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**THE AUDITOR-GENERAL**

ON

**GLOBAL FUND HIV/AIDS PROJECT GRANT  
NUMBER KEN-H-TNT-1547**

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

**NATIONAL AIDS CONTROL COUNCIL**

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
**REGISTRY**

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**Project Name: Global Fund Grant**

**Implementing Entity: National AIDS Control Council**

**PROJECT GRANT /CREDIT NUMBER KEN-H-TNT-1547**

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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)**

**NATIONAL AIDS CONTROL COUNCIL  
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**LIST OF ABBREVIATIONS**

ANC	Antenatal Care
AYP	Adolescent Youth Program
CAIPs	County AIDS Implementation Plans
CAPR	Community AIDS Program Reporting
COG	Council of Governors
GF	Global fund
HAT	HIV AIDS Tribunal
KASF	Kenya AIDS Strategic Framework
KICD	Kenya Institute of Curriculum Development
MTCT	Mother To Child Transmission
NACC	National AIDS Control Council
NCD	Non-Communicable Disease
NGO	Non-Governmental Organization
PMTCT	Prevention of Mother to Child Transmission
PSASB	Public Sector Accounting Standard Board
SGBV	Sexual and Gender Based Violence

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**1. PROJECT INFORMATION AND OVERALL PERFORMANCE**

**1.1 Name and registered office**

**Name:** The project's official name is Global Fund HIV/AIDS Project Grant Number KEN-H-TNT-1547-National Aids Control Council

**Objective:** The key objective of the project is to contribute to achieving vision 2030 through universal access to comprehensive HIV prevention, treatment and care through reduction of new HIV infections by 75% and reduction of AIDS related mortality by 25%

**Address:** The project headquarters offices are in Nairobi city, Nairobi County, Kenya.

The address of its registered office is:

National AIDS Control Council,  
Landmark Plaza (9<sup>th</sup> Floor), Argwings Kodhek Road  
P.O. Box 61307 - 00200, Nairobi, Kenya

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

Telephone: (+254) 020 2896000

E-mail: ceo@nacc.or.ke

Website: www.nacc.or.ke

**1.2 Project Information**

Project Start Date:	The project start date is 01 01 18
Project End Date:	The project end date is 30 06 21
Project Manager:	The project manager is Dr. Ruth Laibon – Masha.
Project Sponsor:	The project sponsor is the Global Fund AIDS, TB and Malaria (GFATM)

**1.3 Project Overview**

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Health.
Project number	KEN-H-TNT_1547

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Strategic goals of the project	The strategic goal of the project is to contribute to achieving vision 2030 through universal access to comprehensive HIV prevention, treatment and care
Achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Reduction of new HIV infections by 75% and (ii) Reduction of AIDS related mortality by 25% (iii) Reduce HIV related stigma and discrimination by 50% (iv) Increase domestic financing of the HIV response to 50%
Other important background information of the project	The project is aligned to the Kenya AIDS Strategic Framework (KASF) which is aligned with the Constitution of Kenya (2010) as well as Kenya's vision 2030 description of HIV and AIDS as one of the greatest threats to socioeconomic development in Kenya.
Current situation that the project was formed to intervene	The project was formed to intervene in the following areas: (i) Reducing new HIV infections (ii) Improving health outcomes and wellness of all people living with HIV (iii) Using a human rights approach to facilitate access to services for PLHIV, Key populations and other priority groups in all sectors (iv) Strengthening integration of health and community systems (v) Strengthening research and innovation to inform the KASF goals (vi) Promoting utilisation of strategic information for research and monitoring and evaluation (M&E) to enhance programming (vii) Increasing domestic financing for a sustainable HIV response (viii) Promoting accountable leadership for delivery of the KASF results by all sectors and actors
Project duration	The project started on January 1, 2018 and is expected to run until June 30, 2021

**1.4 Bankers**

NCBA Bank Ltd NCBA House Branch,  
P.O. Box 44599-00100,  
Nairobi, Kenya.

**1.5 Auditors**

Auditor General  
Anniversary Towers, University Way,  
P.O. Box 30084 - GPO 00100  
Nairobi, Kenya

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**1.6 Roles and Responsibilities**

<b>No.</b>	<b>Names</b>	<b>Title designation</b>	<b>Key qualification</b>	<b>Responsibilities</b>
1	Dr. Ruth Laibon Masha	Chief Executive Officer	Doctor of Philosophy (PhD) holder in Tropical Medicine, Gender and Health.	The Chief Executive Officer in charge of the overall strategic direction of the project.
2	CPA Kenneth Nyamolo	Ag. Deputy Director, Finance & Administration	Masters in Business Administration	In charge of the finance, HR and administration and Management Information Systems.
3	Dr. Emmy Chesire	Deputy Director, Coordination and Support	Doctor of Philosophy in Public Health.	In charge of coordination and support programmes

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**1.7 Project information and overall performance**

The Global Fund HIV/AIDS project grant number KEN-H-TNT-1547 was for duration of three and a half (3 ½) years from January 1, 2018 to June 30, 2021 with an approved budget of USD 6,893,203. The NACC requisition for disbursement of the grant amount through the Ministry of Health as approved in the Kenya Government annual printed estimates. The NACC received Ksh 717,455,788 requisition from the Ministry of Health. Disbursement report from National Treasury indicates that only USD 3,750,608 was disbursed to the Ministry of Health for NACC.

Below is the funding summary:

**A Source of Funds**

Source of funds	Donor Commitment		Amount received to June 30, 2021		Undrawn balance to June 30, 2021	
	USD	Kshs	USD	Kshs	USD	Kshs
<b>Grant</b>						
The Global Fund	6,892,030	643,151,785	3,750,608	350,000,000	3,141,422	293,151,785
Receipts from Ministry of Health	-	-	-	367,455,788	-	-
<b>Total</b>	<b>6,892,030</b>	<b>643,151,785</b>	<b>3,750,608</b>	<b>717,455,788</b>	<b>3,141,422</b>	<b>293,151,785</b>

**B Application of Funds**

Application of funds	Amount received to date – ( June 30, 2021)		Cumulative Amount paid to date – (June 30, 2021)		Unutilised balance to date (June 30, 2021)	
	USD	Kshs	USD	Kshs	USD	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
<b>(i) Grant</b>						
The Global Fund	3,750,608	350,000,000	3,750,608	350,000,000	-	-
Receipts from Ministry of Health	-	367,455,788	-	304,171,558	-	63,284,230
<b>Total</b>	<b>3,750,608</b>	<b>717,455,788</b>	<b>3,750,608</b>	<b>654,171,558</b>	<b>-</b>	<b>63,284,230</b>

An average exchange rate of Ksh 93.2 to the USD has been used for the above computation

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**Summary of Overall Project Performance:**

**1.8 Summary of Project Compliance:**

The NACC has complied with all applicable laws and regulations.

**1) Budget performance against actual amounts for current year and for cumulative to-date**

The current cumulative budget performance for the grant stands at **92%** based on funds allocation as at 30 June 2021.

**Physical progress based on outputs, outcomes and impacts since project commencement.**

**a) Policy and Coordination of the HIV Response**

- **End term review of Kenya HIV and AIDS Strategic Framework (KASF) I that informed the Development of KASF II 2020/21-2024/25:** The National AIDS Control Council (NACC) in collaboration with Partners and Stakeholders coordinated the development of the Second Kenya AIDS Strategic Framework (KASF II) to guide the HIV response in Kenya for the period 2020/21-2024/25. This consultative process involved stakeholders and partners at both County and National level which was preceded by the Joint AIDS End Term Review of the First Kenya AIDS Strategic Framework 2014/15 to 2018/19 (KASF I).
- **Development of the 47 County AIDS Implementation Plans (CAIPs):** The NACC provided Technical Assistance during the 47 County drafting engagements including Review of the first County AIDS Strategic Plans, Costing, Validation, Editing and designing of the CAIPs. All the CAIPs were officially launched on June 15, 2021, presided by the Chair of the COG during the Maisha Conference. The launch was preceded with a panel session themed “*County Strategies; our future from the past*”. Counties are expected to implement their CAIPs during the five-year period. HIV implementing partners should be guided by the CAIPs in the HIV response in the counties.

**b) M&E Surveillance**

- **Kenya Modes of Transmission Report 2020:** The NACC in collaboration with key stakeholders undertook a study to develop the 2020 KMoT study. This was key to ensure that the country generated its estimates on the distribution of new HIV infection among different population groups and across geographies to inform planning, programming and resource allocation for HIV prevention. The Modes of Transmission (MoT) study used a mathematical model approach to quantify the distribution of new infections according to different individual characteristics. Epidemiological and prevention analysis of the report was also conducted to provide county-specific incidence patterns that focused on sub-categorization of incidence in counties by population groups. This improved the geographical and population targeting capacity of the national program. These attributes to HIV incidence in Kenya further informed the selection criteria of priority populations in the KASF II 2020-2024, and the accompanying differentiated intervention approach. The report was key in guiding the counties in development of the CAIPs.

**c) Research**

- **Kenya Adolescent Health Survey Report:** The NACC in conjunction with partners and stakeholders conducted a study to assess the health related: knowledge, attitude, behaviour, clinical characteristics, and access to services, among the adolescents aged 10 to 19 years in Kenya. The report captured key findings and recommendations on: HIV knowledge and prevention among adolescents, Issues of mental health, Recommendations on oral health, Adolescent Nutrition, Organizations trained on adolescent health care including providing informed adolescent health services and School health education.

**d) Human Rights – Ending Stigma and Discrimination**

- Human rights violations, stigma and discrimination are not only a big impediment towards achieving HIV prevention and treatment targets but also makes the national response ineffective. Additionally, stigma and discrimination fuel the HIV epidemic while making those living with HIV more vulnerable and marginalized. The Kenya AIDS strategic Framework II has prioritized to protect the rights of people to live a life free of violence, stigma and discrimination including the rights of girls and women, vulnerable and key populations. There is hence a need to increase knowledge and awareness among key and vulnerable populations on human rights, legal frameworks, and mechanisms for access to justice and overcoming stigma and discrimination.
- NACC in conjunction with the HIV and AIDS tribunal Identified Kisumu, Nyeri and Mombasa counties to be piloted for satellite HIV tribunal courts. The three sites have been equipped appropriately to handle stigma and discrimination cases through the support of pro bono lawyers. The baseline assessment for the 3 counties had been done and an implementation report shared with the county judiciary teams and other relevant stakeholders for adoption and ownership. The delivery and installation is complete and operational. Services are currently underway in the three sites. 20 cases have been heard so far and 450 members have been sensitized to increase use and uptake of the satellite courts.
- To increase awareness on the HAT, a total of 54 community representatives drawn from PLHIV networks and vulnerable populations from Kisumu, Vihiga, Nyandarua, Nyamira, Bomet, Narok and Baringo Counties were sensitized on the HIV tribunal and human rights including the HIV and AIDS Prevention and Control Act. With the sustained awareness creation in the Counties about the Tribunal, the number of reported cases has significantly grown, thus creating the need for HAT to devolve its services. Use of teleconferencing is an innovative way of reporting cases of discrimination against PLHIV as a way to fast-track hearing and determination of cases.



Picture 1: Launch and testing of the Mombasa HAT Teleconference

**e) Adolescents and Young People:**

According to the HIV Estimates 2020, Kenya has approximately 1.5 million people living with HIV with a prevalence of 4.5%. 42% of all new infections occur among adolescents and young people. There was a total of 41,416 new infections with 6,166 new infections among adolescents aged 10-19 years and 14,410 new infections among young adults aged 15-24 years. 1 in 3 adolescent girls and young people experience some form of sexual gender-based violence. 1 in 3 ANC clients are adolescent girls aged 10-19 years and 69% of HIV positive mothers were adolescent girls and young women. Kenya's PMTCT coverage is at 94% with an MTCT rate of 10.8%.

These numbers are attributed to: -

1. Low access to information on the prevention, treatment and care of HIV, prevention of STIs and information of SGBV.
2. Inadequate structured multisectoral coordination of the AYP HIV Response at county level.
3. Meaningful and Sustainable engagement of adolescents and young people in the HIV Response.

The NACC's institutional accountability and coordinating mechanism role for the AYP Response is to: -

1. Provide strong coordination mechanisms at both the National and County level through a multi-sectoral approach incorporating key sectors and stakeholders
2. Ensure that the voices of adolescents and young people are heard as a partner in all research, policy and program responses to HIV prevention
3. Promote the leadership of adolescents and young people as full, equal, and essential partners to guide HIV prevention
4. Build the capacity of adolescents and young people living to participate in all aspects of society as informed, enabled, and empowered participants and for their community's development and social change.

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During the period under review the NACC through the support of the Global Fund and in conjunction with partners engaged, appropriate, and strategic response to address the HIV situation among adolescents and young people. This was done through:

- **Peer to Peer Engagement:** Towards achieving positive health care outcomes for Adolescents and Young People, the NACC adopted the Human Centered Design approach. This is an intervention that puts the young people at the centre of the response. The multisectoral approach ensures programs and services are designed by young people and are supported to address their needs.



Picture 2: Homabay Maisha Youth Chapter community sensitization with AYP on Healthy Relationships

- **Technical assistance to the counties;** The NACC institutionalized and operationalized Maisha Youth County Chapters in 47 counties. The county chapter membership of 5 inaugural members, brings together youth leaders with various backgrounds from different sectors including non-health sectors. As part of the training, the youth chapters were taken through the importance of reporting on their contribution to the HIV Response through the CAPR Tool towards showing their contribution and increasing their ownership of the AYP Response. As a follow up on the capacity building, the NACC will engage the Maisha Youth Council in the process of analyzing the existing policies targeting Adolescents and Young People in the HIV and Sexual Reproductive Health sectors.

**f) Building capacity of Local administrators and community gate keepers to address social and cultural practices that perpetuate Sexual Gender Based Violence (SGBV)**

Sexual Gender Based Violence is one of the predisposing factors to new HIV infections especially among girls and young women. Cultural, social, and religious beliefs play a role in facilitating the continuation of SGBV. Local Administration (Chiefs and community elders): Community gate keepers are influential and have a key role in addressing cultural and social factors that perpetuate SGBV and hinder access to HIV services.

One of the interventions undertaken by the NACC in conjunction with stakeholders was reaching out through consultative forum with 53 Community gatekeepers from 4 sub-counties in Taita-Taveta and 45 administrators (Chiefs and sub-chiefs) from Baringo County to address GBV, Teenage pregnancies, early marriages, FGM and unskilled birth attendance. Awareness on the HIV and AIDS Tribunal was also done to address issues of legal barriers. It was observed that Cultural norms and practices such as Female Genital Mutilation, Child marriages are still rampant in Baringo County and fuels gender inequality among girls and women. The gate keepers were tasked to engage mentors in the community and target youth in behavior change activities in schools and at the community to eradicate early and forced marriages; Sensitize Traditional Birth Attendants and members of the community on the dangers of home delivery especially on Mother to Child Transmission of HIV; Spearhead campaigns to promote delivery in Health Facilities; Sensitize the community elders through council of elders on the negative effects of FGM and its linkage to school drops; Engage religious leaders, elites and anti- FGM champions in fighting the vice in the community.

One of the key outputs was identification of gatekeepers as champions of GBV with their role being to provide information as a way of addressing GBV to the community in the various forums and linking the SGBV survivors with the required services. The NACC regional offices will be following up on the performance of the champions as they address the frequently asked technical questions from the communities and the champions. The reporting will be done through the CAPR.

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Picture 3: Engagement of community gate keepers to address Sexual Gender Based Violence

**Comment on value-for-money achievements**

The Global Fund grant is based on costed budget for all goods and services utilised for the grant period. The Global Fund also requires that the government financial management and procurement regulations are applied during grant implementation. The NACC complied with these regulations in grant implementation ensuring there was value for money.

**NACC-GF Grant key achievements for the FY 2020/21:**

- a) **End term review of Kenya HIV and AIDS Strategic Framework (KASF) I that informed the Development of KASF II 2020/21-2024/25 and development of the County AIDS Implementation Plans:** KASF II development process was finalized for implementation for the next five years 2020-2025. The launch was celebrated during commemoration of the 2020 World AIDS Day. Development of the 47 County AIDS Implementation plans was completed in June 2021.
- b) **Four (4) Teleconferencing sites** were established in Nyeri, Mombasa, Nairobi and Kisumu. The Teleconference facilities are situated in the NACC RHC regional offices and have been equipped appropriately and will be used as satellite courts managed by pro bono lawyers following official handover to the HAT. People living with HIV reporting cases of stigma and discrimination will be facilitated in the satellite courts that will link them with the Judiciary system and the HIV & AIDS Tribunal. The number of cases reported and addressed will be captured in the community-based activity reporting tools.
- c) **Development of the KMOT 2020 Report** which is key to ensure that the country generated its estimates on the distribution of new HIV infection among different population groups and across geographies to inform planning, programming, and resource allocation for HIV prevention. These attributes to HIV incidence in Kenya further informed the selection criteria

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of priority populations in the KASF II 2020-2024, and the accompanying differentiated intervention approach.

- d) **Community interventions reporting** - The Community Activities Program Reporting (CAPR) tool targets to collect non-facility HIV and health related data. The CAPR systems captures data monthly as captured in the KASF M&E Framework. The NACC printed a total of 146,000 reporting tools and distribution done in all the 47 counties to support data capture and reporting. Due to the availability of the reporting tools, the NACC was able to collect and collate data from some of the key indicators as indicated below:

	PMTCT	Stigma and Discrimination	SGBV	AYP-HTS	Condom Program
	CAPR Number of mentor mothers trained to provide	CAPR Number of individuals reached with anti-stigma and	CAPR Number of individuals who experienced	CAPR Number of individuals referred for Youth friendly	CAPR Number of condoms distributed
	2020	2020	2020	2020	2020
Kenya	8,652	428,718	4,549	70,546	8,436,530

Table 1: Performance of selected indicators reported through CAPR/KHIS

- e) **Community engagement to create awareness on the HAT** amongst KP and vulnerable populations in 7 counties with high reported cases of stigma and discrimination. The counties included Baringo, Kisumu, Vihiga, Nyamira, Bomet, Narok and Nyandarua.
- f) **Training of selected community gate keepers (administration chiefs, sub-chiefs, village heads)** to facilitate the removal of harmful cultural practices that affect women and AYGW was launched. A total of 53 Community gatekeepers from 4 sub-counties in Taita-Taveta and 45 administrators from Baringo were reached.
- g) **Adolescents and young people (AYP) programming:**
- i. To monitor the response and track progress of the AYP HIV Response, the NACC developed an AYP Performance Tracking Tool that will provide the National Government, Counties and other stakeholders access key multi sectoral AYP data dashboards to facilitate efficient decision making, programming and investments incorporating Business Intelligence
  - ii. Adolescents and Young People spend a significant time in institutions of learning and the involved ministries have an influence in the lives of Adolescents and Young People especially as far as access to relevant HIV information is. Concerned. During the financial year 2020/21, the NACC developed and validated the adolescent friendly comprehensive SGBV & HIV prevention information package (TVET curriculum) tools and training materials. For the successful implementation, a total of 10 master trainers were trained and virtual training of 3477 technical trainers trained to implement the curriculum. The effectiveness of the curriculum will be measured through Reports on number of AYP in Technical Training Institutes accessing HIV, SGBV and COVID-19 accurate information and referrals through technical trainers availed through the NACC Maisha 2 TTI reports
  - iii. Additionally, the NACC in partnership with the Kenya Institute of Curriculum Development, Ministry of Education and in collaboration with the Ministry of Health jointly implemented Infection Prevention Control (IPC) COVID -19 Teacher

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preparedness for schools reopening was done by developing and customizing COVID-19 protocols with relevant HIV messages for schools. A total of Eight master trainers (from MOH, MOE and TSC) were trained to deliver virtual training to the targeted number of teachers with 7900 teachers virtually trained in IPC COVID-19. For sustainability and continuity, teacher preparedness with twenty themed TV messages was developed and broadcasted through Kenya Institute of Curriculum Development (KICD) EDU TV channel.



Picture 4: Distribution IPC Teacher Preparedness IEC materials at Ziwani Primary School, Chemari, Marafa zone, Magarini Subcounty, Kilifi County

- iv. The National AIDS Control Council is implementing the peer-to-peer model to increase the meaningful engagement of Adolescents and Young People in the country's HIV Response through the Maisha Youth Movement. In the financial year 2020/21, NACC institutionalized and operationalized Maisha Youth County Chapters in 46 counties. The county chapter membership of 5 inaugural members, brings together youth leaders with various backgrounds from different sectors including non-health sectors. As part of the training, the youth chapters were taken through the importance of reporting and how to report their contribution to the HIV Response through the CAPR Tool towards showing their contribution and increasing their ownership of the AYP Response.



*Picture 5: Maisha Youth County Chapter Operationalization for Nyeri, Kirinyaga, Murang'a, Laikipia, Nyandarua, Samburu*

**h) Male Engagement Interventions:**

- i. During the period under review, the NACC undertook an activity on sensitization of implementing partners, opinion leaders and policy makers on male engagement policy guidelines for demand creation in HIV prevention. The activity involved training of AYP Male champions using the male engagement tool kit. This was conducted in 8 counties namely, Kericho, Narok, Kisii, Kisumu, Kiambu, Mombasa, Makueni and Samburu counties. The male champions have been able to continuously reach the adolescent boys and young men through small group discussions as a way of peer-to-peer approach. 156 male champions were trained in total. The champions are reaching men with HIV prevention information, NCDs, hygiene and nutrition. They carry out condom distribution, as well as HIV Self-Test kits distribution. Each male champion is linked to a health facility and NACC SCACs to ensure proper referral and follow up of men in need of treatment services.
- ii. The NACC collaborated with the Ministry of transport, Department of fisheries, National Boda Boda Association, Beach management units, County leadership, Ministry of Interior and coordination, Selected National and County Civil Society Organizations and Maisha Youth in engagement of Boda boda riders and fisher Folk. The engagement with Boda Boda Riders was conducted through outreaches in Kiambu, Kakamega, Trans Nzioa, Bungoma, Busia, and Taita Taveta and Fisher Folk in Turkana, Siaya, Kisumu, Homabay, Migori, Kilifi, Kwale and Lamu counties. Boda Boda riders and Fisher Folk were sensitized on HIV prevention, treatment and care messages with a total of 66,719 men reached with HIV information. HIV information and Testing Services were provided with 46,592 were counselled and tested and received their HIV results as well as distribution of 664,181 condoms at targeted outreaches in the Boda Boda hot spots as guided by the County leadership. 20,402 copies of IEC materials were distributed, 18,203 men were reached through wellness clinics for NCDs Most of the Boda Boda riders are young adolescents

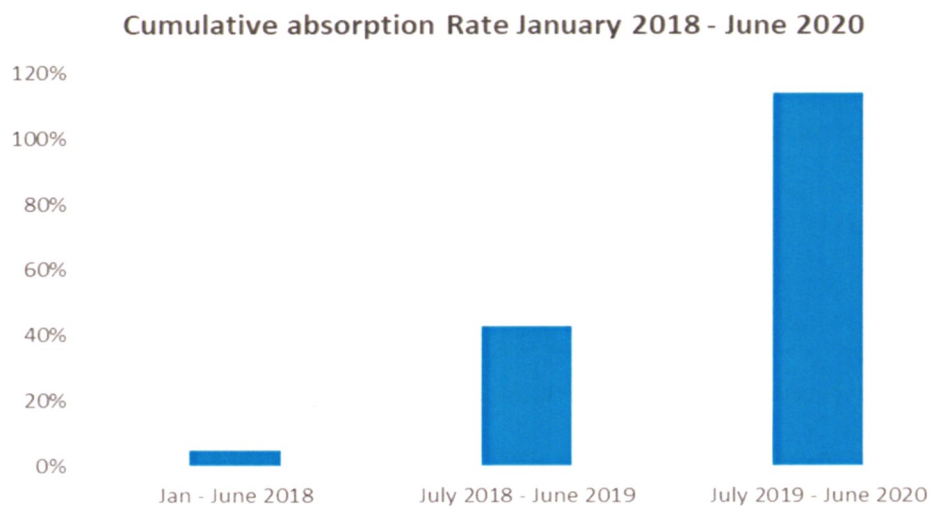
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between the ages of 15-24 years, the age bracket who contribute to 42% of adult new HIV infections.

- i) **Promoting accountability and transparency of donors and partners:** In order to coordinate and strengthen accountability and transparency for all donor resources for the three programs the NACC developed the HIV Implementing Partners Online Reporting System (HIPORS) to support the National and County leadership strengthen decision making on prudent and maximum resource utilization as they hold their partners to account. This system can be expanded to include Malaria and TB partners. In FY 20/21 a total of KES. 15.09 billion was reported as the resources used in the HIV response by 30 (7%) of Implementing Partners out of the 411 registered by the NGO Board.

**Global Fund Grant absorption rate for each year since the commencement of the project.**



The percentage is based on the actual year allocation.

**1.9 Summary of Project Compliance:**

The NACC has complied with all applicable laws and regulations.

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**2. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETERMINED OBJECTIVES**

<b>Objective</b>	<b>PC Indicator</b>	<b>Activity</b>	<b>Measurable Indicator</b>	<b>Performance/Achievement</b>	<b>Outcome Level</b>
To provide Technical Guidance on the Implementation of the HIV response	C4: Annual new HIV infections among Adolescents and Young People (15-24 years) reduced by 5%	Interpersonal Engagement with Motor bike riders and Fisher Folk	Number reached with HIV prevention information Number sensitized on correct condom use Number of condoms distributed Number reached with wellness services	Number reached with HIV prevention information-66,719 Number sensitized on correct condom use - 66,719 Number of condoms distributed-664,181 Number reached with wellness services-66,719	The number of new infections reduced by 18% from 17,667 in 2019 to 14,410 in 2020.
	C1: Transition plan for the Health and HIV Financing developed	Coordination of Implementing Partners through dissemination of HIPORS, feedback to the county MOH leadership	Proportion of Implementing partners reporting through HIPORS Amount reported through HIPORS platform	KES. 15.09 billion was reported in HIPORS by 30 implementing partners out of 411 (7% reporting rate)	Increase domestic financing of the HIV response to 50%. End of KASF 1 the progress was recorded at 32%
	C1: Transition plan for the Health and HIV Financing developed	Support of Strategic Direction Working Groups at National Level and HIV ICC and Joint TB, HIV and Malaria meetings (National Level)	Number of HIV ICC meetings held	Total of 8 HIV ICC Meetings held virtually which supported the GF proposal writing for the period 2021-2023	Successful GF proposal for Kenya totaling to USD 415,310,170 with USD 264,364,400 for HIV specific Grant
	C4: Annual new HIV infections among Adolescents and Young People (15-24 years) reduced by 5%	County Adolescents Program Review Meetings (County AYP TWGs)	Number of counties with fully operationalized MAISHA County AYP TWGs	Total of 46 MAISHA County chapter operationalized to support AYP program implementation at county level	The number of new infections reduced by 18% from 17,667 in 2019 to 14,410 in 2020.

**NATIONAL AIDS CONTROL COUNCIL  
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Objective	PC Indicator	Activity	Measurable Indicator	Performance/Achievement	Outcome Level
Collaborate with County Government on delivery of HIV programmes	C6: Access to HIV Strategic Information Enhanced	Identify and equip appropriate organizations to facilitate teleconferencing with community members requiring tribunal services but financially constraint in 3 counties	Number of counties with operational teleconferencing sites Number of cases heard at the satellite teleconferencing sites Number of people sensitized on the operations of the HAT teleconferencing sites	Teleconferencing sites established and fully operational in Kisumu, Mombasa and Nyeri Counties as pilot sites. 20 cases have been heard so far and 450 members have been sensitized to increase use and uptake of the satellite courts	Programs to reduce human rights-related barriers to HIV services with the overall objective of reducing HIV related stigma and discrimination by 50%
	C6: Access to HIV Strategic Information Enhanced	Train community gatekeepers on the effects of harmful cultural practices that put women and girls at risk of HIV infection in 5 Counties	Number of counties reached Number of community gatekeepers reached with relevant information on addressing GBV, Teenage pregnancies, early marriages, FGM and unskilled birth attendance	A total of 53 Community gatekeepers from 4 sub-counties in Taita-Taveta and 45 administrators from Baringo were reached.	Programs to reduce human rights-related barriers to HIV services with the overall objective of reducing HIV related stigma and discrimination by 50%
Develop HIV response strategies and monitor implementation	C6: Access to HIV Strategic Information Enhanced	KASF End Term Review	Development of HIV and AIDS policy guiding document	End term review of Kenya HIV and AIDS Strategic Framework (KASF) I that informed the Development of KASF II 2020/21-2024/25 and development of the County AIDS Implementation Plans	Strategic Framework is aligned to the Constitution of Kenya, the Vision 2030,takes cognizance of Devolution and functions of different levels of Government, roles of other Government Ministries and Agencies and the need for strengthened stakeholder accountability for results.
	C3: Unit cost for HIV programmes Developed	TA to review County AIDS Strategic Plans	Development of 47 Costed County AIDS Implementation plans	A total of 47 CAIPs developed	CAIPs are expected to support implementation of HIV programs at County level

**NATIONAL AIDS CONTROL COUNCIL  
GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547  
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Objective	PC Indicator	Activity	Measurable Indicator	Performance/Achievement	Outcome Level
					for the period 2020-2024
	C6: Access to HIV Strategic Information Enhanced	Printing of the CAPR tool	Number of CAPR tools printed and distributed	Total of 146,00 CAPR tool printed and distributed in all the 47 counties	Availability of community interventions data. Reporting rate of 49% during the period under review.
Coordinate and disseminate Research Information	C4: Annual new HIV infections among Adolescents and Young People (15-24 years) reduced by 5%	Adolescent Health Survey	Availability of policy document to guide Adolescent Health interventions/programming	Development of the Kenya Health Adolescent Report 2020	The report captured key findings and recommendations on HIV knowledge and prevention among adolescents to guide AYP programs during KASF II implementation period

### **3. CORPORATE SOCIAL RESPONSIBILITY/SUSTAINABILITY REPORTING**

The Global Fund project is implemented by NACC to complement the Kenya Government investment in coordination of National HIV and AIDS response. The National AIDS Control Council continues to work towards achieving its vision 'to be a responsive authority in the multi-sectoral coordination of the national HIV and AIDS response. This is what guides us to deliver our mandate by putting the interests of our internal and external stakeholders first to deliver services while improving our operational excellence. Below is an outline of the National AIDS Control policies and activities that promoted sustainability in the year of reporting.

#### **Sustainability Strategic Profile**

The National AIDS Control Council performance as per the Performance Contract has reflected an upward trajectory. This demonstrates the institution's commitment to executing its core mandate strategically while supporting the government's priority projects and attaining national goals such as Vision 2030.

#### **Environmental Performance**

##### **Paperless Open Tendering**

In June 2021, the National AIDS Control Council operationalised open tendering process through an e-procurement system to allow all registered bidders in the National AIDS Control Council database and prospective suppliers to access floated tenders. This system will enable automated initiation, tendering, opening, evaluation, generation of Local Purchase or Service Orders, professional opinions, and the attendant approvals.

#### **Employee Welfare**

The National AIDS Control Council is committed to implementing the principles of equity, fairness and best practices in Human Resource Management and continuously endeavour to identify the best talent and develop them to excel in implementing our mandate and impacting the National growth of Kenya, particularly in HIV and AIDS programme work is concerned. The National AIDS Control Council continued to enhance, and best utilize the competencies of staff members to guarantee career progression of individual employees and improve institutional performance.

#### **Market Place Practices**

##### **Responsible Competition Practices**

The National AIDS Control Council subscribes to good corporate governance and the Mwongozo Principles applicable to public sector institutions. The National AIDS Control Council implemented its annual procurement plan and filed the statutory reports to the relevant oversight agencies.

#### **Community Engagement**

The NACC attributes great importance to community engagement in winning the war against HIV and AIDS. The NACC with support from Global Fund has come up with targeted interventions that address challenges specific to community groups including adolescents and young people, persons living with HIV and AIDS and vulnerable communities for awareness creation, demand creation for health services and in stigma reduction.

**NATIONAL AIDS CONTROL COUNCIL  
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**4. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES**

The NACC Chief Executive Officer and the Deputy Director finance and administration are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year ended on June 30, 2021. This responsibility includes:

- (i) maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Project;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of the Project;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

The NACC Chief Executive Officer is responsible for the executing the Global Fund Project's as per the financing agreement and board approvals. The financial statements have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The NACC Board confirm that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year ended June 30, 2021 and of the Project's financial position as at that date. The NACC board further confirm the completeness of the accounting records maintained for the project, which have been relied upon in the preparation of the project financial statements as well as the adequacy of the systems of internal financial control.

The NACC Board confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

**Approval of the Project financial statements**

The Project financial statements were approved by the NACC Board and signed on behalf of the board by



Name: Kenneth Nyamolo  
Ag. DEPUTY DIRECTOR, F&A  
ICPAK MEMBER No: 6532



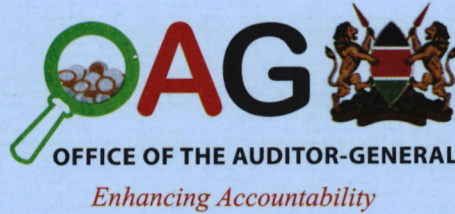
Name: Dr. Ruth Laibon-Masha  
BOARD SECRETARY/CEO



Name: Ms Angeline Siparo  
CHAIR, NACC BOARD

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547 FOR THE YEAR ENDED 30 JUNE, 2021 – NATIONAL AIDS CONTROL COUNCIL**

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### PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, 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 control, 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 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 Global Fund HIV/AIDS Project Grant Number KEN-H-TNT-1547 set out on pages 1 to 24, which comprise the statement of financial assets as at 30 June, 2021, and the 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 Global Fund HIV/AIDS Project Grant Number KEN-H-TNT-1547 as at 30 June, 2021, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Grant Agreement No. KEN-H-TNT-1547 dated 15 December, 2017 between Global Fund and the Republic of Kenya.

In addition, the special accounts statement presents fairly the special accounts transactions and the closing balance has been reconciled with the books of accounts.

### Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Global Fund HIV/AIDS Project Grant Number KEN-H-TNT-1547 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.

### Emphasis of Matter

#### Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final expenditure budget of Kshs.466,631,023 and actual budget on comparable basis of Kshs.307,576,174 resulting to budget underutilization of Kshs.159,054,849 (or 34%).

Failure to achieve the set targets may negatively impact on the strategic goals of reduction of HIV infections by 75%, reduction of AIDS related mortality by 25%, reduction of stigma

and discrimination by 50% and increase in domestic financing of HIV response to 50% which may not be realized.

### **Key Audit Matters**

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **Irregular Tax on Global Funds**

The statement of receipts and payments reflects purchase of goods and services of Kshs.307,576,174 as disclosed under Note 11.4 to financial statements. The amount includes bank charges of Kshs.1,823,510 out of which Kshs.229,033 is excise duty. However, charging of excise duty is contrary to article 3.5(1) of the Global Fund grant regulations (2014) which states that for each program, the Grant funds are made available by the Global Fund for the purposes of implementing respective program activities, and the Grant Agreement and the purchase and/or import of any goods or services using the Grant funds shall be exempt from relevant taxation applicable in the host country, including, but not limited to, (a) customs duties, import duties, taxes or fiscal charges of equal effect levied or otherwise imposed on the health products imported into the host country under the Grant Agreement or any related sub-recipient or supplier contract, and (b) the value-added tax levied or otherwise imposed on the purchases of goods and services using Grant funds.

To this extent the Management is in breach of Global Fund regulations, 2014.

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 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.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Financing Agreement dated 15 December, 2017, I report based on my audit, that:

- i. 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;
- ii. In my opinion, adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and,
- iii. The Project's financial statements are in agreement with the accounting records and returns.

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

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

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

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

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

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

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

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

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

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

amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


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

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

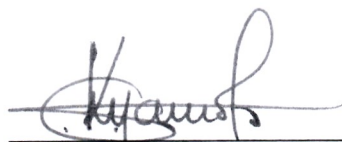
14 December, 2021

**NATIONAL AIDS CONTROL COUNCIL  
GLOBAL FUND  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2021**

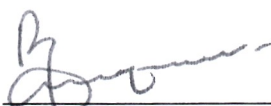
**6. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021**

	Note	2020/2021	2019/2020	Cumulative- to-date
		Receipts and payments controlled by NACC		
		KShs	KShs	KShs
<b>RECEIPTS</b>				
Proceeds from domestic and foreign grants	11.1	200,000,000	150,000,000	717,455,788
Miscellaneous receipts	11.2	6,286,320	6,429,644	19,112,393
Funds b\ f from previous grant	11.3	-	-	79,960,862
<b>TOTAL RECEIPTS</b>		<b>206,286,320</b>	<b>156,429,644</b>	<b>816,529,043</b>
<b>PAYMENTS</b>				
Purchase of goods and services	11.4	307,576,174	179,035,756	653,967,858
<b>TOTAL PAYMENTS</b>		<b>307,576,174</b>	<b>179,035,756</b>	<b>653,967,858</b>
<b>SURPLUS/(DEFICIT)</b>	11.9	<b>(101,289,854)</b>	<b>(22,606,112)</b>	<b>162,561,185</b>

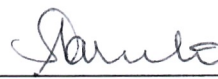
The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



Name: Kenneth Nyamolo  
Ag. DEPUTY DIRECTOR, F&A  
ICPAK MEMBER No: 6532



Name: Dr. Ruth Laibon-Masha  
BOARD SECRETARY/CEO



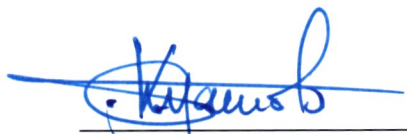
Name: Ms Angeline Siparo  
CHAIR, NACC BOARD

**NATIONAL AIDS CONTROL COUNCIL  
GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547  
REPORTS AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2021**

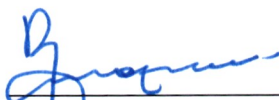
**7. STATEMENT OF FINANCIAL ASSETS AS AT 30TH JUNE 2021**

	Note	2020/21	2019/2020
		KShs	KShs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	11.5	162,044,293	260,344,703
<b>Total Cash and Cash Equivalents</b>		<b>162,044,293</b>	<b>260,344,703</b>
Accounts receivables (Imprest and Advances)	11.7	516,892	3,506,336
<b>Total Current assets</b>		<b>162,561,185</b>	<b>263,851,039</b>
<b>TOTAL FINANCIAL ASSETS</b>		<b>162,561,185</b>	<b>263,851,039</b>
<b>REPRESENTED BY</b>			
Fund balance brought forward	11.8	263,851,039	286,457,151
Deficit/Surplus for the year	11.9	(101,289,854)	(22,606,112)
<b>NET FINANCIAL POSITION</b>		<b>162,561,185</b>	<b>263,851,039</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved and signed by:



Name: Kenneth Nyamolo  
Ag. DEPUTY DIRECTOR, F&A  
ICPAK MEMBER No: 6532



Name: Dr. Ruth Laibon-Masha  
BOARD SECRETARY/CEO



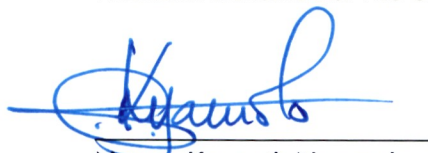
Name: Ms Angeline Siparo  
CHAIR, NACC BOARD

NATIONAL AIDS CONTROL COUNCIL  
 GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547  
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8. STATEMENT OF CASHFLOW FOR THE PERIOD ENDED 30TH JUNE 2021

		2020/21	2019/20
	Note	KShs	2019/2020
<b>Receipts for operating activities</b>			
Proceeds from domestic and foreign grants	11.1	200,000,000	150,000,000
Miscellaneous receipts	11.2	6,286,320	6,429,644
Cash transferred from previous grant			
<b>Payments for operating activities</b>			
Purchase of goods and services	11.4	(307,576,174)	(179,035,756)
Advances issued	11.7	2,989,444	(3,411,363)
<b>Net cash flow from operating activities</b>		<b>98,300,410</b>	<b>(26,017,475)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
<b>Net cash flows from Investing Activities</b>			
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
<b>Net cash flow from financing activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(98,300,410)</b>	<b>(26,017,475)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	11.5	<b>260,344,703</b>	<b>286,362,178</b>
<b>Cash and cash equivalent at END of the year</b>	11.5	<b>162,044,293</b>	<b>260,344,703</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 and signed by:



Name: Kenneth Nyamolo  
 Ag. DEPUTY DIRECTOR, F&A  
 ICPAK MEMBER No: 6532



Name: Dr. Ruth Laibon-Masha  
 BOARD SECRETARY/CEO

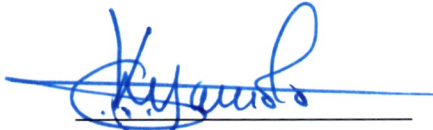


Name: Ms Angeline Siparo  
 CHAIR, NACC BOARD

**NATIONAL AIDS CONTROL COUNCIL  
GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547  
REPORTS AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2021**

**9. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS**

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>Receipts</b>						
Available cash from previous period	260,344,703	-	260,344,703	260,344,703	-	100%
Proceeds from domestic and foreign grants	200,000,000	-	200,000,000	200,000,000	-	100%
Miscellaneous receipts	-	6,286,320	6,286,320	6,286,320	-	100%
<b>Total Receipts</b>	<b>460,344,703</b>	<b>6,286,320</b>	<b>466,631,023</b>	<b>466,631,023</b>	<b>-</b>	<b>100%</b>
<b>Payments</b>						
Purchase of goods and services	466,631,023		466,631,023	307,576,174	159,054,849	66%
<b>Total Payments</b>	<b>466,631,023</b>	<b>-</b>	<b>466,631,023</b>	<b>307,576,174</b>	<b>159,054,849</b>	<b>66%</b>



Name: Kenneth Nyamolo  
Ag. DEPUTY DIRECTOR, F&A  
ICPAK MEMBER No: 6532



Name: Dr. Ruth Laibon-Masha  
BOARD SECRETARY/CEO



Name: Ms Angeline Siparo  
CHAIR, NACC BOARD

**NATIONAL AIDS CONTROL COUNCIL  
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**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**

**10.1.1. 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.

**10.1.2. Reporting entity**

The financial statements are for the Global Fund Project under the National AIDS Control Council. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

**10.1.3. 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.

**10.2. Significant Accounting Policies**

**a) Recognition of receipts**

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

▪ **Transfers from the Exchequer**

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

▪ **External Assistance**

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

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**b) Donations and grants**

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

**c) Undrawn external assistance**

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for the Project currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. An analysis of the Project's undrawn external assistance is shown in the funding summary

**d) Recognition of payments**

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

▪ **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.

**e) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**f) Accounts receivable**

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

**g) Pending bills**

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

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**h) Budget**

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation.

A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

**i) Exchange rate differences**

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates, Kenya Shillings. Transactions in foreign currencies during the year/period are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of receipts and payments.

**j) Comparative figures**

Comparative figures for the previous financial year have been presented.

**k) Subsequent events**

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

**l) Errors**

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by:

- Restating the comparative amounts for prior period(s) presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

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**11. NOTES TO THE FINANCIAL STATEMENTS**

**11.1. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

During the 12 months to 30 June 2021, we received grants from donors as detailed in the table below:

Name of Donor	Date received	Amount received in Donor Currency	Grant received in Cash	Totals in Kshs
				FY to JUNE 30,2021
		USD	KShs	KShs
<b>Grants Received from Multilateral Donors (International Organisations)</b>				
GFATM	19/02/2021	1,831,043	200,000,000	200,000,000

**11.2. MISCELLANEOUS RECEIPTS**

		FY to June 30, 2021	FY to June 2020	Cumulative to- date
	Receipts controlled by the entity in Cash	Total Receipts	Total Receipts	Total Receipts
Interest Earned on Bank Balances	6,286,320	6,286,320	6,429,644	19,112,393

**11.3. FUNDS FROM PREVIOUS GRANT**

The current Global Fund grant that the NACC is implementing began in January 2019. Before this grant, the NACC was implementing another grant (Project no. KEN-H-TNT-853) that ended on December 31, 2017. The unutilized funds available amounting to Ksh 79,960,862 were carried over into the new grant in line with Global Fund financial reporting guidelines.

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

**11.4. PURCHASE OF GOODS AND SERVICES**

Note: This note relates to the expenditures incurred in relation to the NACC GF project that started on January 01,2018 (project number KEN-H-TNT-1547) and which is due to end on June 30, 2021

<b>Payments made</b>	<b>2020-2021</b>	<b>2019-2020</b>	<b>Cumulative to- date</b>
	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
Advertising & Publicity	117,804,345	41,778,343	173,568,630
Consultancy	5,997,370	12,722,642	18,970,011
Hire of Facilities	28,729,368	26,591,600	87,251,903
Local Travel	139,726,649	93,173,159	351,590,803
Stationery	5,448,660	2,458,027	9,792,375
Project Management and support	3,823,424	631,695	4,455,119
Bank charges	1,823,510	560,592	2,996,470
Fuel	3,277,842	535,835	3,813,677
Refreshments	83,488	329,040	412,528
Telephone	861,518	254,824	1,116,342
<b>Total</b>	<b>307,576,174</b>	<b>179,035,756</b>	<b>653,967,858</b>

**11.5. CASH AND CASH EQUIVALENTS**

The project has two project accounts spread within the project implementation area. The project doesn't control any foreign currency designated accounts. The foreign currency designated account is managed by the National Treasury as the Principal Recipient of the grant. The project accounts are as listed below.

	<b>June 30, 2021</b>	<b>June 30, 2020</b>
	<b>KShs</b>	<b>KShs</b>
<b>Local Currency Accounts</b>		
NCBA Bank (A/C No 1000012625)	-	32,334
NCBA Bank (A/C No1689250144)	162,044,293	260,312,369
<b>Total bank account balances</b>	<b><u>162,044,293</u></b>	<b><u>260,344,703</u></b>

During the financial year the NACC closed a/c 10000012625 in compliance with Guidelines issued by the Global Fund. This account was being used as the operating account for the previous Global Fund grant (Project no. KEN-H-TNT-853) that ended on December 31, 2017.

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

**11.6. Special Deposit Accounts**

HIV GRANT NO KEN-H-TNT GA 1547		
STATEMENT OF SPECIAL (DESIGNATED ACCOUNT RECONCILIATION FOR THE YEAR ENDED 30TH JUNE 2021 PART B: ACCOUNTS RECONCILIATION STATEMENT Credit No. KKEN-H-TNT GA 1547 Bank Account No. 100005345248		
NOTES:		USD
Amount advanced by Global fund		131,458,880.29
TNT-PR		105,867,140.07
MOPHS-NASCOP		21,947,010.32
MOSP-NACC		3,750,608.42
LESS		
Total Amount Accounted for		128,781,293.23
Outstanding Amount advanced to Special Account Represented by		2,677,587.06
Ending Special Account Balance at 30th June 2021		1,170,015.19
Amount Claimed but not credited at 30th June 2021		-
Amount withdrawn but not Accounted for to GF		1,507,571.87
	-	
TNT-PR	82,733.16	
MOH-NASCOP	4,156,099.02	
	-	
MOSP-NACC	2,459,915.47	
Service Charges if not included in 5 and 6 above		-
Interest Earning if not included in special account		-
Total advance to special account Year ended 30th June 2021		2,677,587.06

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**11.7. OUTSTANDING IMPRESTS AND ADVANCES**

<b>Name Of Officer Or Institution</b>	<b>BAL JUNE 2021</b>	<b>BAL JUNE 2020</b>
Ruth Kimitei	88,900	-
Julias Koome	126,000	-
KENNEDY KAHURIA NJERU	200	-
Susan Joyce Akinyi	-	125,200
Kevin Mumbo Otieno	-	102,200
Antony Kariuki	-	129,500
Esther Onuko	-	100,800
Noah Kudate	-	44,100
Wycliff Lomosi	-	67,200
David Ochieng Opiyo	-	80,000
Stephen Muthoka	-	109,500
Phoebe Oloo	-	12,400
<b>TOTAL IMPREST</b>	<b>215,100</b>	<b>770,900</b>
<b>Field Office Advances</b>	<b>BAL JUNE 2021</b>	<b>BAL JUNE 2020</b>
Central Field Office	-	12,750
Coast Field Office	39,400	- 10,000
Eastern Field Office	2,600	105,625
Nairobi Field Office	1,600	603,036
North Eastern Field Office	66,750	70,000
North Rift Field Office	109,537	69,800
Nyanza Field Office	-	1,257,820
South Rift Field Office	76,305	86,155
Western Field Office	5,600	40,000
<b>TOTAL FO ADVANCES</b>	<b>301,792</b>	<b>2,235,186</b>
Refundable From Gok	-	500,250
<b>Total Advances And Imprests</b>	<b>516,892</b>	<b>3,506,336</b>

**11.8. Fund balance brought forward**

	<b>2020/21</b>	<b>2019/20</b>
	<b>KShs</b>	<b>KShs</b>
Bank accounts	162,044,293	260,344,703
Cash in hand	-	-
Outstanding imprest and advances	516,892	3,506,336
<b>Total</b>	<b>162,561,185</b>	<b>263,851,039</b>

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**11.9. Explanation for the Global Fund deficit**

The NACC's Global Fund New Funding Model 2 was project implementation period ran from January 2018 to June 2021. In the initial implementation period there were delays in activity implementation resulting in cumulative surplus of Ksh 286,457,151 as at June 30, 2019. This is what was used to cover the reported deficits of Ksh 22,606,112 and Ksh 101,289,854 for FY 2019/20 and 2020/21. However, cumulatively the project had a surplus of 162,561,185 at the end of project implementation period.

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**12. OTHER IMPORTANT DISCLOSURES**

**Income and Expenditures Statement in Donor Currency**

Gant Number	KEN-H-TNT	Period of Financial Reporting	Beginning Date:	End Date:
Accounting Methodology	Cash	1-Jan-18	01-Jan -18	30-Jun-21
Grant's Currency	USD	30-Jun-21	Cumulative Period of Financial Reporting	End Date:
Implementation Period Start Date			01-Jan -18	30-Jun-21
Implementation Period End Date			01-Jan -18	30-Jun-21

Financial Statements (all figures are in US\$ unless otherwise stated)

	Current Period			Cumulative Period			Previous year		
	Budget	Actual	Variance	Commitments	Budget	Actual	Budget	Actual	variance
<b>Sources of Grant funds</b>									
Opening cash balance		2,444,422.11	(2,444,422.11)						
Receipts from Global fund	1,579,845	1,818,677.62	(238,832.35)	-	5,180,355	6,946,947	3,600,510	5,128,269.51	(1,527,759.32)
Interest		62,666.13			0	143,669	0	81,003.30	
Receipts from NFM1		348.89			0	682,535		682,186.22	
<b>Total sources of Grant Funds</b>	<b>1,579,845</b>	<b>4,326,115</b>	<b>(2,683,254.46)</b>	<b>0</b>	<b>5,180,355</b>	<b>7,773,152</b>	<b>3,600,510</b>	<b>5,891,459</b>	<b>(1,527,759.32)</b>
	=====	=====	=====	=====	=====	=====	=====	=====	=====
<b>Uses of Grant Funds</b>									
2.0 Travel related costs (TRC)	613,698	766,015.93	(152,318.29)		2,167,964	2,945,929	1,554,267	2,179,914	(625,646.76)
8.0 Infrastructure (INF)	32,855	80,017.53	(47,162.54)		121,766	103,220	88,911	23,202	65,709
10.0 Communication Material	512,855	1,169,519.71	(656,664.31)		1,828,884	1,818,429	1,316,029	648,909	667,120
11.0 Program Administration	420,437	744,359.81	(323,922.57)		1,061,741	1,342,946	641,304	598,586	42,718
<b>Total uses of Grant Funds</b>	<b>1,579,845</b>	<b>2,759,913</b>	<b>(1,180,067.71)</b>	<b>0</b>	<b>5,180,355</b>	<b>6,210,524</b>	<b>3,600,510</b>	<b>3,450,611</b>	<b>149,899</b>
Total commitments at 31.12.2019									
Net exchange gain/loss		(57,046.16)						3,574	
<b>Net sources (uses) of Grant Funds</b>		<b>1,509,155.62</b>			<b>1,562,628</b>			<b>2,444,422</b>	

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GLOBAL FUND  
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**Notes to the annexed financial statements**

All amounts are in US\$ unless otherwise stated

**Note 1: Basis of accounting**

The Annual Financial Report is prepared on a cash receipts and disbursements basis. A column on commitments or outstanding payables has been added as required by the AFR guidelines.

**Note 2: Disbursements/Receipts**

Receipts comprises amounts advanced and reimbursed by the Global Fund under the grant agreement during the period July 1, 2020 to June 30, 2021 to the Principal Recipient and to third parties. Receipts from Global Fund were in United States Dollars.

**Note 3:**

Expenditure represents amounts disbursed and costs incurred denominated in USD

**Note 4:**

Transactions in Kenyan Shillings are translated to US dollars at the exchange rate applicable at the time funds received from Global Fund were converted to local currency. For the purpose of this report, balances denominated in Kenyan Shillings have been translated to US dollars based on the average exchange rate applied by the Ministry of Health.

**Note 5: Receipts from Global Fund**

<b>Description</b>	<b>Current period US\$</b>	<b>Prior period US\$</b>	<b>Cumulative US\$</b>
Disbursement 1		938,997.52	938,997.52
Disbursement 2		992,940.2	992,940.2
Disbursement 3		1,706,921.5	1,706,921.5
Disbursement 4		1,489,410.29	1,489,410.29
Disbursement 5	1,818,677.82		1,818,677.82
	<b>1,818,677.82</b>	<b>5,128,269.51</b>	<b>6,946,947.33</b>
	=====	=====	=====

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**Note 8: Cash balances** **Amount US\$**

Bank balance held at NCBA	2,509,155.62
Net sources of Grant Funds	<b>2,509,155.62</b>
	=====

**Note 9: Supplemental schedule of commitments at 30.06.2021**

Commitments at 30.06.2020	326,572.00
Paid in current year (2020)	326,572.00
Outstanding from previous year	0.00
Commitments 2021	<u>5,349</u>
<b>Total commitments at 30.06.2021</b>	<b>5,349</b>

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**13. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1	Long outstanding imprests	The cited advances have been fully accounted for.	Partially resolved.	
2	Unconfirmed funds from previous grant	The Grant closure report and authorization for transfer of bank balances have been shared with the audit team	Yes	

Name: Dr. Ruth Laibon-Masha  
 BOARD SECRETARY/CEO

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**ANNEX I VARIANCE EXPLANATIONS-COMPARATIVE BUDGET AND ACTUAL AMOUNTS**

Receipts/Payments Item	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance(below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
<b>Receipts</b>					
Available cash from previous period	260,344,703	260,344,703	-	100%	
Proceeds from domestic and foreign grants	200,000,000	200,000,000	-	100%	
Miscellaneous receipts	6,286,320	6,286,320	-	100%	
<b>Total Receipts</b>	<b>466,631,023</b>	<b>466,631,023</b>	<b>-</b>	<b>100%</b>	
<b>Payments</b>	<b>-</b>	<b>-</b>			
Purchase of goods and services	466,631,023	307,576,174	159,054,849	66%	Absorption affected by Covid 19 containment measures that restricted movements and gatherings
<b>Total Payments</b>	<b>466,631,023</b>	<b>307,576,174</b>	<b>159,054,849</b>	<b>66%</b>	

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**ANNEX II – PROJECT EXPENDITURE ANALYSIS BY PROGRAM ACTIVITY**

	Program activity	Payments in Cash 30 JUNE 2021	Payments in Cash 30 JUNE 2020	Cumulative to- date
	ACTIVITY		KShs	KShs
1	Capacity building forums for union officials and associations in public and private sector on HIV, human rights and gender issues		-	3,203,936
2	Advocacy forums at county level with law enforcers, county health management teams, judiciary officers, law enforcement training colleges, PWIDs, health care workers, media, religious leaders, policy makers on harm reduction and human right		-	3,481,266
3	Annual Adolescent program review meeting (National )	4,370,117	42,000	4,647,867
4	BANK CHARGES	1,823,510	560,592	2,996,470
5	Billboards (10)			2,586,207
6	Conduct advocacy campaigns to create awareness of the HIV tribunal human rights and law Targeting networks for persons living with HIV, KPs, vulnerable groups and general population in selected counties	1,868,176	23,937,574	58,110,803
7	Conduct advocacy forums for: management and selected staff of insurance companies on HIV and human rights; and Police leadership on SGBV response, human rights and gender inequalities.		-	2,324,445
8	Conduct mass media campaigns on HIV prevention (HTS, condom use, GBV, treatment etc.)	127,694,195	41,965,259	190,900,308
9	Conduct program evaluation of the implementations status of the adolescent and youth programs	1,472,000	9,992,027	24,620,326
10	Consultative meeting with county administration to address GBV	-	756,200	956,200
11	County adolescents programme review meeting	4,719,297	753,000	7,795,045
12	Develop a national advocacy plan to be utilized in the selected counties to address legal and policy reform towards a rights based approach towards HIV and TB.	-	1,084,679	1,084,679
13	Develop and disseminate performance tracking tool	1,125,877	1,029,677	6,015,502
14	Development of Adolescent friendly comprehensive SGBV & HIV prevention information package	-	8,558,296	8,879,296
15	Development Of County Specific HIV Plans	8,092,172	-	8,094,172

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16	Facilitate integration of HIV prevention activities in public, faith and private sector,a)Hold stakeholder consultative forum and establish a public-private partnership taskforce	1,895,391	2,671,539	9,597,956
17	Identify and equip appropriate organisations to facilitate teleconferencing with community members requiring Tribunal services but financially constraint	8,627,773	2,081,523	11,077,606
18	Interpersonal engagement with motorbike riders and fisher folks	13,562,826	11,631,077	43,696,281
19	National Adolescent and youth HIV consultative forum	4,817,851	55,600	8,824,274
20	Program Management	82,517,184	30,091,943	138,626,418
21	Quarterly joint meeting with County HIV coordinators and regional officers		-	27,200
22	Research- Conduct quality and coverage measurement survey to collect data about compliance with the global standards for quality healthcare services for adolescents	2,271,756	21,773,490	26,167,116
23	Revision of anti HIV stigma media campaign materials to include awareness on institutions in place that mitigate and aggravate HIV stigma and discrimination to increase access to justice		-	250,666
24	Routine reporting print and distribute CARP tool	1,108,640	2,360,130	3,468,770
25	Sensitize implementing partners, opinion leaders and policy makers on male engagement policy guidelines for demand creation in HIV prevention	7,699,924	6,527,004	26,030,565
26	Surveys conduct modes of transmission survey	2,994,924	10,287,573	13,282,497
27	Train prison personnel on the linkages between public health and human rights and the HIV and TB responses in an evolving epidemic		379,586	5,547,048
28	Train selected community gate keepers (administration chiefs, sub-chiefs, village heads) to facilitate the removal of harmful cultural practices that affect women and AYGW. In 5 counties (ten per county)	542,220	702,100	9,507,709
29	Training of lawyers from selected counties on HIV&TB, gender and human rights, mandate and jurisdiction of the HIV and AIDS Tribunal to help as pro bono lawyers, 5 lawyers from 10 high burden counties		1,794,888	1,794,888
30	COVID 19 preparedness	30,337,642		30,337,642
		<b>307,576,174</b>	<b>179,035,756</b>	<b>653,933,158</b>

NATIONAL AIDS CONTROL COUNCIL  
GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547  
REPORTS AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2021

APPENDIX 1 Bank Reconciliation Statement as at June 30, 2021

NATIONAL AIDS CONTROL COUNCIL  
Global Fund Project  
**BANK RECONCILIATION STATEMENT**  
KN-H-TNT-1547 NIC Bank Account (GN, )  
As At 30/06/21  
Reconciliation Number: 34

Balance as per Cash book	162,044,293.30
<b>Add</b>	
Uncleared Cheques and Payments	61,024,593.68
<b>Less</b>	
Unbanked Receipt	0.00
<b>Balance as per Bank Statement</b>	<b>223,068,886.98</b>

Prepared By: M. Mwendu Name: M. Mwendu Signature: [Signature]  
Checked By: [Signature] Name: D. Simiyu Signature: [Signature]  
Reviewed By: [Signature] Name: M. Macharia Signature: [Signature]

Page 1 of 1

NATIONAL AIDS  
CONTROL COUNCIL

# Memo

To: Ag. Deputy Director Finance and Administration

From: Senior Internal Auditor


Date: July 1, 2021

**RE: BOARD OF SURVEY REPORT-SURVEY OF CASH 2020/2021**

Please find attached the Board of Survey report that was done by the undersigned.

1. Stephen Muthoka
2. Monica Njoroge
3. David Opiyo
4. Elizabeth Makeni
5. Simon Macharia

NACC Senior Internal Auditor  
NACC Senior Accountant  
NACC Accountant 1  
NACC Accountant 1  
NACC Ag Head Finance

  
01/07/2021  
**Stephen Muthoka**  
**Senior Internal Auditor**

**NATIONAL AIDS CONTROL COUNCIL  
GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547  
REPORTS AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2021**

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**THE MINUTES OF THE BOARD OF SURVEY AT NACC FOR THE FINANCIAL YEAR  
ENDING JUNE 30, 2020 HELD ON JULY 1, 2021 AT THE CASH OFFICE**

**PRESENT**

1. STEPHENE MUTHOKA
2. MONICA NJOROGE
3. DAVID OPIYO
4. ELIZABETH MAKENI
5. SIMON MACHARIA

**AGENDA**

1. Preliminary balances for the petty cash
2. Official receipts (used and un-used)
3. Cheque books ( used and un-used)
4. AOB and adjournment

**MIN 1 1/7/21: PRELIMINARY**

1. GOK- R
2. GOK- D
3. Global Fund

The team verified that all petty cash amounts for the projects above were banked and documented the same in the various petty cash account report forms as outlined below:

**Petty Cash Balances**

The following are the observations on the cash balances verified on 1/7/2021.

No	Fund	Petty Cash Book Balance	Bank Slip Amount	Date as per Bank Slip
1.	GOK-R	Nil	84,968	June 30, 2021
2.	GOK-D	Nil	260,882	June 30, 2021
3.	Global Fund	Nil	479,494	June 30, 2021

**Undeposited Receipts Balances**

The following are the observations on the cash balances verified on 1/7/2021.

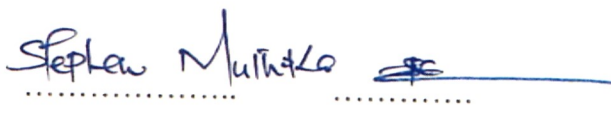
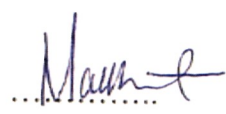
No	Fund	Undeposited Receipts Balance	Bank Slip Amount	Date as per Bank Slip
1.	GOK-R	Nil	Nil	N/A
2.	GOK-D	Nil	20,500	June 29, 2021
3.	Global Fund	Nil	Nil	N/A

**Activity Withdrawal Cash Balances**

The following are the observations on the cash balances verified on 1/7/2021.

**NATIONAL AIDS CONTROL COUNCIL  
GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547  
REPORTS AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2021**

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<b>Signed by</b>	<b>Name</b>	<b>Signature</b>	<b>Date</b>
Chairman:	Stephen Muthika .....	 .....	July 1, 2021
Secretary:	Elizabeth N. Makeni .....	 .....	July 1, 2021

**NATIONAL AIDS CONTROL COUNCIL  
 GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-1547  
 REPORTS AND FINANCIAL STATEMENTS  
 FOR YEAR ENDED 30 JUNE, 2021**

**Appendix 3 Special Account reconciliation Statement**

3

**HIV GRANT  
 STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION  
 FOR THE YEAR ENDED 30TH JUNE 2021  
 PART B**

**KEN-H-TNT GA1547  
 Bank Account No.100005345248 Held with Stanbic Bank**

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by Global Fund		131,458,880.29
	<b>Less</b>		
2	Total amount justified to Global Fund		128,781,293.23
3	<b>Outstanding amount advanced to Designated Account</b>		<b>2,677,587.06</b>
	<b>Represented by:</b>		
4	Ending Designated Account Balance at 30.06.2021		1,170,015.19
5	Amount claimed but not credited at 30.06.2021		-
6	Amount withdrawn and not claimed as at 30.06.2021		1,507,571.87
7	Service charges (if not included in 5 & 6 above)		-
	<b>Less</b>		
8	Interest earning (if included in Designated Account)		-
9	<b>Total advance to Designated Account year ended 30.06.2021</b>		<b>2,677,587.06</b>

Discrepancy between total appearing on lines 3 and 9 -

**Notes:**

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by Global Fund and provide reasons for not claiming the expenditures

  
 AUTHORIZED REPRESENTATIVE  
 RESOURCES MOBILIZATION DEPARTMENT  
 THE NATIONAL TREASURY

DATE: 30 07 2021