

REPUBLIC OF KENYA



*Enhancing Accountability*

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THE NATIONAL ASSEMBLY PAPERS LAID <b>REPORT</b>	
DATE: 25 NOV 2021	DAY: Thurs
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CLERK-AT THE-TABLE: OF B. Inzofu	

**THE AUDITOR-GENERAL**

**ON**

**DATA COLLECTION AND DATA BASE  
DEVELOPMENT PROJECT (UNFPA-KEN7P32A)**

**FOR THE YEAR ENDED  
30 JUNE, 2021**

**KENYA NATIONAL BUREAU OF STATISTICS**



**Project Name : Data Collection And Data Base Development Project (UNFPA)**

**Implementor : Kenya National Bureau Of Statistics**

**Project Grant/Credit Number : KEN7P32A**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2021**

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

***DATA COLLECTION AND DATA BASE DEVELOPMENT PROJECT (UNFPA)***  
***Reports and Financial Statements***  
***For the financial year ended June 30, 2021***

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**DATA COLLECTION AND DATA BASE DEVELOPMENT PROJECT (UNFPA)**  
**Reports and Financial Statements**  
**For the financial year ended June 30, 2021**

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**Project Information and Overall Performance**

**1.1 Name, address and registered office of the Project's Office:**

Real Towers, Upper Hill, Nairobi, Kenya  
P. O. Box 30266 – 00100  
Nairobi, Kenya

**Name of project**

Data Collection And Data Base Development Project

**Objective:** The key objective of the project: to improve data availability and analysis resulting in evidence-based decision-making and policy formulation around population dynamics, family planning, and gender equality

**Contacts:** The following are the project contacts

Telephone: (254) 020 317586 / 8  
E-mail: [directorgeneral@knbs.or.ke](mailto:directorgeneral@knbs.or.ke)

Website: [www.knbs.or.ke](http://www.knbs.or.ke)

**1.2 Project Information**

Project Start Date:	This project began long ago and was in place since the inception of the Bureau which was domiciled at the Ministry for Planning.
Project End Date:	The project is no longer receiving funds.
Project Manager:	The project manager is Mr Abdikadir A. Awes
Project Sponsor:	The project sponsor is UNFPA

**1.3 Project Overview**

Line Ministry/State Department of the project	The project was implemented by Kenya National Bureau of Statistics under the supervision of The National Treasury and Planning.
Project number	KEN7P32A
Strategic goals of the project	The strategic goals of the project is to provide and support for conducting socio-demographic surveys and censuses

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***DATA COLLECTION AND DATA BASE DEVELOPMENT PROJECT (UNFPA)***  
***Reports and Financial Statements***  
***For the financial year ended June 30, 2021***

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Achievement of strategic goals	The project management provided support for the 2019 Kenya Population and Housing Census
Current situation that the project was formed to intervene	The project was to intervene in strengthening institutional and legal frameworks and processes that support democratic governance, transformation, accountability, respect for human rights and gender equality
Project duration	The project is ended and awaiting closure of the bank account

#### **1.4 Bankers**

The following are the bankers for the current year:

Co-operative Bank of Kenya,  
Kimathi Street Branch  
P.O. Box 48231 – 00100, Nairobi.  
Account No: 01120081857000 (UNFPA)

#### **1.5 Auditors**

The project is audited by:

Auditor - General,  
Office of the Auditor General  
Anniversary Towers, 12<sup>th</sup> floor,  
Nairobi, Kenya

**1.6 Roles and Responsibilities**

The following are involved in the project implementation:

<b>Names</b>	<b>Title designation</b>	<b>Key qualification</b>	<b>Responsibilities</b>
Macdonald G. Obudho, MBS	Director General	Macdonald George Obudho holds a Bachelor of Science degree in Mathematics and Computer Science (Second class Honours - Upper Division) from Jomo Kenyatta University of Agriculture and Technology and a Master of Science degree in Statistics from the same university.	Being the Bureau's Director General, he is the overall coordinator of the project, approving the work-plans and the budgets.
Abdulkadir Amin Awes	Director Population and Social Statistics	Mr Abdulkadir Amin Awes holds a Master of Arts degree in Economic Policy Management (EPM) from Makerere University of Kampala (MUK), Master of Science in Population Studies from University of Nairobi, Bachelor of Arts (Second Class Honors, Upper Division) from University of Nairobi and Diploma on Decentralized Planning for Rural Development from National Institute of Rural Development, Hyderabad (India).	He is the project manager and oversees the implementation of the project targets, through budgeting and making user requests for all activities under the project.

**DATA COLLECTION AND DATA BASE DEVELOPMENT PROJECT (UNFPA)**  
**Reports and Financial Statements**  
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**1.7 Funding summary**

**a. Source of Funds**

Source of funds	Donor Commitment-		Amount received to date – (30.06.2021)		Undrawn balance to date (30.06.2021)	
	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
Grants: UNFPA	-	185,006,000	-	185,006,000	-	-
GoK / AIA		208,331,875		208,331,875		
<b>Total</b>	<b>-</b>	<b>393,337,875</b>	<b>-</b>	<b>393,337,875</b>	<b>-</b>	<b>-</b>

**b. Application of Funds**

Application of funds	Amount received to date – (30.06.2021)		Cumulative Amounts paid to date – (30.06.2021)		Unutilised balance to date (30.06.2021)	
	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
Grants: UNFPA	-	185,006,000	-	182,847,982	-	2,158,018
GoK/AIA		208,331,875		208,331,875		
<b>Total</b>	<b>-</b>	<b>393,337,875</b>	<b>-</b>	<b>391,179,857</b>	<b>-</b>	<b>2,158,018</b>

**1.8 Summary of Overall Project Performance:**

- Data availability and dissemination to users enhanced
- Value for the funds provided was commensurate
- Challenges: Delay in accessing the funds from Treasury, which has in turn delayed implementation of activities

**1.9 Summary of Project Compliance:**

The project did not have any significant non-compliance with applicable laws and regulations, and essential external financing agreements.

2. **Statement of Performance against Project's Predetermined Objectives**

The project did not receive any funding during the period.

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*DATA COLLECTION AND DATA BASE DEVELOPMENT PROJECT (UNFPA)  
Reports and Financial Statements  
For the financial year ended June 30, 2021*

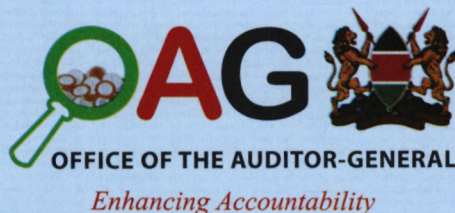
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**3. Corporate Social Responsibility Statement**

The project was not involved in any corporate social responsibility activities during the period.

# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## **REPORT OF THE AUDITOR-GENERAL ON DATA COLLECTION AND DATA BASE DEVELOPMENT PROJECT (UNFPA-KEN7P32A) FOR THE YEAR ENDED 30 JUNE, 2021 – KENYA NATIONAL BUREAU OF STATISTICS**

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### **PREAMBLE**

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

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

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

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

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

#### **Opinion**

I have audited the accompanying financial statements of Data Collection and Data Base Development Project (UNFPA -KEN7P32A) set out on pages 1 to 8, which comprise the statement of financial assets and liabilities as at 30 June, 2021, and statement of receipts

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Data Collection and Data Base Development Project as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and complies with the Public Finance Management Act, 2012 and the Financing Agreement No. KEN7P32A between the United Nations Fund for Population (UNFPA) and the Republic of Kenya dated 18 February, 2019.

### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Data Collection and Database Development Project in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

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

### **Other Matter**

### **Status of Project Activities**

As reported in the prior years, the Project remained dormant in the year under review. However, it had an opening cash in bank balance amounting to Kshs.2,162,338 against which bank charges amounting Kshs.4,320 were debited resulting in a closing balance of Kshs.2,158,018 as reflected in the statement of financial assets and liabilities as at 30 June, 2021.

Management has indicated that activities for the Project were implemented under GOK/UNFPA 8th County Programme and therefore, no new programme agreement was signed in respect to the Project's activities, which entailed financing preparatory activities for the 2019 Kenya Population and Housing Census. Management has further indicated that although no funding was received in the four financial years ended 30 June, 2021, UNFPA has indicated they will finance a 9th GOK/UNFPA Country Programme on data collection and database management. Management says it has maintained the Project bank account for the purpose.

## **Other Information**

The Management is responsible for the other information, which comprises Project information and overall performance, statement of performance against program's predetermined objectives, corporate social responsibility statement/sustainability reporting and statement of program management responsibilities. The other information does not include the financial statements and my auditor's report thereon.

My opinion on the Project financial statements does not cover the other information and I do not express any form of assurance or conclusion thereon.

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **Undisclosed Financing Conditions**

The Project financing agreement NO.KEN7P32A signed between the Government of Kenya and UNFPA was not provided for audit review.

As a result, the accuracy and validity of the cumulative receipts and payments amounting to Kshs.393,337,875, and Kshs.391,179,857 respectively transacted during the years ended 30 June, 2021 could not be confirmed.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

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

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

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

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Project or cease operations

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Project financial reporting process, reviewing the effectiveness of how the Project monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

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

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

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

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

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

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to continue to sustain its services.

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

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

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



CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

10 November, 2021

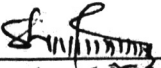
**DATA COLLECTION AND DATA BASE DEVELOPMENT PROJECT (UNFPA)**  
**Reports and Financial Statements**  
**For the financial year ended June 30, 2021**


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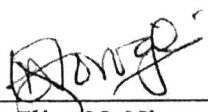
**6. Statement of Receipts and Payments**  
**For the Year ended 30<sup>th</sup> June 2021**

	Notes	Actual Exp. Current Year 2020 / 2021 Kshs	Actual Exp. Current Year 2019 / 2020 Kshs	Cummulative to date, since inception Kshs
<b>RECEIPTS</b>	<b>1</b>			
GOK / AIA Contribution				229,911,892
Donor Grants		-	-	163,425,983
<b>TOTAL RECEIPTS</b>		-	-	<b>393,337,875</b>
 <b>PAYMENTS</b>				
Purchase of goods & Services	2	4,320	4,320	391,179,857
<b>TOTAL PAYMENTS</b>		<b>4,320</b>	<b>4,320</b>	<b>391,179,857</b>
Surplus / (Deficit)		<b>(4,320)</b>	<b>(4,320)</b>	<b>2,158,018</b>

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.

  
 \_\_\_\_\_  
 Macdonald Obudho, MBS  
 Director General

  
 \_\_\_\_\_  
 Abdulkadir Amin Awes  
 Project Coordinator

  
 \_\_\_\_\_  
 Elias N. Njoroge  
 Project Accountant  
 ICPAK No.3030


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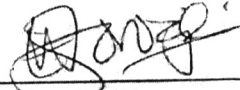
**7. Statement of Financial Assets and Liabilities**  
**As at 30<sup>th</sup> June 2021**

	Notes	2019 / 2020 Kshs.	2019 / 2020 Kshs.
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash in Project Account- Bank	3	2,158,018	2,162,338
<b>TOTAL FINANCIAL ASSETS</b>		<b>2,158,018</b>	<b>2,162,338</b>
 <b>REPRESENTED BY</b>			
Cash b/f	3	2,162,338	2,166,658
Surplus /(Deficit) for the year		(4,320)	(4,320)
<b>NET FINANCIAL POSITION</b>		<b>2,158,018</b>	<b>2,162,338</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 28<sup>th</sup> September 2021 and signed by:

  
 \_\_\_\_\_  
 Macdonald Obudho, MBS  
 Director General

  
 \_\_\_\_\_  
 Abdulkadir Amin Awes  
 Project Coordinator

  
 \_\_\_\_\_  
 Elias N. Njoroge  
 Project Accountant  
 ICPAK No.3030

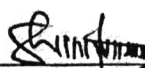
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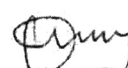
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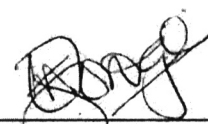
**8. Statement of Cashflows**  
**For the Year Ended 30<sup>th</sup> June 2021**

	Notes	2020 / 2021 KShs.	2019 / 2020 KShs.
<b>Receipts for operating income</b>			
Grants	1	-	-
AIA Receipts		-	-
<b>Payments</b>			
Purchase of goods and services	2	(4,320)	(4,320)
<b>Net Cashflows from operating activities</b>		(4,320)	(4,320)
<b>Net increase /(decrease) in cash and cash equivalents</b>		(4,320)	(4,320)
Cash and cash equivalents at beginning of period		2,162,338	2,166,658
<b>Cash and cash equivalents at end of period</b>	3	<b>2,158,018</b>	<b>2,162,338</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 28<sup>th</sup> September 2021 and signed by:

  
 \_\_\_\_\_  
 Macdonald Obudho, MBS  
 Director General

  
 \_\_\_\_\_  
 Abdulkadir Amin Awes  
 Project Coordinator

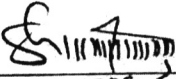
  
 \_\_\_\_\_  
 Elias N. Njoroge  
 Project Accountant  
 ICPAK No.3030


**DATA COLLECTION AND DATA BASE DEVELOPMENT PROJECT (UNFPA)**  
**Reports and Financial Statements**  
**For the financial year ended June 30, 2021**

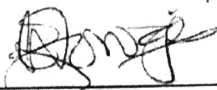
**9. Statement of Comparative Budget and Actual Amounts**

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization	% Utilization
	a	b	c=a+b	d	e=d-c	f=e/c %
<b>Receipts</b>						
Cash Balance b/f	2,162,338	-	2,162,338	2,162,338	-	0%
Miscellaneous receipts	-		-	-		
<b>Total Receipts</b>	<b>2,162,338</b>	<b>-</b>	<b>2,162,338</b>	<b>2,162,338</b>	<b>-</b>	<b>0%</b>
<b>Payments</b>						
Other payments	(4,320)	-	(4,320)	(4,320)		0%
<b>Total Payments</b>	<b>(4,320)</b>	<b>-</b>	<b>(4,320)</b>	<b>(4,320)</b>		<b>0%</b>
Balances	2,158,018	-	2,158,018	2,158,018	-	0%

The variance balance of KShs.2,158,018 represents the unutilised funds in the bank as at 30.06.2021.

  
 Macdonald Obudho, MBS  
 Director General

  
 Abdulkadir Amin Awes  
 Project Coordinator

  
 Elias N. Njoroge  
 Project Accountant  
 ICPAK No.3030

## **10. Significant Accounting Policies**

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

### **10.1 Basis of Preparation**

### **10.2 Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted have been consistently applied to all the years presented.

### **10.3 Reporting**

The financial statements are for the UNFPA project under Kenya National Bureau of Statistics. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012.

#### **a. Reporting Currency**

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

#### **b. Recognition of revenue and expenses**

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

#### **c. Use of Goods and Services**

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

#### **d. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank.

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**e. Budget**

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements.

**f. Comparative figures**

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

**g. Subsequent events**

There have been no events after the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2021.

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**11. Notes to the financial statements**

**1. Receipts**

There were no receipts during the year.

**2. Purchase of goods and services**

The details of expenses are as detailed:

	Actual Exp. Current Year 2020 / 2021 Kshs	Actual Exp. Previous Year 2019 / 2020 Kshs	Cummulative to date, since inception Kshs
Purchase of goods & services	-	-	319,192,700
Incremental operating costs	4,320	4,320	71,987,157
<b>TOTAL PAYMENTS</b>	<b>4,320</b>	<b>4,320</b>	<b>391,179,857</b>

**3. Cash and Cash Equivalents**

This was the amount in the bank as shown below:

	2020/21 Kshs	2019/20 Kshs
Cooperative Bank of Kenya (Account No. 01120081857000)	2,158,018	2,162,338

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**12. Progress on Follow up of Prior Year Auditor's Recommendation**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. Dormant Account	The UNFPA bank account in Coop Bank remained dormant during the period.	The Board has approved the closure of the account	Ongoing	31.12.2021