2015	Being payment in respect of items (tea leaves) supplied to KAF	KAF/LOGS/0688, Approval of Price adjustment by Accounting Officer	
70.	MOD/423(01104)2016-17	Being payment in respect of sugar milled supplied to KAF	KAF/LOGS/3250, Award approval by Accounting Officer, Approval of Price adjustment by Accounting Officer	
71.	KAF/QL/R&F/01/16-17	Being payment in respect of white sugar supplied to KAF	KAF/LOGS/0107 Evaluation Report	
72.	KAF/QL/R&F/02/16-17	Being payment in respect of white sugar supplied to KAF	KAF/LOGS/0238 Evaluation Report	
73.	KAF/QL/R&F/004/16-17	Being payment in respect	KAF/LOGS/0744	
		of white sugar supplied to KAF	Evaluation Report	
74.	KAF/QL/R&F/005/16-17	Being payment in respect of white sugar supplied to KAF	KAF/LOGS/1268 Evaluation Report	
75.	MOD/423/06012/14/15	Being Payment for Spaghetti Supplied	KA/DFOD/RATS/011, Delivery Note, Invoice	
76.	MOD/423/06011/14/15	Being Payment of Canned Pineapples Supplied	KA/DFOD/RATS/2652, LPO, Delivery Note, Approval of Price adjustment	
77.	MOD/423/06011/14/15	Being Payment for Pineapples Supplied	KA/DFOD/RATS/2231, LPO, Delivery Note, Approval of Price adjustment	

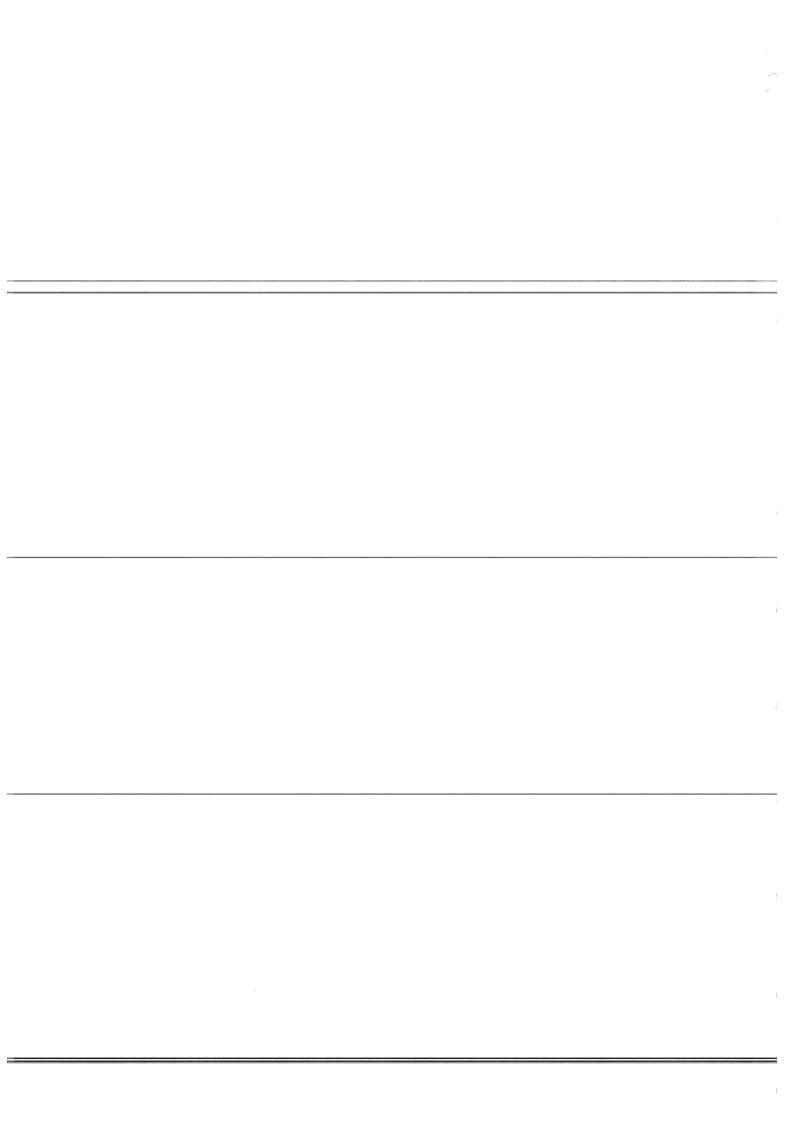
78.	MOD/423/06011/14/15	Being Payment for	KA/DFOD/RATS/2231, LPO, Delivery
		Pineapples Supplied	Note, Approval of Price adjustment
79-	MOD/423/06011/14/15	Being payment for pineapples supplied	KA/DFOD/RATS/2231
80.	MOD/423(011012)16/17	Being payment for supply of cooking oil	KA/DFOD/RATS/1392-2018/2019
81.	MOD/423(06012)2014/2015	Supply of spaghetti to Defence forces	KA/DFOD/RATS/1392-2018/2019
82.	MOD/423(06012)2015/2016	Payment for supplying spaghetti	KA/DFOD/RATS/1392-2018/2019
83.	MOD/423(06011)2014/2015		KAF LOGS 578
84.	MOD/423(0201)2016/17		KAF LOGS 0612
85.	MOD/423(06011)2015/16		KAF LOGS 0718
86.	MOD/423(06011)2014/2015		KAF LOGS 0836
87.	MOD/423(06010)2015/16		KAF LOGS 3053
88.	KMA	Meat Fresh	RV 9 of 22-04-17
		Potatoes Fresh	RV 11 of 14-02-17
89.	78 TK BN	Potatoes Fresh	RV 7 of 10-10-17
90.	KAF/QL/R&F/01/16-17, KAF/QL/R&F/02/16-17, KAF/QL/R&F/004/16-17, KAF/QL/R&F/005/16-17, KAF/QL/F&R/003/16-17, KAF/QL/F&R/10/16-17, KAF/QL/F&R/12/16-17, KAF/QL/F&R/06/16-17, KAF/QL/F&R/06/16-17, KAF/QL/F&R/06/16-17, KAF/QL/F&R/06/16-17,	Milled Sugar	Quotation documents and contract agreements
91.		Ministry of Defence	Organizational structure
92.		Kenya Army, Kenya Airforce and Kenya Navy	Approved Budgets/Allocation/ Expenditure Returns
93.	a .	Kenya Army, Kenya Airforce and Kenya Navy	Approved Purchase Plans
94.		Ministry of Defence	Merchant Schedules
95.		Ministry of Defence	Bank Statements
96.		Ministry of Defence	Cashbooks
97.		Ministry of Defence	Consolidated list of Prequalified suppliers
98.		Ministry of Defence	Appeals correspondence files
99.		Milled Sugar 2016/2017	Approvals for use of Direct Procurement for Milled Sugar



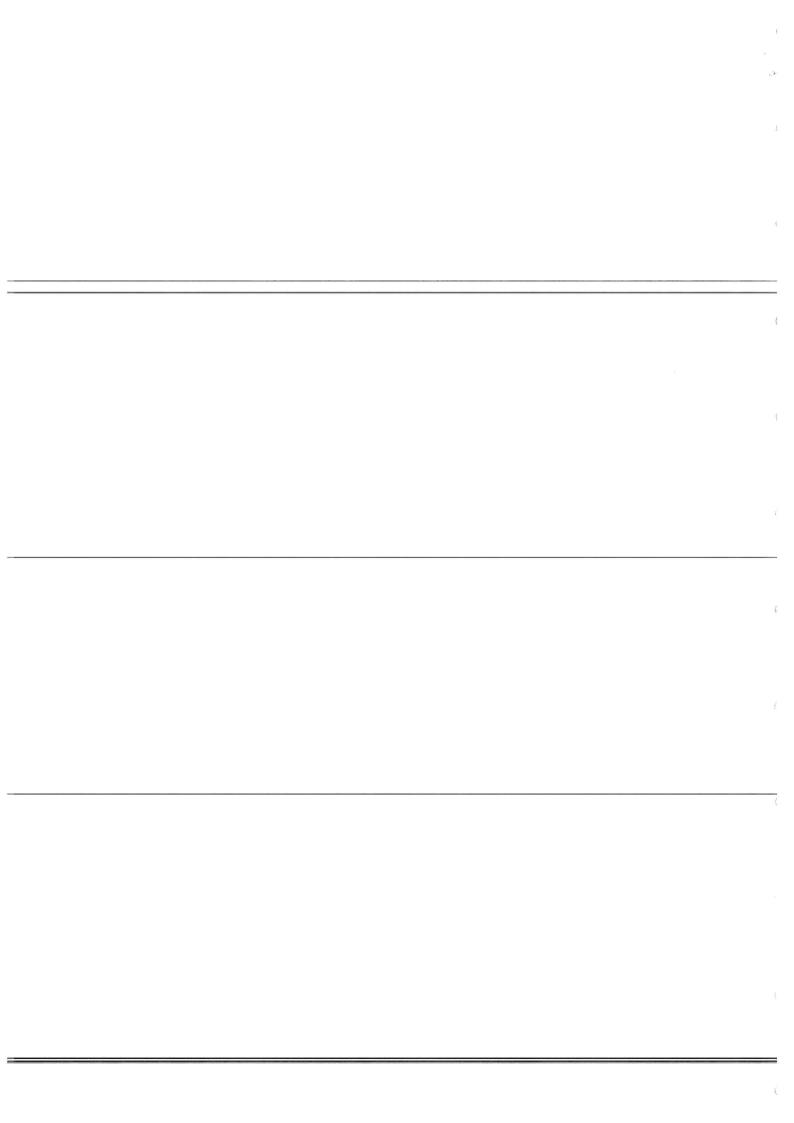
APPENDIX II: LIST OF SAMPLED BARRACKS NOT VISITED

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출 됩 1:	V				VIC On	DADARN	CARISSA	SAMBURU	WAJIR	TURKANA	SOMALIA
	Kenya Army- DOD Hurlingham										
1. L				43oCC- Nanyuki							
2. E Gar	1. Langata Barracks 2. Embakasi Garrisson										
1. K Col Col Tra	Kenya Defence College- Karen Linternational Peace Support Training College- Karen J. National Defence College- Karen										
National Military Nat Command Con	National Military Command Center (NMCC)- Karen										
1 61	19 KR BN- Embakasi		1. 15 KR BN- Mariakani 2. 17 KR BN- Mombasa			3 KR BN					
											1 MIB- Bardere
				6			10 BTY 75 ARTY BN- Liboi				
12 ENC B/Ball	RS- Ulinzi	12 ENGRS- Thika						12 ENGRS- Baragoi			
19K/LAB RANGE						-					
						2 BDE HQS			2 BDE HQS		
2 SQN 12 ENGRS										2 SQN 12 ENGRS- Lokichoggio	
Ц						23 OCC					
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Ц					30 SF BN						

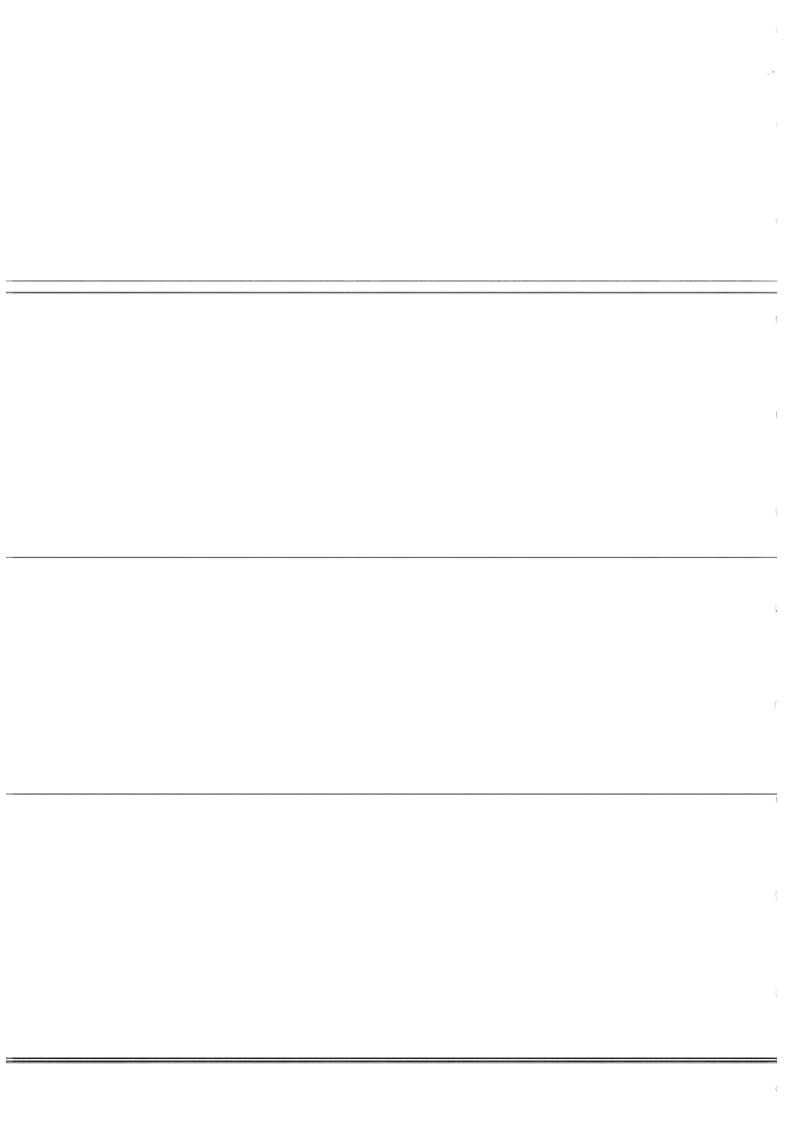


APPENDIX III FO	APPENDIX III FOOD AND RATIONS ALLOCATION					
FINANCIAL YEAR	ALIOCATION	DATE	AMOLINT P	DEEEDENCE NO AIE	CIVEINAGGANA	NA A MA
	1st Half Allocation	11/08/2014		75,000,000 DHO/P&L/BDCT/310	ON INDUNEAN	neivianno
	and Half Allocation	04/01/2016	75,000,000	75,000,000 DHQ/P&L/BDGT/310	A747776	
	Additional funding	09/12/2014	10,000,000	10,000,000 DHQ/P&L/BDGT/310	A747759	
2014/2015	Additional funding	24/04/2015	14,000,000	14,000,000 MOD/R104/239/14/15		
	Reduction	02/04/2015	-500,000	-500,000 MOD/R104/195/14/15	A747860	
	Reduction	08/05/2015	-2,000,000	-2,000,000 MOD/R104/263/14/15	A747931	
	Total Allocation		171,500,000			
	1st Half Allocation	20/02/2015	85,000,000	85,000,000 DHQ/P&L/BDGT/310		
	2nd Half Allocation	04/01/2016	95,000,000	95,000,000 DHQ/P&L/BDGT/310		
2015/2016	Additional funding	21/03/2016	35,000,000	35,000,000 DHQ/P&L/BDGT/310		
	Reduction	09/02/2016	-5,141,454		A807444	
	Total Allocation		209,858,546			
	1st Half Allocation	26/07/2016	104,967,801	104,967,801 MOD/R104/039/16/17	A747996	
7104/9104	2nd Half Allocation	21/12/2016	104,967,800	104,967,800 MOD/R104/132/16/17	A841828	
(10-10-0-	Reduction	7102/20/22	-7,227,000	-7,227,000 MOD/R104/225/16/17	A841946	
	Total Allocation		202,708,601			
	1st Half Allocation	17/07/2017	131,209,751	131,209,751 MOD/R1041/033/16/18	A884672	
8104/2104	2nd Half Allocation	7102/21/22	131,209,751	131,209,751 MOD/R1041/125/17/18	A884747	
01021/102	Reduction	11/01/2018	-10,000,000	-10,000,000 MOD/R1041/155/17/18	A884828	
	Total Allocation		252,419,501			
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FINANCIAL YEAR	ALLOCATION		AMOUNT	REFERENCE NO.AIE	WARRANT NO	REMARKS
	1st Half Allocation	08/08/2014	60,907,074	60,907,074 MOD/R104/024/14/15	KN/CDR/77/2	
	2nd Half Allocation(advance allocation)	11/07/2014	74,907,174	74,907,174 MOD/R104/075/14/15	A747737	Advance and half REF NO. DHO/P&L/BGDT/310 OF 22/10/14
	2nd Half Allocation	23/12/2014	15,000,000	15,000,000 MOD/R104/113/14/15	A74777	
2014/2015	Additional funding	21/04/2015	12,024,922	12,024,922 MOD/R104/240/14/15	A747907	REALLOCATION REF NO. DHQ/P&L/BGDT/310 OF 15/04/15
	Additional funding	28/5/2015	32.000.000	32.000.000 MOD/B104/295/14/15	A866164	REALLOCATION REF
	Additional funding	יייייייייייייייייייייייייייייייייייייי	010 110 1	Call 1995 in the State of the S		Reallocation RE-
	Total Allocation	(10211-102	198,814,248	C1/41/4C2/4011/10/11/	N/4/922	140.014/ray, p. 0.1/310 0115/4/2015
	1st Half Allocation	14/7/2015	70,479,478	70,479,478 MOD/R104/024/15/16	A806196	
300/3000	2nd Half Allocation	29/12/2015	70,479,479	70,479,479 MOD/R104/155/15/16	A807289	
0102/0102	Additional	22/04/2016	45,000,000	45,000,000 MOD/R104/283/15/16	A807439	
	Total Allocation		185,958,957			
	1st Half Allocation	22/02/2016	77,500,000	77,500,000 MOD/R104/040/16/17	A747998	
	2nd Half Allocation	19/12/2016	77,500,000	77,500,000 MOD/R1041/133/16/17	A841829	
	Additional	23/03/2017	10,000,000	10,000,000 MOD/R1041/231/16/17	A841953	Issue for funds on allocation REF.No.DHQ/P&L/BDGT/310 OF 16/03/2017
2016/2017	Additional	23/03/2017	25,000,000	25,000,000 MOD/R1041/235/16/17	A841957	Issue for funds on allocation REF.No.DHQ/P&L/BDGT/310 OF 16/03/2017
	Additional	24/05/2017	10,000,000	10,000,000 MOD/R1041/282/16/17	A884512	Issue for funds on allocation REF.No.DHQ/P&L/BDGT/310 OF23/05/2017

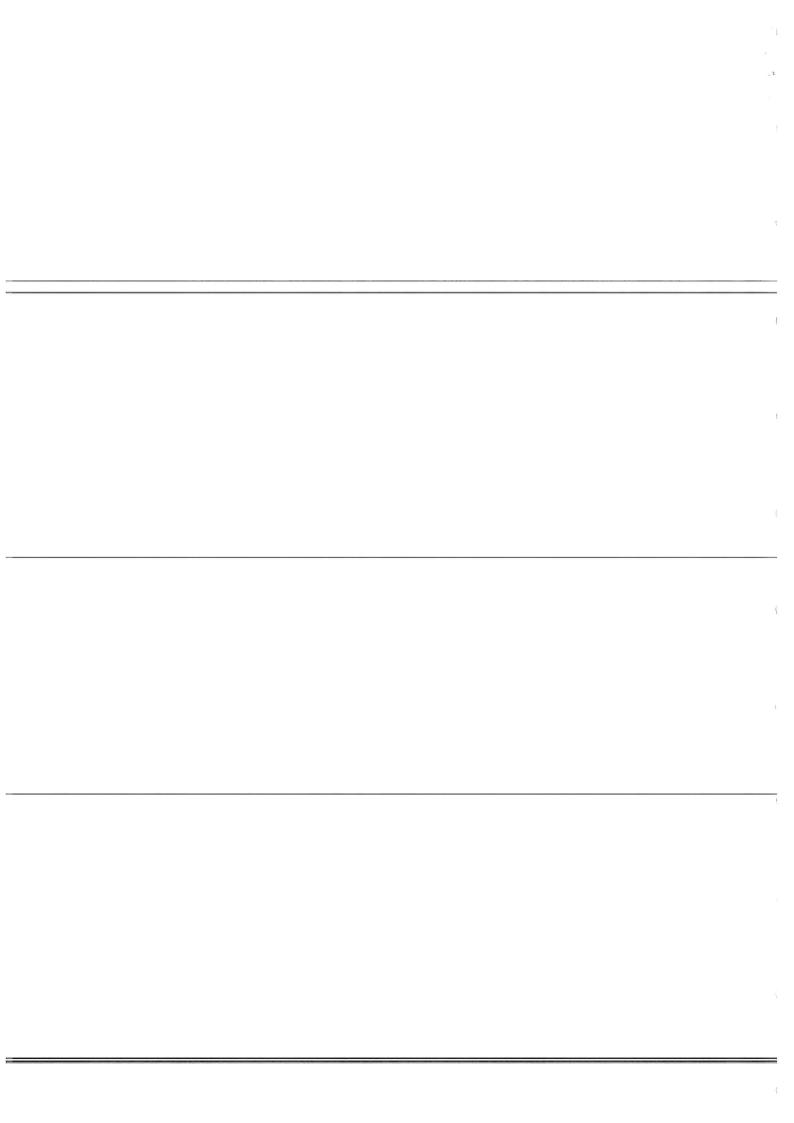


	Additional	i i		5		Reallocation REF.No.
		02/08/2017	10,000,000	10,000,000 MOD/R1041/178/16/17	A841877	DHQ/P&L/BDGT/310 OF 31/01/2017
	Total Allocation		210,000,000			
	1st Half Allocation	07/11/2017	87,500,000	87,500,000 MOD/R104/034/17/18	A884621	
	2nd Half Allocation	22/12/2017	87,500,000	87,500,000 MOD/R1041/126/17/18	A884718	
						Issue for funds on allocation
V	Additional Funds	12/08/2017	10,000,000	10,000,000 MOD/R1041/091/17/18	A884712	REF.No.DHQ/P&L/BDGT/310 OF 01/12/2017
2017/2018	9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9					Additional funds on allocation
	Additional Funds	02/08/2018	10,000,000	10,000,000 MOD/R1041/165/17/18	A884839	REF.No.DHQ/P&L/BDGT/310 OF 06/02/2018
	Additional Funds	0				Reallocation Ref.No.
		31/5/2018	63,000,000	63,000,000 MOD/R104/241/17/18	A884582	DHO/P&L/BDGT/310 of 31/05/2018
	Total Allocation		258.000.000			

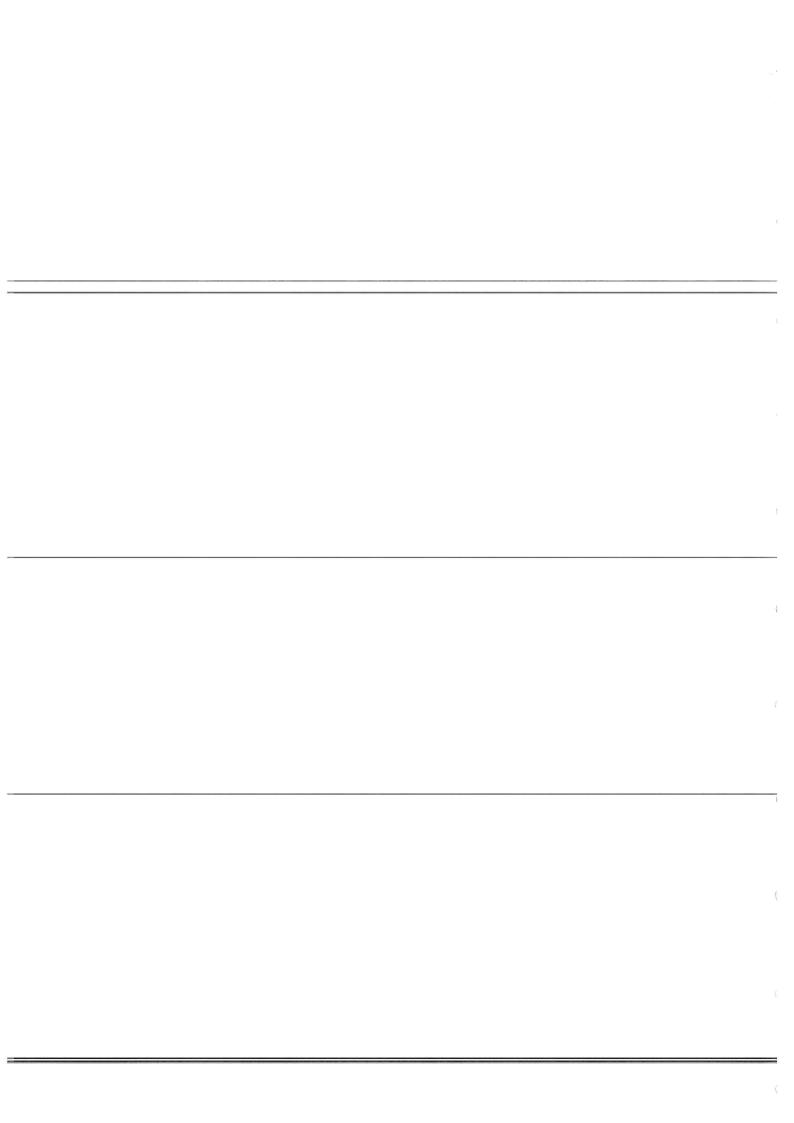
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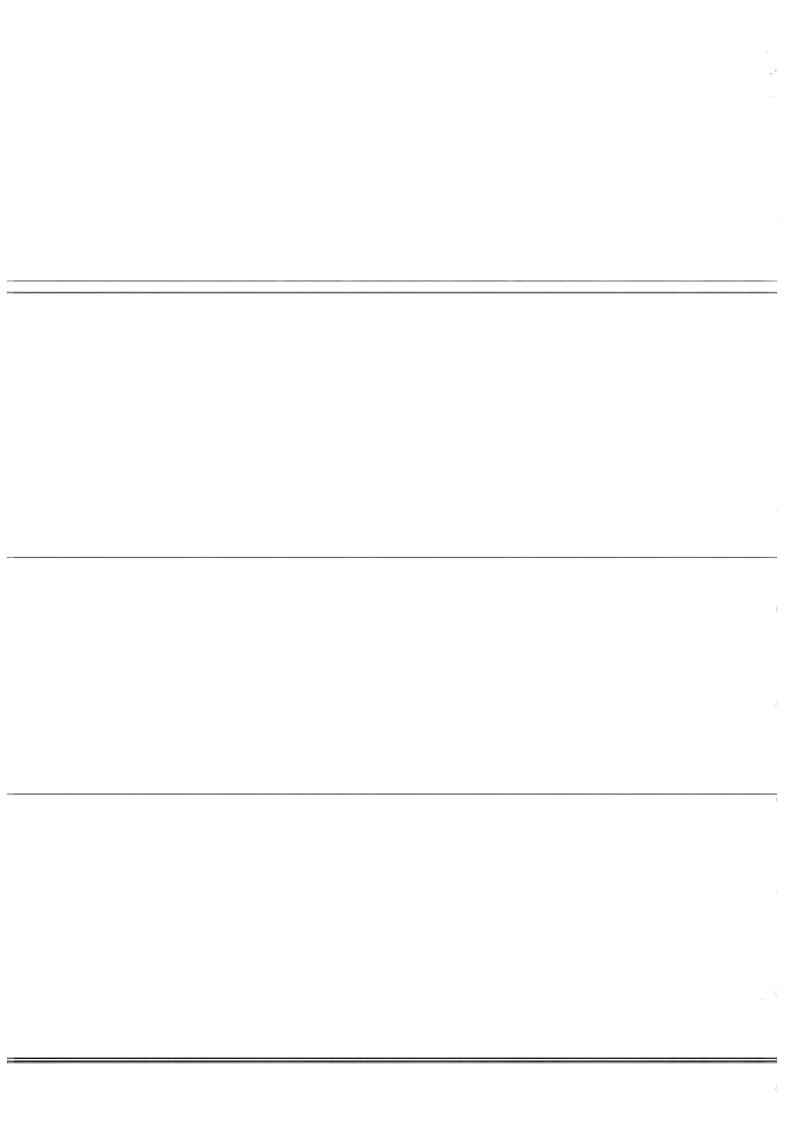
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ate Contract	20/05/	21/09	13/02/2015	o contract at	102/00/20	20/60	03/03/2015	19/00	o contract at	33/03/2015	01/90	17/04/	No contract attach	27/04	No contract attac	27/04	14/02/201	30/03/2015	o contract att	12/02/2012	27/01/20	23/01/2015	12/07	31/08	No contract atta	19/61	18/08/	07/10	90/20	02/06	ozlobiz do contract atta	contract attach	18/08/	90/20	No contract attach	27/06	20/05	04/04	27/09	22/09	102/08/201	contract att	No contract attache	09/03	190/11	22/05/	18/06/	11/05/1	25/06/2018	190/11	190/01	13/06/	11/07/2018	18/08/	13/02/2016	8102/60/£0	/60/90	/60/61	03/00/20	No contract attache	04/10/	75/04/201 Finton: 28-05-2018	Broc. Ao. ac. 4
Bidder Awarded	M/S Quality Meat Packers M/S Habibani Enterprises Ltd	M/S FERJAC GENERAL SUPPLIES	zeynab abdi ali Butchery	No contract attached	M/S Medabs Enterprises Ltd	M/S Abdullahi Salah Abdi	M/S KIJANI ORCHARDS LTD	M/S Gaban Contractors		M/S Elgon Premier Supplies	M/S Kenya Ordnance Factories Corporation	M/S New Kenya Co-operative Creameries Ltd	m/s New KCC ltd	M/S New Kenya Co-operative Creameries Ltd	M/S New Kenya Co-operative Creameries Ltd M/S New Kenya Co-operative Creameries Ltd	M/S New KCC ltd	Abdi Maalim Hassan Suppliers	M/S PSC Entranging Company Ltd	M/S Wajir Vegetables Supplies Ltd	m/s genesis office solutions ltd.	M/S Trade Circles Ltd	M/S Circle Logistics Ltd	M/S Sayari (K) Ltd	Ž		M/S Truefoods Itd	Zevnab Abdi Ali Butchery	Abdi Maalim Hassan Suppliers	M/S Wajir Vegetable Supplies	Kijani Orchards Ltd Waiir Vegetables Simplies Itd	New Kenya Co-operatives Creameries Ltd	Not Seen	M/S SUPPLY NEST HOLDINGS Property World Ltd	n, M/S Jambo Bisquits (K) Ltd	Not Seen	M/S GIVELLS LTD	M/S KijaniOrchards	M/S Offlimit Brands	M/S Habibani Enterprises ltd	M/S Kijani Orchards Ltd	Introdus Limited M/5 Kenya Ordnance Factories Corporation	GAMOJILTD	m/s medabs enterprises Tender Terminated	M/S ABDI MAALIM HASSAN SUPPLIES	M/S Shamz Enterprises Ltd M/S Abdullahi Salah Abdi	M/S FENAC GENERAL SUPPLIES	Tag Agencies M/S Sharry Enterprises TD	M/S Korbash Traders Ltd	M/S Buurgeise Enterprises m/s new kcc ltd	m/s pershe enterprises	Pemwas Ent Ltd M/S Kiwaka General Merchants Ltd	Mountain slopes K Ltd	M/S Hallma Gure Enterprises Medabs Enterprises Ltd	Jambo Grocers Agencies	M/S Portline Enterprises Limited	M/S Anytime Inv Ltd	m/s lagsure supplies	M/S Genya Enterprises M/S New Kenya Co-operative Creameries Ltd	M/S MAFUKO INDUSTRIES LTD	M/S Medabs Enterprises Ltd m/s barqure enterprises	M/S P.G.G Enterprises LTD	m/s rotuine enterprises Ltd 17kgs- Finton Logistics	Soogms- Stiff Enteprises
Region	Vairobi	takati	Vajir	Vairobi	Isiolo	Carissa	hika	arissa	basa	p 7	5	da	basa	pasa	et	ti.		Mombasa	Vajir	hika	efense Forces	Jefense Forces	Defense Forces	lefense Forces	Nairobi, Lanet, Elde	Defense Forces	Wajir	Manda	/ajir	Thika	Isiolo	iolo	Mombasa Thika	Nairobi, Mombasa	efense Forces	iolo	hika	Defense Forces	iolo	Nairobi	erense Forces	Defense Forces	efense Forces	Mombasa	Defense Forces Garissa	Hakati		Nairobi and Momb			Defense Forces Thika	anyuki	mpasa lo	yuki	Mombasa	doret	100	SSa	0	Wajir	anyuki	Defense Forces	
Trender Bescription	Supply of head meat to Nairobi Supply of fresh meat(beef) on bone to Nanyuki based units	supply of fresh meat (beef) on be	Supply of meat (beaf) on Bone to Waji	Supply of rresh vegetables, fruits and Potatoes to Nairobi based units	Supply of fresh vegetables, fruits and potatoes to Archers Post	Supply of fresh vegetables fruits and potatoes to Carissa Military Camp	Supply of fresh vegetables, fruits and potatoes to Inika Units Supply of fresh vegetable, fruits and potatoes to Isiolo based units	Supply of white/brown bread block (unsliced) to Garissa military camp	Supply of white/brown bread (unsliced) to mombasa based units camp	Supply of White/brown bread (unsliced) to hakati military camp Supply of white/brown bread black unsliced to Nairobi hased units	Supply of white/brown bread block (unsliced) to Gilgil based units	Supply of fresh cow milk and ultra heat treated (UHT) to Manda Base	supply of fresh cow milk pasturized and homogenized and ultra heat treated(UHT) to mombasa b	Supply of fresh cow milk and uttra heat treated OHL) to Mombasa based units Supply of fresh cow milk 8, intra heat Treated (LHT) wild hand units	Supply of fresh cow milk and ultra heat treated (UHT) to Eldoret Based Units	Supply of fresh and ultra heat treated (UHT) cow milk to Hakati military camp	Supply of unfertilized chicken eggs to Manda Base	Supply of unfertilized chicken eggs to mombasa based units Supply of unfertilized chicken eggs to Nanvuki based Units	Supply of unfertilized chicken eggs to wajir military camp	Suppy of Unfertilized	Supply of tea leaves	Supply of cooking fat	Supply of Canned Pineapples to Defense Forces Supply of caffee blend	Supply of Milled Rice	Supply of Dry Beans to NBI, Lanet & Eldoret	supply of beans in tomatoe sause Simply of frack variately like fraite & notations to Cilidi based units	Supply of meat(beef) on bone to Wajir Military Camp	Supply of meat (beef) on bone to Manda Base	Supply of fresh vegetable, fruits and potatoes to wajir military camp	Supply of fresh vegetables, mults apotatoes to Trika besed units Supply of fresh cow milk pasterized & homogenized and ultra heat treated (UHT) to Waiir Military	Supply of fresh cow milk to Archers Post	Supply of unfertilized chicken eggs to Isiolo Based Units Sumply of unfortilized thicken pages to 180180 S.A. Based Units	Supply of unfertilized chicken eggs to MOMBASA based Units Supply of unfertilized chicken eggs to Thika Units	Supply of bisquits to Nairobi, Mombasa and RTS/KMA	Supply of Spagnetti to defense forces Sunniv of fresh countilly parteurised and homogenised and other hout teached (Half) to decide	supply of chicken, fish mutton & Bacon to isiolo	Supply of Fresh vegetables, Fruits and Potatoes to Thika based units	Supply of cooking oil to defence forces Supply of coffee blend to defence forces	Supply of fresh meat (beef) on bone to Isiolo based units	Supply of fresh vegetables, fruits and potatoes to Nairobi Based Units Sumply of cannot beare in formation and potatoes for the property of cannot be a supply of the supp	Supply of white/brown bread block (unsliced) to Gilgil based units	Supply of Cow Milk Pasteurized & Homogenized & Ultra Heat Treated	Supply of Universities and Research Eggs to Islaid	Supply of beans dry to Mombasa Units	Supply of fresh cow Milk Pasteurized, Homogenized and Ultra Heat Treated (UHT) Supply of unfertilized chicken eggs to Garissa Military Camp	Supply of fresh vegetables, fruits and potatoes to Hakati Military Camp	Supply of Head Meat to Nairobi Based Units Supply of fresh vegetables, fruits and potatoes to Islolo based units	Supply of sugar to defence forces in Nairobi and Mombasa	Supply of Chicken, Fish,Mutton and Bacon to KMA and Lanet based unit supply of fresh cow milk pasterised,homogenized and Ultra heated (UHT) to gilgil based units	supply if unfertilised chicken eggs to Nairobi based units	Supply of fresh meat(beet) on bone to thika based units	Supply of fresh cow i	Supply of unferti	Supply of Unfertilized Chicken Eggs to Nanyuki Based Units Supply of unfertilized chicken eggs to Gifeil Based Units	Supply of unfertilized chicken eggs to Mombasa based units	Supply of unfertilized chicken eggs to eldoret based units Supply of unfertilized chicken eggs to lanet based units	supply of fresh meat(beef) on bone to gilgil based units.	Supply of tresh meat (beet) on bone to Garissa Military Camp Supply of fresh cow milk pasteurized, homogenized and ultra heat treated (UHT) to Garissa Militai	Supply of white/brown bread block(unsliced) to Isiolo Military Camp	Supply of write prown bread block (unsirced) to Wajir Military Lamp supply of chicken, fish fillets, muttons and bacon to Isiolo based units	Supply of fresh vegetable, fruits and potatoes to Nanyuki based units	Supply of Margarine Salted to the KDF	
APENDIX IV. AVAILED CONTRACTS to. Year Tender No.	1 2014/2015 MOD/423(0102)2014/2015 2 2014/2015 MOD/423(01020)2014/2015	3 2014/2015 MOD/423(01024)14/15	4 2014/2015 mod/423(0104)2014/2015	6 2014/2015 MOD/423(02016)14/15	7 2014/2015 MOD/423(02019)14/15	8 2014/2015 MOD/423(02020)2014/2015	10 2014/2015 MOD/423/0208) 14/15	11 2014/2015 MOD/423(03011)2014/2015	12 2014/2015 MOD/423(03016) 14/15	14 2014/2015 MOD/423(03022)14/15	15 2014/2015 MOD/423(0305)2014/2015	16 2014/2015 MOD/423(04011)2014/2015	17 2014/2015 MOD/423(04012) 15/16	10 2014/2015 MOD/423(04012)2014/2015	20 2014/2015 MOD/423(04015)2014/2015	21 2014/2015 MOD/423(04017) 2014/2015	22 2014/2015 MOD/423(05011)14/15	24 2014/2015 MOD/423(05018)14/15	25 2014/2015 MOD/423(0505)2014/2015	26 2014/2015 MOD/423(0507)2014/2015	28 2014/2015 MOD/423(0601) 14/15	29 2014/2015 MOD/423(06010)2014/2015	30 2014/2015 MOD/423(06011) 15/16	32 2014/2015 MOD/423(0605) 14/15	33 2014/2015 MOD/423(0607)14/15	34 2014/2015 MOD/423(0608)14/15	36 2015/2016 MOD/423(01024)15/16	37 2015/2016 MOD/423(0104)15/16	38 2015/2016 MOD/423(02014) 16/17	40 2015/2016 MOD/423(04015)15/16	41 2015/2016 MOD/423(0406)15/16	42 2015/2016 MOD/423(0501)15/16	44 2015/2016 MOD/423(0509)15/16	45 2015/2016 MOD/423(06010) 2015/2016	46 2015/2016 MOD/423(06012)15/16	48 2016/2017 mod/423(0108)2016/2017	49 2016/2017 MOD/423(0110106)2017/2018) 16.	50 2016/2017 MOD/423(011012) 16/17	52 2016/2017 MOD/423(011090)2016/2017	53 2016/2017 MOD/423(011092)2016/2017	55 2016/2017 MOD/423(03012)2016/2017	56 2016/2017 MOD/423(0408) 16/17	5/ 2016/2017 MOD/423(06010) 16/17	59 2016/2017 MOD/423(0607)16/17	60 2017/2018 MOD/423(011064)17/18 61 2017/2018 MOD/423(0110103)2017/2018	62 2017/2018 MOD/423(0110104)17/18	63 2017/2018 MOD/423(0110107)17/18 64 2017/2018 MOD/423(0110108)2017/2018	65 201/2018 MOD/423(0110113)2017/2018	66 2017/2018 MOD/423(0110118) 17/18 67 2017/2018 MOD/423(0110119)17/18	68 2017/2018 mod/423(0110121)2107/2018	70 2017/2018 MOD/423(0110126)17/18	71 2017/2018 MOD/423(0110130)2017/2018	73 2017/2018 MOD/423(0110140)17/18	74 2017/2018 MOD/423(0110146)2017/2018	76 2017/2018 MOD/423(0110151)2017/2018	77 2017/2018 MOD/423(0110152)2017/18	79 2017/2018 mod/423(0110163)17/18	80 207/2018 MOD/423(0110164)2017/2018 81 2017/2018 MOD/423(0110165)2017/2018	82 2017/2018 MOD/423(0110168)17/18	84 201/1/2018 MOD/423(011021/2)//18	85 201/2016 MOD/423(01104)2017/2018	87 2017/2018 MOD/423(011056) 2017/2018	



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vegetables, fruit and potatos ables, fruit and ables	H E BROWN BREAD AGES FRUITS, ONIONS, POTATO THE AGES FRUIT	FRESH MILK & ULH TMIK. FRESH MILK A ULH TMIK. FRESH MILK A ULH TMIK. FRESH MILK A ULH TMIK. FRESH MILK TWIS. FRESH CABBACE, FRUIS, ONIONS, POTATOES, TOMATOES FRESH MILK A ULH TMIK FRESH MILK A ULH TMIK FRESH MILK BESH FRESH FRESH MILK BESH FRESH	FRESH WHITE & BROWN BIRDO FRESH WHITE & BROWN BIRDO FRESH MALK & LUIT, MIK BRY BLANS FRESH MALK & LUIT, MIK BRY BLANS FRESH MALK & LUIT, MIK BRY BLANS FRESH MALK BRY

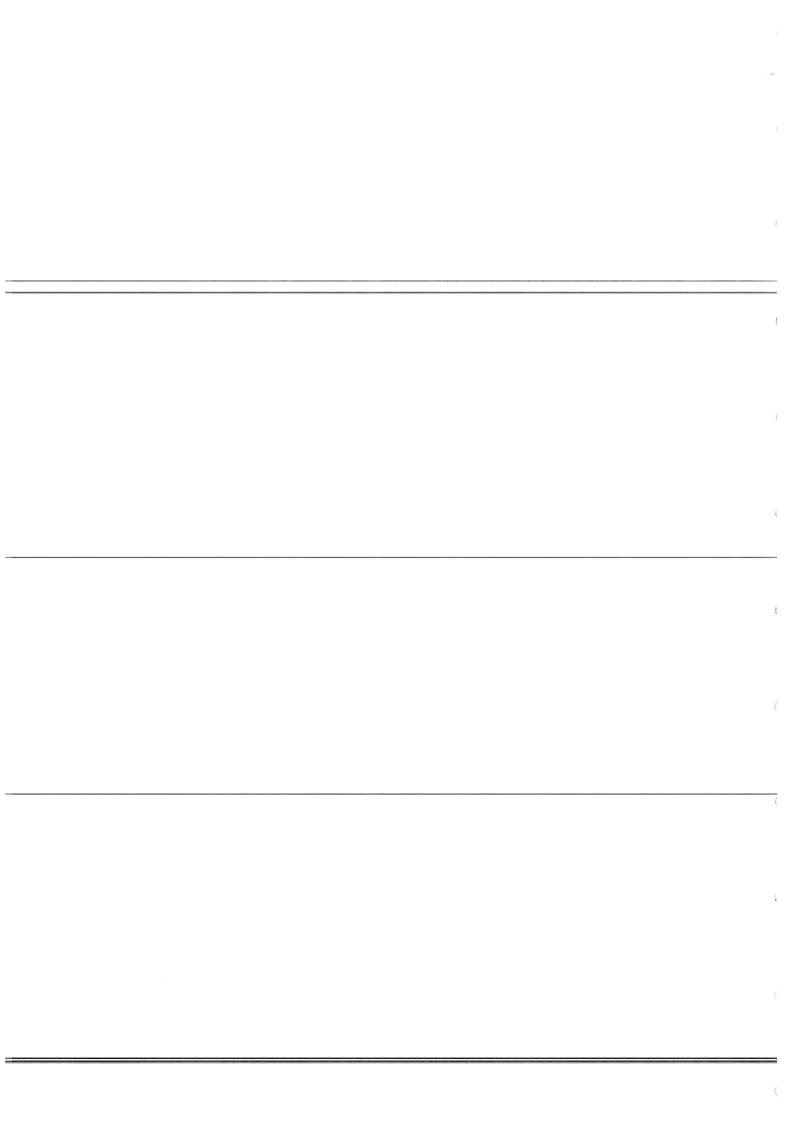


78 TK BN ISIOLO HABIBAN ENTERPRISES LTD	KENYATTA BARRAd Kenya Ordinance Factories	KENYATTA BARRAd Kenya Ordinance Factories	KINUNJU SUPPLIERS	KINUNJU SUPPLIERS	LAGSURE SUPPLIERS	LAGSURE SUPPLIES	agsure Supplies	agsure Supplies	LAGSURE SUPPLIES	MAFUKO INDUSTRIES	MAFUKO INDUSTRIES LTD	MEDABS ENTERPRISES	MEDABS ENTERPRISES LTD	IOTASIA (K) LTD	IOTASIA (K) LTD	NEW KCC LIMITED	PEEMA INVESTMENT COMPANY LTD	QUALITY MEAT PACKERS	SHAMZ ENTERPRISES	SHAMZ ENTERPRISES LTD	SHAMZ ENTERPRISES LTD	ew KCC	BISMILLAHI BUTCHERY	BURQURE ENTERPRISE LTD	BURQURE ENTERPRISES	KENYA ORDINANCE FACTORY	INUNJU SUPPLIERS	KOFC	KOFC	KOFC	LAGSURE SUPPLIES	LAGSURE SUPPLIES	agsure Supplies	AGSURE SUPPLIES	AGSURE SUPPLIES	MAFUKO INDUSTRIES LTD	MAFUKO INDUSTRIES LTD	MEDABS ENTERPRISES LTD	MEDABS ENTERPRISES LTD	ew KCC	NEW KENYA COOPERATIVE CREAMERIES	NEW KENYA COOPERATIVE CREAMERIES	g Agencies	KENYATTA BARRAI WAMO THREE SUPPLIERS
78 TK BN ISIOLO	KENYATTA BARRACK	KENYATTA BARRACK	KMALANET		RTS ELDORET L	KMALANET	ARRAG	KENYATTA BARRAd Lagsure Supplies	RTS ELDORET LA	Г	010	78 TK BN ISIOLO M	SOLISIOLO	KENYATTA BARRAG MOTASIA (K) LTD	KENYATTA BARRAM MOTASIA (K) LTD	RTS ELDORET N	RTS ELDORET PI	KMALANET	SOI ISIOTO SE	78 TK BN ISIOLO SI	78 TK BN ISIOLO SP	KENYATTA BARRAG New KCC	RTS ELDORET BI	78 TK BN ISIOLO BI	SOLISIOLO	RTS ELDORET KI	KENYATTA BARRA4 KINUNJU SUPPLIERS				KMALANET	KMA LANET LV	KENYATTA BARRAd Lagsure Supplies	KENYATTA BARRAG LAGSURE SUPPLIES	KENYATTA BARRAG LAGSURE SUPPLIES	78 TK BN ISIOLO M	SOI ISIOLO M	78 TK BN ISIOLO M	SOLISIOLO	KENYATTA BARRAGNew KCC	KMALANET	KMALANET	KENYATTA BARRAG Tag Agencies	KENYATTA BARRADW
FRESH MEAT	FRESH WHITE & BROWN BREAD	FRESH WHITE & BROWN BREAD	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES	FRESH CHICKEN, BACON, MUTTON & FISH	FRESH MEAT	FRESH MEAT	EGGS UNFERTILIZED	FRESH WHITE & BROWN BREAD	FRESH WHITE & BROWN BREAD	EGGS UNFERTILIZED	EGGS UNFERTILIZED	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES	FRESHMILK & U.H.T MILK	MEATFRESH	FRESHMEAT	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES	FRESH MILK & U.H.T MILK	MEAT FRESH	FRESH MILK & U.H.T MILK	FRESH MILK & U.H.T MILK	FRESH WHITE & BROWN BREAD	FRESH CABBACES, FRUITS, ONIONS, POTATOES, TOMATOES	BREAD FRESH	BREAD FRESH	BREAD FRESH	FRESHMEAT	FRESH CHICKEN, BACON, MUTTON & FISH	EGGS UNFERTILIZED	FRESH MEAT	FRESHMEAT	FRESH WHITE & BROWN BREAD	FRESH WHITE & BROWN BREAD	EGGS UNFERTILIZED	EGGS UNFERTILIZED	FRESH MILK & U.H.T MILK	FRESH MILK & U.H.T MILK	FRESH MILK & U.H.T MILK	EGGS UNFERTILIZED	FRESH CABBAGES, FRUITS, ONIONS, POTATOES, TOMATOES
85 2017/2018 MOD/423/01021/14/15	86 2017/2018 MOD/423/01107/16/17	87 2017/2018 MOD/423/012075/16/17	88 2017/2018 MOD/423/02012/16/17	89 2017/2018 MOD/423/011079/1718	90 2017/2018 MOD/423/02017/16/17	91 2017/2018 MOD/423(01019)2016/2017	92 2017/2018 MOD/423/0101/16/17	93 2017/2018 MOD/423/011062/16/17	94 2017/2018 MOD/423(05014)16/17	95 2017/2018 MOD/423/0110202/17-18	96 2017/2018 MOD/423/01102/17/18	97 2017/2018 MOD/423/05108/16/17	98 2017/2018 MOD/423/0508/16-17	99 2017/2018 MOD/423/01167/16/17	## 2017/2018 MOD/423/011078/16/17	101 2017/2018 MOD/423/011087/17/18	102 2017/2018 MOD/423(0110139)17/18	103 2017/2018 MOD/423/01019/16/17	104 2017/2018 MOD/423/0110108/17/18	105 2017/2018 MOD/423/0110108/17/18	## 2017/2018 MOD/423/02015/15/16	107 2018/2017 MOD/423/04014/16/17	## 2018/2019 MOD/423/(011097)/18	## 2018/2019 MOD/423/011065/17/18	110 2018/2019 MOD/423/011065/17-18	111 2018/2019 MOD/423(011075)16/17	2018/2019 MOD/423/011079/17/18	2018/2019 MOD/423(0309)16/17	114 2018/2019 MOD/423(011075)16/17	2018/2019 MOD/423(0309)17/18	2018/2019 MOD/423/0110116/17/18	2018/2019 MOD/423(0110118)2017/2018	118 2018/2019 MOD/423(0110150)17/18	119 2018/2019 MOD/423/0110163/17/18	120 2018/2019 MOD/423/0110168/18/19	121 2018/2019 MOD/423/0110168/17/18	22 2018/2019 MOD/423/01108/17-18	23 2018/2019 MOD/423/0110140/17/18	124 2018/2019 MOD/423/0110140/17-18	25 2018/2019 MOD/423/011019/17/18	126 2018/2019 MOD/423/04013/16/17	27 2018/2019 MOD/423/012050/17/18	128 2018/2019 MOD/423(0501)16/17	25 2018/2019 MOD/423/011025/18/19



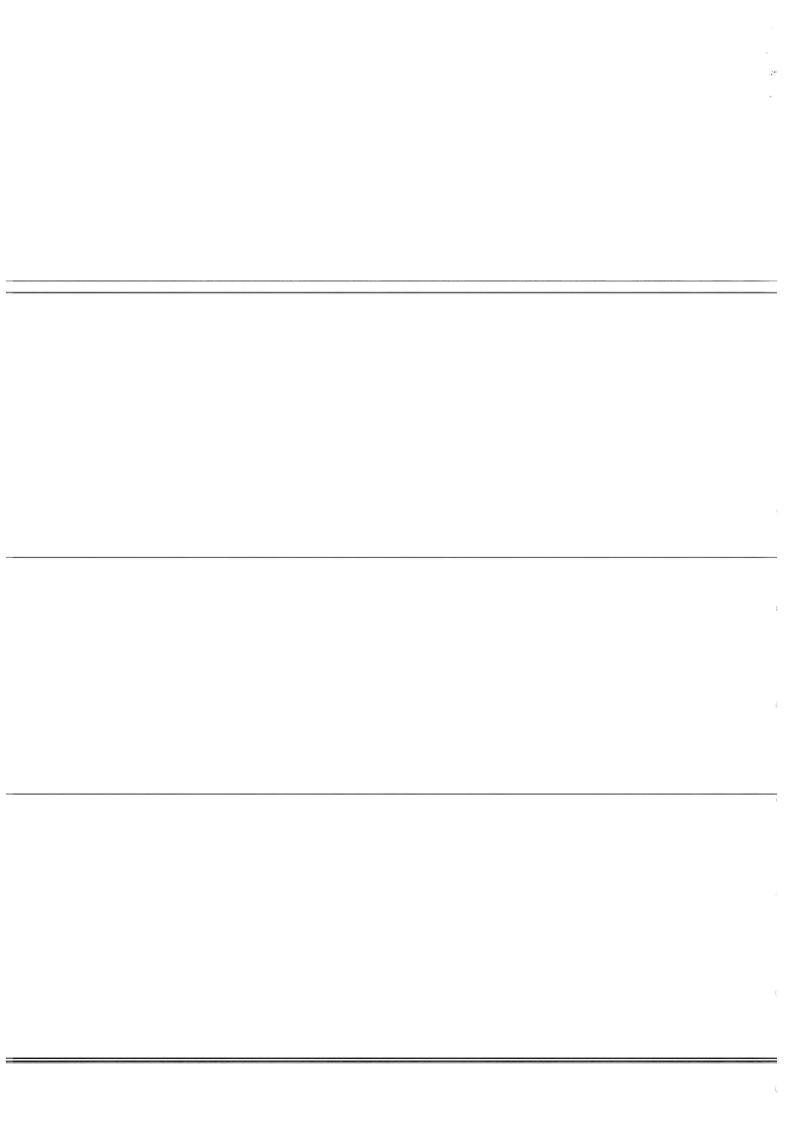
APPENDIX V: IRREGULARITIES IN PRICE ADJUSTMENTS

No	TENDER No.	SUPPLIER	CONTRACT	PRICE ADJUSTMENT	ORIGINAL PRICE	ADJUSTED PRICE
			PERIOD	DATE	(KSHS)	(KSHS)
÷	MOD/423(0110113)	Korbash	06-04/18 to 05-	05-10-18	Nairobi-5200	Nairobi- 6375
	2017/2018	Traders Ltd	04-19		MSA-5100	MSA- 6500
5.	MOD/423(0201) 16/17	Kijani Orchards	CONTRACT NOT	17-05-17	Cabbages-15	Cabbages-18.75
		Ltd	SEEN		Carrots-20	Carrots-25
					Tomatoes- 50	Tomatoes-62.5
					Onion-65	Onion-81.25
					Pineapples-35	Pineapples-43.75
					Oranges-50	Oranges-62.5
					Mangoes-25	Mangoes-31.25
					Potatoes-2250	Potatoes-2812.5
ń	MOD/423(02016) 14/15	Kijani Orchards	17-07-15 to 16-07-	04-12-15	Cabbages-15	Cabbages-25
		Ltd	16		Carrots-20	Carrots- 35
					Tomatoes-49.5	Tomatoes-65
					Onion-65	Onion- 90
					Pineapples-35	Pineapples-50
					Oranges-49.5	Oranges-65
					Mangoes-25	Mangoes-45
					Potatoes-2250	Potatoes-3000
4	MOD/423(06010)	Circle Logistics	21-10-14 to 20-10-	15-04-15	Nairobi-1950	Nairobi-2650
	2014/2015	Ltd	15		MSA-1950	MSA-2650
					KMA/RTS-1950	KMA/RTS-2650
	MOD/423(0601) 14/15	Trade Circles	22-10-14 to 21-10-	04-09-15	Nairobi-125	Nairobi-156.25
			15		KMA/RTS-140	KMA/RTS-175
					MSA-126.5	MSA-158.13
	MOD/423(0208)14/15	Shamz	09-01-15 to 08-	19-06-15	Cabbages-14	Cabbages-17.50
		Enterprises Ltd	01-16		Tomatoes-39.45	Tomatoes-49.30
					Onions-37.40	Onions-46.75
					Fruits-55	Fruits- 68.75
					Potatoes- 2,940	Potatoes- 3,675

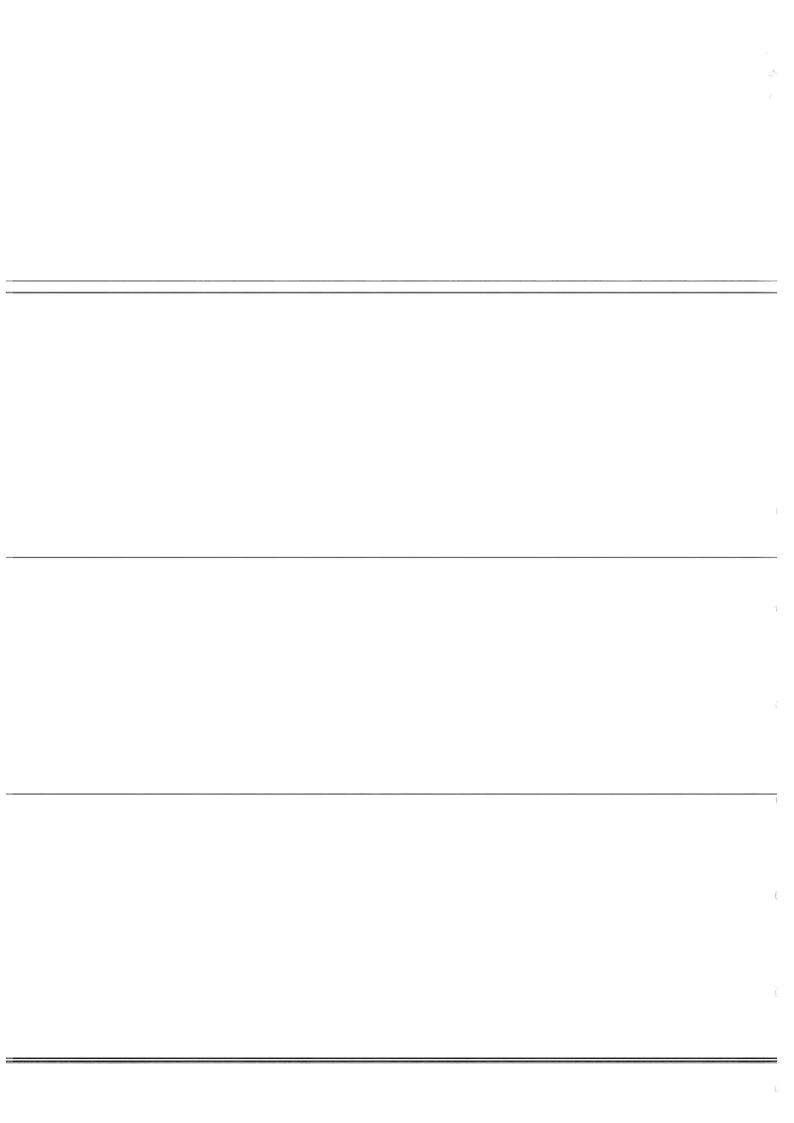


APPENDIX VI: PROCUREMENT PROCESS

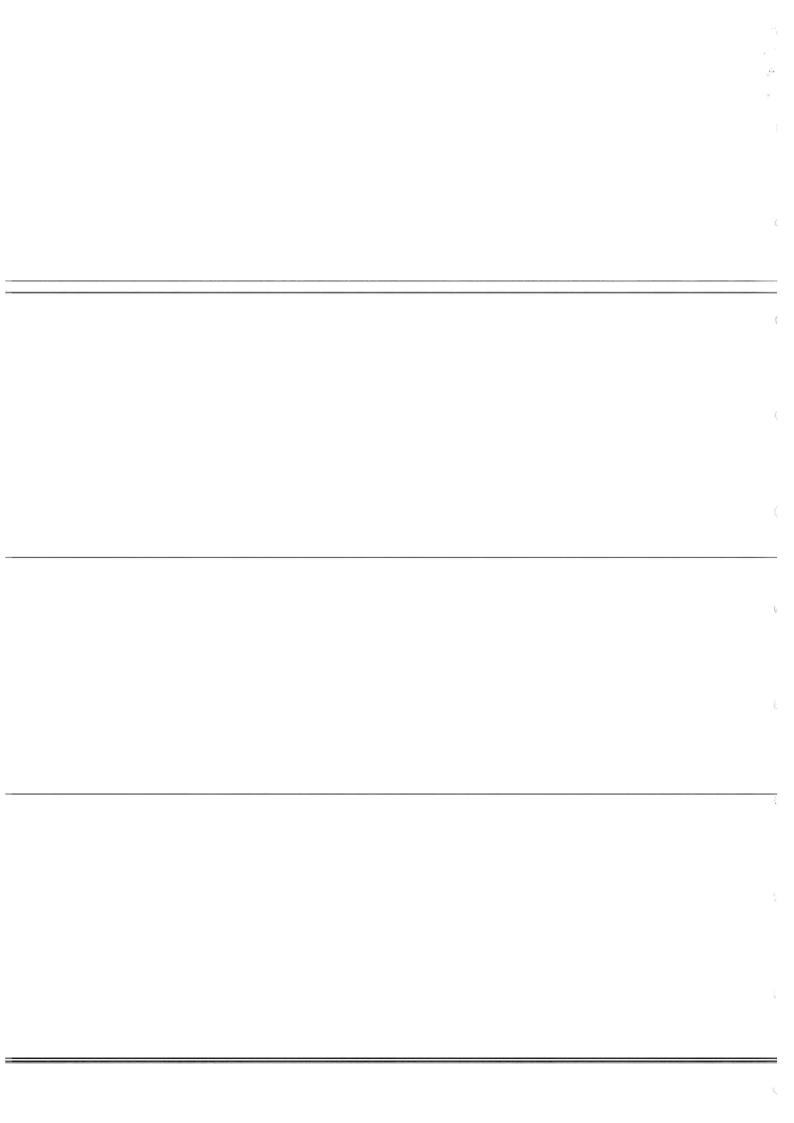
- 1. The Kenya Defense Forces has its procurement process centralized.
- 2. Suppliers are identified from the headquarters using open, direct or restricted tendering.
- 3. The method the Department of Defense uses for procurement has always been open tender but from the financial year 2015/2016, procurements on foodstuffs has been done through restricted tendering.
- 4. Direct Procurements are done for specialized purposes and signed by higher authorities, which is after a procurement advisory board has sat down and seen it necessary to procure through direct procurement.
- 5. For Restricted procurements, the chief of logistics seeks approval from the Accounting officer, giving reasons/ justification as to why the restricted procurement method needs to be used, and the reasons thereof
- 6. Preparation of the bid document, tender advert and evaluation is handled at the Defense Headquarters
- 7. Awarding of contracts to supply foodstuffs (both fresh and dry ration) to the Department of Defense is done at the Defense Headquarters.
- 8. Once a supplier is awarded the tender, the contract is signed by both the Ministry representative and the supplier. A copy of the signed contract is then delivered to the three services across the country.
- 9. The purchase plans (procurement plans for foodstuff) are then prepared by the Supplies Officer in charge of food ration. Parameters used to prepare purchase plans include feeding strength, days of supply, unit cost, principles of supply and demand and the lead duration. Feeding strengths are classified into 13 scales, with each scale being approved, after recommendation from a nutritionist. The nutritionist makes recommendations before supply of dry rations, and for fresh rations, nutritionists in the unit of demand makes recommendations before issue of a Unit LPO.
- 10. The overall and individual Service purchase plans become valid after approval is done at the DHQ.
- 11. The issue of Service or Unit LPO for dry and fresh ration respectively, is done after considering the purchase plans prepared and consolidated by the service commanders, and allocations done in lieu with the actual approved budget.



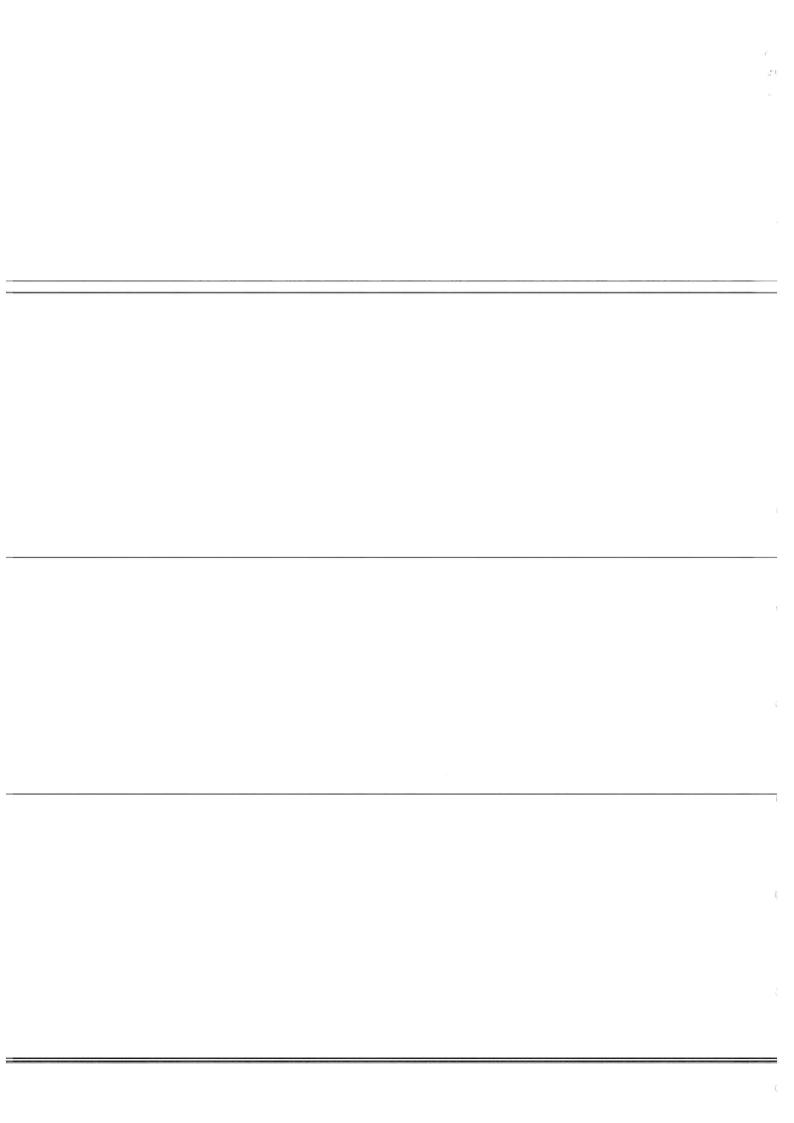
- 12. The supplier is requested to deliver specific quantities of goods as per the contractual terms at a specific location by use of a Service LPO if the goods are dry rations, or a unit LPO, if it's for fresh rations. The unit LPO is part of the documents needed to prepare a Service LPO, for purposes of processing of Payments. The Supplier is supposed to make deliveries, then invoices, based on the LPO that he was issued with.
- 13. There is an inspection and acceptance committee formed who have the authority to reject some supplies if they do not meet the quality and quantity required. Inspection reports on the same is generated and delivered to the HQs. The supply, delivery and inspection for the delivered goods for dry rations is done at the service HQ. The supply and delivery of fresh rations is done at the point of use, or barrack/ unit of use.
- 14. For dry ration, the service HQ distributes the foodstuff to barracks/ units within the Service, based on the scales within those units. Fresh ration is requested for, on need basis by the unit.
- 15. After delivery by the supplier, a receipt voucher is raised on a daily basis, indicating all foodstuff received on that particular day.
- 16. The RV is then used to record the foodstuff in the stores ledger. The stores ledger has folio numbers, each folio indicating a specific food item delivered in a particular food ration store.
- 17. Payments for successful deliveries are initiated at the point of reception.
- 18. Payments for fresh rations once the foodstuff has been delivered by the supplier to the unit. The unit prepares a claim voucher- FF7104, based on the Unit LPOs raised to a particular supplier and the supplier's invoice. These documents are forwarded to the service headquarters, together with a covering letter and the service headquarters use the documents to generate a Service LPO.
- 19. Payments for dry rations begins once the foodstuff has been delivered by the supplier to the Service HQ. A Service LPO is raised then together with the supplier's invoice and FF7104, these are forwarded to the DHQ with a covering letter for payment.



)TAL AMOUNT PAID	2,004,000.00	1,392,000.00	834,900.00	807,600.00	3,315,600.00	3,072,800.00	2,998,080.00	1,940,000.00	4,714,550.00	6,800,300.00		4,118,750.00	3,868,560.00	4,996,800.00	200000000000000000000000000000000000000	00.002,000,0	00.009,599,6	10000			17,020,000.00		1.250.000.00	2,925,000.00			13,800,000.00		5,067,700.00	00 003 500 0	4 996 800 00	2,998,080.00	834,400.00	163,800.00	1,269,800.00	4,123,200.00	1,624,000.00	9,200,000.00		2,500,000.00				15,004,800.00	2,910,000,00		7,627,750.00		9,200,000.00	2,818,400.00			438.200.00	3,099,600.00		4,320,000.00		12,174,500.00		5,234,120.00		7,805,200.00		
UNT PER LPO	2,004,000.00	1,392,000.00	328,900.00	807,600.00	3,315,600.00	3,072,800.00	2,998,080.00	1,940,000.00	4,200,300.00	2,600,000.00	2,187,500.00	1,931,250.00	3,868,560.00	4,996,800.00	676,800.00	4.996.800.00	4,996,800.00	4,600,000.00	4,600,000.00	4,600,000.00	3,220,000.00	3,868,560.00	1,250,000,00	2,925,000.00	4,600,000,00	4,600,000.00	4,600,000.00	2,357,700.00	2,710,000.00	4,939,800.00	4.996.800.00	2,998,080.00	834,400.00	163,800.00	1,269,800.00	4,123,200.00	1,624,000.00	4,600,000.00	1,250,000.00	1,250,000.00	2,505,600.00	2,505,600.00	4,996,800.00	4,996,800.00	2,910,000.00	3,813,875.00	3,813,875.00	4,600,000.00	1,810,280,00	1,008,120.00	3,640,000.00	3,815,500.00	438,200.00	3,099,600.00	2,160,000.00	2,160,000.00	3,640,000.00	4,634,500.00	1,940,000.00	3,294,120.00	1,662,700.00	2,600,000.00	3,777,600.00	3,772,800.00
UNIT PRICE AMO	4,000,00	2 530.00	2,530.00	2,692.00	2,160.00	4,600.00	2,160.00	2,650 PFR 11	1,300.00	1,300.00	3,125 PER 20	3,125 PER 20	2,160.00	4,800.00	4,800.00		4,800.00	4,600.00	4,600.00	4,600.00	4,600.00	2,160.00	2,500.00	1,950.00	4,600.00	4,600.00	4,600.00	2,710.00	2,710.00	4,800.00	4,800,00	2,160.00	1,400.00	1,400.00	1,400.00	4,800.00	4 600 00	4,600.00	2,500.00	2,500.00	4,800.00	4,800.00	4,800.00	1.940.00	1,940.00	1,625.00	1,625.00	4,600.00	2,710.00	2,710.00	1,625.00	1,625.00	1,400.00	1,400.00	2,160.00	2,160.00	1,525.00	1,300.00	1,940.00	1,940.00	1,300.00	1,300.00	4,800.00	4,800.00
CTUAL QUANTIT	430	000	130	300	1535 CARTONS OF	668 BAGS OF 50KG	CARTONS OF	Т					1791	1041 TINS OF 20 LT	TINS OF 20LIS	041 TINS OF 20 LT	D41 TINS OF 20 LT	000 BAGS OF 50 H		_	700 BAGS OF 50 Kd	1791	00 CARTONS	500 TINS OF 17 KG	DOO BAGS OF 50 H	1000 BAGS OF 50 h	1000 BAGS OF 50 H	870	TI OC 30 SNIT INC	241 TINS OF 20 LT	041 TINS OF 20 LT	1388 CARTONS	96 CARTONS	7 CARTONS		IINS OF 20 LI	1000 BAGS OF SO N	1000 BAGS OF 50 h	00 CARTONS	500 CARTONS	522	522	1041	1578	000	347	2347	1000 BAGS OF 50 H	668 CARTONS OF	72 CARTINS OF 15	2240	2348	313 CARTONS	2214 CARTONS	1000 CARTONS(24	300 CARTONS(24	3000	3565	1000	1698	279	2000	87	98
RV DATE A	NOT ATTACHED 3	NOT ATTACHED 2		NOT ATTACHED 3	19.04.2016	T	19.04.2016	T	04/11/2015							22/5/2017			21/5/2015		T	7 09/05/2016			14/04/2015	T				13/04/2017				04/06/2017				2				T	0102/20/22	T	24/02/2016		9	T		П	29/01/2016	1			П		22/12/2015		П	T	T			
100	1	1		ıı	243		242 078	6	181	079			269	180	1/0	75	176		213			251		165&171			185	225&229		138						108		8147		138	192			185			152	20	144/145/146				094	060		109					010	& 015		
100	NOAPOIT	16-3-2015	15	04/07/2017				0/10/2015	03/11/2015			1	9		7105/50/55		19/5/2017				Ī	04/05/2016							2 0102/04/11/0			9								,				26/02/2016						28/1/2016		28/01/2016 Date cannot be co			15				2		T	10/08/2015		14/08/2018
INVOICE N. IN	1500	BB-103020616	BB-1502127 O		6			l	063			6708 29			106						T		6699	259	19	63 13			004100	246 04							58		6	71	1	152 12	150	1682	1736				BB-(160140 23	601515		115 28		П	39245	\neg	_		2		053	054		
LPO DATE	7104/04/2017	15/01/2015		04/04/2017				16/09/2015		16/09/2015	24/09/2015	24/09/2015	18/01/2016	04/11/2017	04/11/2017	04/11/2017	14/3/2017		П		_	18/01/2016		15		\neg	+	\neg	2102/20150	$\overline{}$	14/3/2017		23/3/2017	14/3/2017	7102/20/22	7102/20/20	14/01/2015	14/01/2015	18/02/2015	18/02/2015	9102/10/20	07/01/2019	9/02/10/50	15/09/2015	15/09/2015	18/01/2016	18/01/2016	$\overline{}$	31/7/2015	٦		3107/01/31	23/1/2017	17/1/2017	15/01/2015	15/01/2015	03/12/2015	П	1	310	03/08/2015	03/08/2015	03/08/2018	03/08/2018
CONTRACT No. LPO No.	MOD/423(0608)2016-2017 2931255	MOD/423(0603) 2013/2014 237102	MOD/423(0603) 2013/2014 2377102	MOD/423(06010)2015/2016 2931264	MOD/423(06011) 2014/2019 2662623	MOD/423(0605) 2014/2015 989373	MOD/423(96911) 2014/2015 1/06865 MOD/423(06011) 2014/2015 2586653	MOD/423(06010)2014/2015/2579536	2579540	MOD/423/06012/14/15 2579541	MOD/423(0601)2014/2015 2579635	MOD/423(0601)2014/2015 2579636	MOD/423/06011/14/15 2658835	MOD/423(011012)2016/2017 2981474	7 2081425	MOD/423(011012)2016/201 2981473	7 2969561	9889356	0989357	0989358	2015	MOD/423/00011/14/15 2058030	MOD/423(0601)2014/2015 0989360	MOD/423(06010)2014/2015 2362190	0989353		MOD/423(0605)2014/2015 0989354		MOD/423/011012/2016/201		MOD/423(011012)2016/2017 2969558	MOD/423(06011)2014/2015 2654430	MOD/423(06012)15/16 2969573	MOD/423(06012)15/16 2969567	MOD/423(06012)15/16 2969580	MOD/423(06012)2016/201/2969400		MOD/423(0605)2014/2015 2362155		MOD/423(0601)2014/2015	MOD/423(011012)16/17	MOD/423(011012)16/17	MOD/423(011012)25/17/	MOD/423(06011)2014/2015 2579550	MOD/423(06011)2014/2015	2658827	MOD/423/06012/14/15 2658828	MOD/423(0605)2014/2015	MOD/423(06013)2014/201 2589924	5 2647413		MOD/423(06012)2014/201 2658830	MOD/423(06012)15/16 2925268		Г	MOD/423(0608)2014/2015 2362192	MOD/423(06012)2014/201 2647411	- 1	MOD/423(06011)2014/201 2589931	5 2589930	2589917	MOD/423/06012/14/15 2589919		18/
NS PV No.	KAF/LOGS/2811	KAF/LOGS/2765	KAF/LOGS/2765	KAF/LOGS/2635	KA/DFOD/TRG/2088	KA/DFOD/SEC/2366	KA/DFOD/RATS/578	KA/DFOD/RATS/576	KA/DFOD/RATS/574	KA/DFOD/RATS/574	KA/DFOD/RATS/327	KA/DFOD/RATS/327	N KA/DFOD/RATS/2652	KA/DFOD/KATS/2486	KA/DFOD/RATS/2449	KA/DFOD/RATS/2389	KA/DFOD/RATS/2389	KA/DFOD/RATS/2248	KA/DFOD/RATS/2248	KA/DFOD/RATS/2248	KAJUFUU/KATS/2248	KA/DFOD/RATS/2231	KA/DFOD/RATS/1930	KA/DFOD/RATS/1889	KA/DFOD/RATS/1876	KA/DFOD/RATS/1876	CA/DFOD/RATS/1876	KA/DEOD/RAIS/1755	KA/DFOD/RATS/1733	CA/DFOD/RATS/1723	KA/DFOD/RATS/1669	KA/DFOD/RATS/1665	KA/DFOD/RATS/1633	KA/DFOD/RATS/1631	KA/DFOD/RATS/1631	CA/DFOD/RATS/1507	CA/DFOD/RATS/1505	KA/DFOD/RATS/1505	KA/DFOD/RATS/1412	KA/DFOD/RATS/1412	KA/DEOD/BATS/1392-2018/	CA/DEOD/RATS/1392-20	CA/DEOD/RATS/1392-20	KA/DFOD/RATS/1387	KA/DFOD/RATS/1328	KA/DFOD/RATS/1229	KA/DFOD/RATS/1229	CA/DFOD/RATS/1195	KA/DFOD/RATS/1194	KA/DFOD/RATS/1194	CA/DFOD/RATS/1178	KA/DFOD/RATS/1178	CA/DFOD/RATS/1163	CA/DFOD/RATS/1071	KA/DFOD/RATS/1069	(A/DFOD/RATS/1069	KA/DFOD/RATS/1024	KA/DFOD/RATS/1024	KA/DFOD/RATS/014	CA/DFOD/RATS/014	KA/DFOD/RATS/011	KA/DFOD/RATS/011	KA/DFOD/RATS/0089-2018/	CA/DFOD/RATS/0089-20
DESCRIPTION POUNCE PAYAGE OF CHARGE DAYMENT FOR COOKING KARLI COCKING	PAYMENT FOR THE SUP	PAYMENT FOR 5KG CAR	PAYMENT FOR 5KG CART	PAYMENT FOR THE SUPF	BEING SUPPLY OF CANN	BEING SUPPLY FOR MILL	PAYMENT FOR CANNED	BEING PAYMENT FOR MI	BEING PAYMENT FOR	- 1		CARTONS ALL TIME TEA	BEING PAYMENT OF CAN	PAYMENT FOR SUPPLY C	OF GOLDEN FRY	PAYMENT FOR SUPPLY	OF GOLDEN FRY			SUPPLY		PINEAPPLES SUPPLIED		PAYMENT FOR SUPPLY (≥	OF MILLED RICE		PAYMENT FOR SUPPLY	OF GOLDEN FRY	PAYMENT FOR SUPPLY Q	PAYMENT OF PINEAPPLE	PAYMENT FOR SUPPLYIN	PAYMENT FOR	SUPPLYING PAYMENT FOR SLIBBLY OF	BEING PAYMENT FOR SI	PAYMENT FOR SUPPLY	OF MILLED RICE		RATION OF ALL TIMES	REING DAVAGNT	ONIC	8	SUPPLY OF CANNED PIN	BEING PAYMENT FOR TH		DRY RATIONS	Ę	F SERVICE			TO DEFENCE FORCES	PAYMENT FOR SUPPLYIN	PAYMENT FOR SUPPLYIN	PAYMENT FOR SUPPLY	OF BEANS IN TOMATO	SUPPLY OF SPACHETTI			PINEAPPLES	BEING PAYMENT FOR		BEING PAYMENT OF	COOKING OIL SUPPLIED IN
APPENDIX VII: KENYA ARMY REVIEWED SUPPLIER CLAIMS DESCRIPTION PV ANY OFFEN MAY BRANNE DAVIERY FOR CONDIMING BRANNE DAVIER	M/S SAYARI KENYA COMPANY LT	M/S JAMBO BISCUITS (K) LTD	M/S JAMBO BISCUITS (K) LTD	M/S JAMBO EAST AFRICA LIMITED	M/S BALLOT(JA) LTD	M/S BALLOT/IA) TO	M/S BALLOT(JA) LTD PAYMENT FOR CANNED	CIRCLE LOGISTICS LTD		M/S DATRIX LIMITED		TRADE CIRCLES LTD	M/S BALLOT (JA) LTD	M/S OFFLIMIT BRANDS	M/S OFFLIMIT BRANDS		M/S OFFLIMIT BRANDS				M/S ANAMAI CREATIVE LID	M/S BALLOT (JA) LTD	M/S TRADE CIRCLES LTD	M/S CIRCLE LOGISTICS LTD			M/S AKAMAI CREATIVE LID	OT I (%) STILL SIR OBMAL SIM	M/3 STANDO BISCOLIS (N) ELD	M/S OFFLIMIT BRANDS	M/S OFFLIMIT BRANDS	M/S BALLOT (JA) LTD	M/S GAME CHANGER VENTURES L PAYMENT FOR SUPPLYIN	M/S GAME CHANGER VENTURES	M/S OFFI IMIT BRANDS	GAMECHANGER VENTURES LIMITE		M/S AKAMAI CREATIVE LTD		M/S TRADE CIRCLES LTD	_		M/S OFFI IMIT BRANDS	BALLOT(JA) LTD	BALLOT(JA) LTD		M/S DATRIX LTD	M/S AKAMAI CREATIVE I TD		M/S JAMBO BISCUITS(K) LTD	T	M/S DATRIX LTD	M/S GAME CHANGER VENTURES L	M/S GAME CHANGER VENTURES L		M/S TRUFOODS LTS		M/S DATRIX LTD		BALLOT(JA) LTD		M/S DATRIX LTD		
APPENDI)	2016/2017	2017/2018	2017/2018	2016/2017	2015/2016	2014/2015	2014/2015	2015/2016	2015/2016	2015/2016	2015/2016	2015/2016	2015/2016	2016/2017	2016/2017	2016/2017	2016/2017	2014/2015	2014/2015	2014/2015	2014/2015		2014/2015	Н	2014/2015	2014/2015	2014/2015	2014/2015	2016/2017	2016/2017	2016/2017	2014/2015	2016/2017	2016/2017	2016/2017	2016/2017	2014/2015	2014/2015	2014/2015	2014/2015	2016/2017	2016/2017	2016/2017	2014/2015	2015/2016	2015/2016	2015/2016	2014/2015	2014/2015	2014/2015	2014/2015	2014/2015	2016/2017	2016/2017	2014/2015	2014/2015	2014/2015	2014/2015	2014/2015	2014/2015	2015/2016	2015/2016	2016/2017	2016/2017



		6.513.700.00		9,993,600.00	4,999,050,00	4.996.800.00	4.996.800.00	1,563,300,00	2,772,900.00	3.391.200.00	9.363,600.00	1,030,050,00	0.416.500.00	274.320.00	3.534.596.00	CONTRACTOR OF THE PARTY OF THE			12 898 300 00		6.661.200.00		6.700.800.00	2.626.000.00		2.997.600.00	227.040.721.00
2,093,500.00	2,650,000.00	1,770,200,00	4,996,800.00	4,996,800.00	4,999,050.00	4,996,800,00	4.996.800.00	1,563,300,00	2,772,900.00	3,391,200,00	00'009'£9£'6	1,030,050.00	2.416,500.00	274.320.00	3.534.596.00	263,200.00	2,636,200,00	4,999.400,00	4.999.400.00	3,911,700,00	2,749,500,00	3,350,400,00	3,350,400.00	2,626,000,00	4,940,000,00	3,057,600,00	227.040.721.00
2,650 PER 1]	2,650 PER 17	2,650 PER 1	4,800.00	4,800.00	1,350.00	4,800.00			1,300.00	1,350.00	1,350.00	1,350.00	1,350.00	2,160.00	2,692.00	1,400.00	1,400.00	1,400.00	1,400.00	1,300.00	1,300.00	4,800.00	4,800.00	1,300.00	1,300.00	1,300.00	
790	1000	999	1041 TINS OF 20 LIT	1041 TINS OF 20 LIT	3703CARTONS OF	1041 TINS OF 20 LIT	1041 TINS OF 20 LI	1158 CARTONS OF	2133	2512 CARTONS OF	6936 CARTONS OF	763 CARTONS OF	1790 CARTONS OF	127	1313 CARTONS	188 CARTONS OF 3	1883 CARTONS OF	3571CARTONS OF :	3571CARTONS OF	3009 CARTONS	2115 CARTONS	698 TINS	698 TINS	2020 CARTONS	3800 CARTONS	2352 CARTONS	
18/08/2015	18/08/2015	18/08/2015		22.05.2018	21.05.2018	16.04.2018			05/02/2019	10.01.2018	17.10.2017	18.10.2017	13.09.2017	04/04/2016		04.05.2017	04.05.2017	04.05.2017		05/04/2019		05/10/2018	05/10/2018	26/09/2018	13/08/2018	15/08/2018	
92	21	27	353	352	350	333	332	306	182	287	237	525	326	213	9	158	159	160	161	236	235	32	33	027	100	003	
17/08/2015	17/08/2015	17/08/2015	22.05.2018	22.05.2018	17.05.2018	13.04.2018	21.03.2018	12.02.2018	04/02/2019	9.01.2018	18.10.2017	09.12.2017	09.12.2017	date not indicated 213	BB-(171203-107/12/2016	05.03.2017	05.03.2017	05.03.2017	05.03.2017	02/04/2019	03/04/2019	05/10/2018	9/10/2018	25/09/2018	8102/80/60	09/08/2018	
356	354	355	149	146	65	142	141	61	78	59	25	55	54	1741	BB-(171203	50	49	48	47	81	80	054	055	77	89	69	
03/08/2015	03/08/2015	03/08/2015	20.02.2018	20.02.2018	20.02.2018	20.02.2018	20.02.2018	02.02.2018	25/01/2019	08.12.2017	09.10.2017	28.08.2017	28.08.2017	11/03/2016	15/08/2016	11.04.2017	11.04.2017	14.03.2017	14.03.2017	27/03/2019	27/03/2019	8102/60/02	8102/60/02	20/06/2018	03/08/2018	03/08/2018	
П			3148634 2	\neg				П		П	П					1981487	1 2981477		1969566		3356072 2		3250659 2			3241352 0	
MOD/423(06010)2014/2015/2589913	MOD/423(06010)2014/2015 2589914	MOD/423(06010)2014/2015 2589915	(210110)	2016/2017	MOD/423(06012) 2016/2017 3148640	MOD/423(011012) 2016/201	MOD/423(011012) 2016/201	MOD/423(06012) 2016/2017 3166566	MOD/423(0110120)2017/201 3333606	MOD/423(06012) 2016/2017 3088079	MOD/423(06012) 2016/2017 3064117	MOD/423(06012) 2016/2017 3066660	MOD/423(06012) 2016/2017 3066659	MOD/423(06011)2014/2015 2706856	MOD/423(06010)2015/2016 2769418			MOD/423(06012)	2015/2016	MOD/423(0110120)2017/20	61	MOD/423(011012)2016/201 3250660		MOD/423(0110120)2017/2013250663	MOD/423(0110120)2017/20		
	KA/DFOD/RATS/007	KA/DFOD/RATS/007	KA/DFOD/2246-2017/2018	COOKING OIL-GOLDEN KA/DFOD/2246-2017/2018 2016/20	<a 2018<="" 2230-2017="" dfod="" p="">	<a 2018<="" 2025-2017="" dfod="" p="">	CA/DFOD/1926-2017/2018	CA/DFOD/1491-2017/2018	CA/DFOD/1259-2018/2019	CA/DFOD/1199-2017/2018	CA/DFOD/0641-2017/2018	CA/DFOD/0638-2017/2018	(A/DFOD/0322-2017/2018			KA/DEFOD/RATS/1913	KA/DEFOD/RATS/1913		KA/DEFOD/RATS/1913	CA/DEFOD/1624-2018/2019	KA/DEFOD/1624-2018/2019 19	CA/DEFOD/0444-2018/2019	CA/DEFOD/0444-2018/2019	CA/DEFOD/0362-2018/2019	A/DEFOD/0090-2018/2019	KA/DEFOD/0090-2018/2019 19	
	MPISHI POA COOKING K	FAT	BEING SUPPLY OF			BEING SUPPLY OF COOK KA/DFOD/2025-2017/2018 MOD/423(011012) 2016/2011 3148637	BEING SUPPLY OF COOK KA/DFOD/1926-2017/2018 MOD/423(011012) 2016/201 3148636	BEING SUPPLY OF SPACH	BEING PAYMENT OF SPA KA/DFOD/1259-2018/2019 MOD/4	BEING SUPPLY OF SPACH	BEING SUPPLY OF SPACH	BEING SUPPLY OF SPACH	BEING SUPPLY OF SPACH	BEING PAYMENT FOR TH KA/DFOD	PAYMENT FOR ARMY BISKA/DEFOD/TRG/854			BEING SUPPLY OF K		PAYMENT OF SPACHETI KA/DEFOD/1624-2018/2019 MOD/423(0110120)2017/20 3356059		PAYMENT OF COOKING KA/DEFOD/0444-2018/2019 MOD/43	OIL 20 LTRS SUPPLIED KA/DEFOD/0444-2018/2019 7	PAYMENT OF SPAGHETI IN	PAYMENT OF SPAGHETI KA/DEFOD/0090-2018/2019 MOD/423(0110120)2017/20 3241351		
		CIRCLE LOGISTICS LTD			NTURES		M/S OFFLIMIT BRANDS	VENTURES	M/S GAME CHANGER	M/S GAME CHANGER VENTURES BEING SUPPLY OF SPAGE KA/DFOD/1199-2017/2018 MOD/4	M/S GAME CHANGER VENTURES BEING SUPPLY OF SPACH KA/DFOD/0641-2017/2018 MOD/4	M/S GAME CHANGER VENTURES BEING SUPPLY OF SPACH KA/DFOD/0638-2017/2018 MOD/4.	M/S GAME CHANGER VENTURES BEING SUPPLY OF SPAGH KA/DFOD/0322-2017/2018 MOD/4:	BALLOT(JA) LTD	M/S JAMBO BISQUITS (K) LTD				M/S GAME CHANGER VENTURES SPAGHETTI		M/S GAME CHANGER VENTURES SUPLIED TO DEFOD		M/S OFFLIMIT BRANDS	M/S GAME CHANGER VENTURES PAYMENT OF SPAGHETI KA/DEFOD/0362-2018/2019 MOD/4:		M/S GAME CHANGER VENTURES SUPLIED TO DEFOD	
2015/2016	2015/2016	2015/2016	П	T	2017/2018 A	1	2017/2018 A		٦	2017/2018 A	П	2017/2018 A	2017/2018 A	2015/2016 B	2015/2016 A	2016/2017	2016/2017	2016/2017	2016/2017 N	2017/2018	2017/2018 N	2016/2017	2016/2017 N	2017/2018 N	2017/2018	2017/2018 N	TOTAL



		IO I AL AMOUNT PAID	3,868,560.00		20 000 1111	(1/2/1/20:00				15.004.800.00				7,805,200.00	34.415.680,00	43 158 63	R 477 41	14.7/4/0	63,6/9.3	22,665.52	160,324.14	
	AAAOLINT BED IDO		3,868,560.00	3,868,560,00	3.868.560.00	3 505 600 00	00.000,000,0	4,505,800.00	4,996,800.00	4,996,800.00	1.662.700.00	3 543 500 00	2,000,000,000	2,600,000.00		834,400,00	163,800.00	1.269.800.00	CO COL GLA	450,200,00	3,099,600.00	and the same of
	INIT PRICE	TANK THE	2,160.00	2,160.00	2,160.00	4.800.00	4 800 00	20.000	4,800.00	4,800.00	1,300.00	1,300,00	130000	1,300.00		1,400.00	1,400.00	1,400.00	140000	ľ	1,400.00	
	ATF ACTION	t	Т	1621 9102/50/60	1971 3105/20/60	12/02/2019 522	(62 0102/20/1	Γ	Τ	22/02/2019 1041	13/08/2015 1279	13/08/2015 2725	0000	T		04/06/2017 596 CART	04/06/2017 117 CART	2017 907 CAR	12017 313 CART	I	I	_
	RV NO (FF RV DATE	250	T	251 09/0	250 09/0	192 12/02	193		Ī		017 13/06	30/61	210/108/2015	26/61		121 04/0	122 04/0	120 30/4/2017	094 02/10/2017		T	
- 1	CONTRACT N LPO No. LPO DATE INVOICE NO. INVOICE DATE	MOD/423/06/2658835 18/01/2016 1848 26/05/2016		2002/20/20 2002/20	762863/ 16/01/2016 1692	3330516	MOD/423(011 3330515 07/01/2019 152 12/02/2018	MOD/423(01/3330514 07/01/2019 156 21/02/2019		Telegota colochour	2303917 03(00/2013 033	100 2589918 03/08/2015	012/14/15 2589919 03/08/2015 054 10/08/2015			2000000 2000000000000000000000000000000	290938/ 14(3)(201/ 43	2969580 22/03/2017 45	MUD/423(0b 2925268 23/1/2017 37 02/06/2017	MOD/423(06/2922359 17/1/2017 34 20/1/2017		
4	DESCRIPTION PV No.	BEING PAYMENT OF KA/DFOD/RATS/2652	BEING PAYMENT KA/DFOD/RATS/2231	FOR PINEAPPLES KA/DEOD/RATS/333	BEING PAYMENT KAJORON/BATCHES		2		DEFOD KAHAWA KA/DFOD/RATS/1392-2018/2019	BEING PAYMENT KA/DFOD/RATS/011	FOR SPACHETTI KAINEON/BATS/A:		JOL T LILLY	SINIS	M/S GAME CHANGER VENTUR PAYMENT FOR SUPILKA/DFOD/RATS/1633	PAYMENT FOR KAIDFOD/RATS/1631		ID CLIDI	THE DAYSETS OF CHEST CONTINUES	M/3 CAME CHANGER YENTON PATMENT FOR SUPIL KAUTOU/KATS/1071		
III: KENYA AKMY IR	MAKE DALLOT CLANITED	M/3 BALLOI (JA) LID	7	M/S BALLOT (JA) LTD		Γ		T	M/S OFFLIMIT BRANDS			M/S DATRIX LTD	WITH BROCK INCASENT BOCK INC	ACCINSISTENCIES WITH PROCUREMENT DOCUMENTS	M/S GAME CHANGER VEN	M/S GAME CHANGER	VENTURES LTD	M/S CAME CHANGER VEN	MANGO CAMPO COMPO CONTRA	MI/S CAMILE CHANGER VEN	VERPATMENT (NON-DEDUCTION OF W/TAX)	
APPENDIXV	hodator	Seriola de la composición dela composición de la composición de la composición dela composición dela composición dela composición de la composición dela composición de la composición dela composición del	2015/2016	2015/2016	2016/2017	2016/2017	crodyor	Total State of the	2016/2017	2015/2016	2015/2016	9015/2016	NCONCICTENCIECA	NCONSIST ENGLES	2016/2017	2016/2017	2016/2017	2016/2017	Trockhoo	COLUMN STATES OF THE PARTY OF T	OVERPAYMEN! (N	The same of the sa

