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| DATE: 28 NOV 2024 | DAY: Thur |
| TABLED BY: OF CLERK-AT THE-TABLE: | Hon. Naomi Waqo, MP Deputy Chief Whip - Maji Party Vivian Wambui |

THE AUDITOR-GENERAL

ON

**TIMBOROA-ELDORET ROAD
REHABILITATION PROJECT NO.
P-KE-DBO-019 (LOAN NO.2100150023344)**

**FOR THE YEAR ENDED
30 JUNE, 2024**

KENYA NATIONAL HIGHWAYS AUTHORITY



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30054 - 00100, NAIROBI
REGISTRY

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RECEIVED

MINISTRY OF ROADS AND TRANSPORT



PROJECT NAME: TIMBOROA ELDORET ROAD REHABILITATION

IMPLEMENTING ENTITY: KENYA NATIONAL HIGHWAYS AUTHORITY

PROJECT GRANT/CREDIT NUMBER: LOAN ID NO 2100150023344

PROJECT NO P-KE-DBO-019

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2024

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

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1. Acronyms and Definition of Terms

| | |
|-------|--|
| AfDB | African Development Bank |
| CBK | Central Bank of Kenya |
| CPA | Certified Public Accountant |
| DRC | Democratic Republic of Congo |
| EIA | Environmental Impact Assessment |
| ESIA | Environmental Social Impact Assessment |
| ESMP | Environment and Social Management Plan |
| FY | Financial Year |
| GoK | Government of Kenya |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IPSAS | International Public Sector Accounting Standards |
| KeNHA | Kenya National Highways Authority |
| Kshs. | Kenya Shillings |
| MoRT | Ministry of Roads and Transport |
| NEMA | National Environment Management Authority |
| TNT | The National Treasury |
| PAPs | Project Affected Persons |
| PFM | Public Finance Management. |
| PSASB | Public Sector Accounting Standards Board |
| SDG | Sustainable Development Goals |
| UAC | Unit of Account |

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is Timboroa Eldoret Road Rehabilitation Project

Objective:

The key objective of the project was to serve as a major transit route for traffic to and from Uganda, Rwanda, Burundi, Eastern Democratic Republic of Congo and Southern Sudan. In addition to promoting the national socio-economic development within its environs, the Project is part of the wider Northern Corridor International Trunk Road.

The project majorly aimed at: -

- a) Improvement of the efficiency of road transport along the Northern Corridor.
- b) Improvement of the institutional capacity in the urban transport subsector.
- c) Promotion of private sector participation in operation, financing and management of the transport sector.

The Project was completed in July 2016. For purposes of communication, the Project address is given below.

Address: Barabara Plaza,
Jomo Kenyatta International Airport (JKIA)
Off Mazao Road
Nairobi

Contacts: Director General
Kenya National Highways Authority
P. O. Box 49712-00100
Nairobi
Telephone: (254) 020 495000
E-mail: dg@Kenha.co.ke
Website: www.kenha.co.ke

2.2 Project Information

| | |
|-----------------------|---|
| Project Start Date: | 23 rd March 2011 |
| Project End Date: | 16 th July 2016 |
| Project Coordinators: | Eng. Henry Gakuru Eng George Amingh |
| Project Sponsor: | African Development Bank (AfDB) and the Government of Kenya |

2.3 Project Overview

| | |
|--|---|
| Line Ministry and State Department of the Project | The project is under the supervision of the State Department for Roads under the Ministry of Roads & Transport. |
| Project number | P-KE-DBO-019 |
| Strategic goals of the project | The strategic goals of the project were as follows: - (i) To Connect Kenya and other parts of East & Central Africa (ii) To facilitate trade and movement of people within the Project environs, and the larger East African Community by improving the transit time and cutting transport cost. |
| Summary of Project Strategies for achievement of strategic goals | The project management aimed to achieve the above goals through the following means: (i) Rehabilitation of already deteriorated road infrastructure that was in poor condition to reduce transportation cost and transit times. (ii) Involvement of the local communities and community-based organisations in monitoring conditions along the road, including preservation of the road furniture. This was to assist in dealing with socio-environmental issues. |
| Other important background information of the project | The project was jointly financed by the African Development Bank and the Government of Kenya. In the financing agreement, AfDB contribution was 89.6% of the construction cost and GoK contribution is 10.4%. whereas supervision consultancy was fully financed by AfDB. |
| Areas that the Project was formed to intervene | The project was formed to intervene in the following problems / gaps: (i) Reducing Transport cost and travel time between Nairobi and Kampala. (ii) Improvement of transportation of farm inputs and produces to and from the project area. (iii) Improvement of standard of living of people in towns along the corridor. |
| Project duration | The project duration was six years. It was started on 23 rd March 2011 and was completed on 16 th July 2016 |

Project Information and Overall Performance (Continued)

2.4 Bankers

Co-operative Bank Of Kenya Ltd
Upper Hill Branch, Nairobi
Account Number: '01141160979900

2.5 Independent Auditor The Project is Audited by the:

Auditor General
Office of the Auditor General
Anniversary Towers
P.O Box 30084-0100
Nairobi

2.6 Roles and Responsibilities

The list of the people who were working on the Project is tabulated below.

| Names | Title Designation | Key Qualification | Responsibilities |
|--------------------------|---|--|--|
| Eng. Henry Gakuru | Director-Development | Registered Civil Engineer | Project Implementing Team Leader |
| Eng. George Amingh | Deputy Director-Development | Registered Civil Engineer | Project Engineer |
| Mr. Walter B. Nyatwang'a | Deputy Director Environment & Social Safeguards | Registered NEMA expert | Project Environmental and Social Safeguards Specialist |
| Ms. Levina K. Wanyonyi | Deputy Director-Supply Chain Management | Registered Supply Management Practitioner (KISM) | Project Procurement Specialist |
| CPA. Chanje Kera | Deputy Director-Finance & Accounts | Certified Public Accountant (K) | Project Financial Specialist |

2.7 Funding summary

The Project duration was from 23rd March 2011 to 16th July 2016 with an approved budget of Unit of Account (UAC) 30,184,430 equivalent to Kshs. 4,215,044,439 at the Exchange rate of Kshs. 139.643/UAC and Kshs 1,201,564,645 as highlighted in the table below:

Project Information and Overall Performance (Continued)

Below is the funding summary:

A. Source of Funds

| Source of funds | Donor Commitments | | Amount received to date (30.06.2024) | | Undrawn balance to date (30.06.2024) | |
|--------------------------------|-------------------|----------------------|--------------------------------------|----------------------|--------------------------------------|-------------|
| | UAC | Kshs | UAC | Kshs | UAC | Kshs |
| | (A) | (A') | (B) | (B') | (A)-(B) | (A') – (B') |
| (i) Loan | | | | | | |
| African Development Bank (ADB) | 30,184,430 | 4,215,044,358 | 30,184,430 | 4,215,044,349 | - | - |
| (ii) Counterpart Funds | | | | | | |
| Government of Kenya | - | 1,201,564,645 | - | 1,201,564,645 | - | - |
| Total | 30,184,430 | 5,416,609,003 | 30,184,430 | 5,416,608,994 | - | - |

B. Application of Funds

| Application of funds | Amount received to date- (30 th June 2024) | | Cumulative Amount paid to date-(30 th June 2024) | | Unutilised balance to date | |
|--------------------------------|---|----------------------|---|----------------------|----------------------------|-------------|
| | UAC | Kshs | UAC | Kshs | UAC | Kshs |
| | (A) | (A') | (B) | (B') | (A)-(B) | (A') – (B') |
| i) Loan | | | | | | |
| African Development Bank (ADB) | 30,184,430 | 4,215,044,349 | 30,184,430 | 4,215,044,349 | - | - |
| (ii) Counterpart Funds | | | | | | |
| Government of Kenya | - | 1,201,564,645 | | 1,201,564,645 | - | - |
| Total | 30,184,430 | 5,416,608,994 | 30,184,430 | 5,416,608,994 | - | - |

Project Information and Overall Performance (Continued)

2.8 Summary of Overall Project Performance:

i. Budget performance against actual amounts for current year and for cumulative to-date: -

| | 2023/2024 | | | Cumulative | | |
|--|-----------|--------|---|----------------------|----------------------|------------|
| | Budget | Actual | % | Budget | Actual | % |
| Counterpart Funds - Gok | - | - | - | 1,254,261,706 | 1,184,410,531 | 94% |
| Miscellaneous Receipt | - | - | - | - | 17,154,114 | - |
| Grant from External Development Partners | - | - | - | 6,100,000,000 | 4,215,044,349 | 69% |
| Total | - | - | - | 7,354,261,706 | 5,416,608,994 | 74% |

ii. Physical progress based on outputs, outcome and impacts since project commencement: -

The project was 100% complete by the end of FY 2016/2017 and handed over to the Authority.

iii. Absorption rate for each year since the commencement of the project.

| FY | Budget | Actual | % |
|--------------|----------------------|----------------------|------------|
| 2023/24 | - | - | - |
| 2022/23 | - | 668,585 | - |
| 2021/22 | - | 790,172 | - |
| 2020/21 | - | 754,711 | - |
| 2019/20 | 3,944,045 | 3,240,805 | 82% |
| 2018/19 | 198,500,000 | 186,720,470 | 94% |
| 2017/18 | 88,953,554 | 42,264,288 | 48% |
| 2016/17 | 45,033,000 | 4,310,902 | 10% |
| 2015/16 | 509,000,000 | 430,822,492 | 85% |
| 2014/15 | 1,800,000,000 | 1,628,028,057 | 90% |
| 2013/14 | 1,928,536,689 | 1,494,589,760 | 77% |
| 2012/13 | 1,865,000,000 | 947,141,884 | 51% |
| 2011/12 | 915,294,418 | 677,276,868 | 74% |
| TOTAL | 7,354,261,706 | 5,416,608,994 | 74% |

Project Information and Overall Performance (Continued)

iv. List the implementation challenges and recommended next steps

| Item No. | Implementation Challenges | Mitigation Measures taken to resolve observed challenges |
|-----------------|--|---|
| 1 | Problems with space availability in the road reserve | KeNHA surveyors were incorporated to undertaken survey works to facilitate the commencement of compulsory land acquisition to provide the right of way. |
| 2 | Changes in land use within urban areas that are not addressed by the contract design | The Consultant was requested to consider revisions to the design that would make the ultimate completed works appropriate for the intended use. |
| 3 | Delay in payment of all Interim Payment Certificates by the GoK. | Budget provisions were made in subsequent financial years that facilitated settlement of Project pending bills. |

2.9 . Summary of Project Compliance:

- i. There are no significant cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants, which has been reported
- ii. There were no consequences suffered on account as there was non-compliance.
- iii. There were no mitigation measures taken to alleviate the adverse effects as there was no non-compliance.

3. Statement of Performance Against Project's Predetermined Objectives

Introduction

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

The key development objectives of the project agreement/ plan were to: -

- a) Improve transport movements between Kenya and Uganda, Rwanda, Burundi, DRC and Southern Sudan for the benefit of the region and population of the project area.
- b) Contribute to improve the reliability of the transport infrastructure system to promote economic growth and socio-economic development in a socially and environmentally sustainable way.

Progress on attainment of strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Statement of Performance Against Project’s Predetermined Objectives (Continued)

Below, we provide the progress on attaining the stated objectives:

| Project | Objective | Outcome | Indicator | Performance |
|-----------------------------------|--|--|--|---|
| Timboroa – Eldoret Rehabilitation | To improve transport movements between Kenya and Uganda, Rwanda, Burundi, DRC and Southern Sudan for the benefit of the region and population of the project area. | <ul style="list-style-type: none"> • Transport cost and travel time between Nairobi and Kampala reduced. • Improved economic and living standard of people in towns along the corridor. • Improved transportation of farm inputs and produces to and from the project area. | <ul style="list-style-type: none"> • Transport and shipping costs. • Travel time for imports and exports. • Volume of transit goods • Agricultural output transported to major markets. • Jobs created. | <ul style="list-style-type: none"> • Port of Mombasa transit goods to/from Uganda Burundi, Rwanda, DRC and Southern Sudan increased from 5.83 million tons in 2010 to 9.61 million tons in 2015. • Average transport cost from Mombasa to Kampala of US\$ 0.195 per ton km from Mombasa to Kampala in 2010 reduced to USD 0.137 per ton km by 2015. • Travel (journey) time for heavy vehicles of 24 hours between Nairobi and Malaba (boarder of Kenya and Uganda) in 2010 reduced by 25% to 18 hours by 2015. • Tonnage of agricultural product to be transported from the project area to increase by 32% from 0.2 million in 2010 to 0.26 million in 2015 |
| Timboroa – Eldoret Rehabilitation | Contribute and improve the reliability of the transport infrastructure system to promote economic growth and socio-economic development in a socially and environmentally sustainable way. | Increased transit cargo and Intra-regional trade between Kenya and Uganda, Rwanda, Burundi, Democratic Republic of Congo and Southern Sudan. | Increased volume of imports and exports. | Transit cargo volumes increased from 6.3 million tons in 2010 to 10.45 million tons in 2015. |

4. Environmental and Sustainability Reporting

i. Sustainability strategy and profile

Sustainable Development Goals (SDGs) 2015-2030 provides a plan of action for the people and their prosperity. Five out of the seventeen goals are pertinent to management of projects being undertaken by the Authority. These are being addressed through the following initiatives;

- a) *Good health and well-being (SDG 3)*: Through the Project, the Authority undertook Road Safety Audits which identified accident black spots, implemented intervention measures and provided road safety education to reduce accidents;
- b) *Gender Equality (SDG 5)*: Through the Project, the Authority encouraged mainstreaming of gender equality in the project by incorporating compliance to one third gender rule in procurement and recruitment;
- c) *Industry, innovation and infrastructure (SDG 9)*: Through the Project, Authority developed quality, reliable, sustainable and resilient infrastructure including regional and trans-border infrastructure that supports economic development and human wellbeing with a focus on affordable and equitable access for all;
- d) *Sustainable cities and communities (SDG 11)*: The Authority extended the paved road network to hitherto underserved areas in the region to improve nationwide access to high speed and all – weather connectivity; and
- e) *Climate action (SDG 13)*: The Authority combated negative impacts of road development through environmental mitigation, climate change measures and compliance with National Environment Management Authority (NEMA) requirements in all its development projects

ii. Environmental performance

The Authority is working towards ensuring environmental sustainability in projects by undertaking tree planting exercises, implementation of road beautification programs, enforce reinstatement of quarries and borrow pits after construction works, undertakes regular Environmental Impact Assessment (EIA) Audits, carries out M&E on Environment and Social Management Plan (ESMPs) as well as Environmental Social Impact Assessment (ESIA) on projects.

iii. Employee welfare

In all its staff appointments, the Authority takes deliberate actions to embrace Equal Employment Opportunity policies, gender mainstreaming, addresses concerns around Persons Living with Disabilities (PWDs) and takes affirmative action in line with prevailing Government Policy guidelines. The Authority prioritizes training to develop technical capacity of staff in the fields of Value Engineering, Project Financing, Project, Contract Management, Performance Based Maintenance and Safety.

Environmental and Sustainability Reporting (Continued)

iv. Marketplace practices

a) Responsible Supply chain and supplier relations

The Authority strives to ensure responsible competition practices through undertaking annual governance audits in projects, monitoring the implementation of policies and further promotes ethical conduct in projects.

b) Responsible ethical practices.

The Authority equally sensitizes staff on corruption and integrity.

c) Regulatory impact assessment.

The Authority is actively involved in the negotiations during budget sector hearings in order to increase budgetary allocations for projects thus honouring contracts by paying its liabilities on time. The Authority procures its projects in a transparent manner through open competitive procurement.

v. Community Engagements

During the implementation of the Project, the Authority was committed to remaining a responsible corporate citizen by being accountable for its actions through engaging in Public Participation. The Project's goal in terms of community engagement was to ensure that the project fosters long-term relationships with stakeholders and communities around the project. The aim was not just to build roads that foster development but to ensure collaboration with the local communities to achieve sustainable development. The project staff were also encouraged to give back to society by participating in the Authority's corporate social responsibility initiatives.

The Contractor had been involved in various CSR activities geared towards improving local residents' lives. The people living around the project area, local traders, the business community, service providers and road users were among the direct beneficiaries of the project. In addition to reducing travel time and traffic accidents, the project generated employment for the domestic construction industry and the community in the project area. The project allocated at least 20% of unskilled jobs to women. The employees of the project as well as the local community benefited from the HIV/AIDS and road safety awareness programs included in the project.

To enhance social safeguards in projects, the Authority undertook Resettlement Action Plan (RAP) studies and implemented its recommendations, carried out Social Impact Assessments Studies (SIAS), undertook gender mainstreaming and conducted stakeholders' forum to sensitize the public on several cross-cutting issues.

5. Statement of Project Management Responsibilities

The Director General, KeNHA and the Project Implementation Team Leader 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 30th June 2024.

This responsibility includes: -

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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 Director General, KeNHA and the Project Implementation Team Leader accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Director General, KeNHA and the Project Implementation Team Leader are of the opinion that the Project's Financial Statements give a true and fair view of the state of Project's transactions during the financial year ended 30th June 2024, and of the Project's Financial Position as at that date. The Director General, KeNHA and the Project Implementation Team Leader 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 and the adequacy of the systems of internal financial controls.


The Director General, KeNHA and the Project Implementation Team Leader confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that there were no Project funds received during the financial year under audit since the project was completed in July 2016.

Approval of the Project financial statements


The Project financial statements were approved by the Director General, KeNHA and the Project Implementation Team Leader on 10 SEP 2024 and signed by



Eng. Kungu Ndungu, MBS
Director General



Eng. Henry Gakuru
Director -Development



CPA Chanje Kera
Deputy Director (F&A)
ICPAK Member No.8279

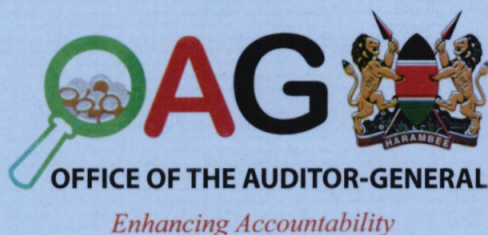
Date 10 SEP 2024

Date 10 SEP 2024

Date 10 SEP 2024

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON TIMBOROA-ELDORET ROAD REHABILITATION PROJECT NO.P-KE-DBO-019 (LOAN NO.2100150023344) FOR THE YEAR ENDED 30 JUNE, 2024 - KENYA NATIONAL HIGHWAYS AUTHORITY

PREAMBLE

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

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

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Timboroa-Eldoret Road Rehabilitation Project set out on pages 1 to 14, which comprise of the statement of financial assets and liabilities as at 30 June, 2024 and the statement of receipts and

Report of the Auditor-General on Timboroa-Eldoret Road Rehabilitation Project No.P-KE-DBO-019 (Loan No.2100150023344) for the year ended 30 June, 2024 - Kenya National Highways Authority

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Timboroa-Eldoret Road Rehabilitation Project as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Loan Agreement No.P-KE-DBO-019 (Loan No.2100150023344) dated 23 March, 2011 between the African Development Fund and the Republic of Kenya.

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

Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Timboroa-Eldoret Road Rehabilitation Project Management in accordance with ISSAI 130 on the 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

Project Closure Report

Paragraph 2.7 on Funding Summary, the Project was for a duration of five (5) years starting from 23 March, 2011 and end on 16 July, 2016 with an approved budget of Unit of Account (UA) 30,184,430 equivalent to Kshs.4,215,044,439 and Government of Kenya (GoK) counterpart funding of Kshs.1,201,564,645. The Project had received all the donor commitments and GoK counterpart funding as at 30 June, 2024.

Further, as disclosed in paragraph 2.8(ii) on Summary of Overall Project Performance, the physical progress based on outputs, outcomes and impacts since Project commencement, the Project was 100% complete by the end of the financial year 2016/2017 and handed over to the Authority. However, the Project closure report was not provided for audit. Management did not provide an explanation for the failure to close the Project.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024.

Other Information

Conclusion

The Management is responsible for the other information set out on page iii to xiii which comprise of Project Information and Overall Performance, Statement of Performance Against Predetermined Objectives. Environmental and Sustainability Reporting, and Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

Basis for Conclusion

In connection with my audit on the Project's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 comply 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Report of the Auditor-General on Timboroa-Eldoret Road Rehabilitation Project No.P-KE-DBO-019 (Loan No.2100150023344) for the year ended 30 June, 2024 - Kenya National Highways Authority

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by African Development Fund, 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 controls, risk management and overall governance.

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I also I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

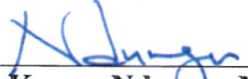
Nairobi

14 November, 2024

7. Statement of Receipts and Payments for The Year Ended 30th June 2024

| | Note | Receipts and payments controlled by the entity | Payments made by third parties | Total | Receipts and payment controlled by the entity | Payments made by third parties | Total | Cumulative to-date (From inception) |
|---|------|--|--------------------------------|-------|---|--------------------------------|---------------------|-------------------------------------|
| | | 2023/2024 | | | 2022/2023 | | | |
| | | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. |
| Receipts | | | | | | | | |
| Transfer from Government entities | 1 | - | - | - | - | - | - | 1,184,410,531 |
| Loan from external development partners | 2 | - | - | - | - | - | - | 4,215,044,349 |
| Miscellaneous receipts | 3 | - | - | - | 668,585 | - | 668,585 | 17,154,114 |
| Total receipts | | - | - | - | 668,585 | - | 668,585 | 5,416,608,994 |
| Payments | | | | | | | | |
| Purchase of goods and services | 4 | - | - | - | - | - | - | 15,577,640 |
| Acquisition of non-financial assets | 5 | - | - | - | - | - | - | 5,375,204,651 |
| Other grants and transfers /payments | 6 | - | - | - | 19,437,030 | - | 19,437,030 | 25,826,703 |
| Total payments | | - | - | - | 19,437,030 | - | 19,437,030 | 5,416,608,994 |
| Surplus/ (deficit) | | - | - | - | (18,768,445) | - | (18,768,445) | - |

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


Eng. Kungu Ndungu, MBS
Director General

10 SEP 2024

Date


Eng. Henry Gakuru
Director -Development

10 SEP 2024

Date


CPA Chanje Kera
Deputy Director (F&A)
ICPAK Member No.8279


10 SEP 2024


Date


8. Statement of Financial Assets and Liabilities as at 30th June 2024

| Description | Note | 2023/2024 | 2022/2023 |
|--|------|-----------|--------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash and Cash equivalents | 7 | - | - |
| Total Financial Assets (A) | | - | - |
| Financial Liabilities | | | |
| Third party Deposits and Retention | | - | - |
| Total Financial Liabilities (B) | | - | - |
| Net Financial Assets (A-B) | | - | - |
| Represented By | | | |
| Fund Balance B/fwd. | | - | 18,768,445 |
| Prior Year adjustments | | - | - |
| Surplus/(Deficit) for the Year | | - | (18,768,445) |
| Net Financial Assets | | - | - |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 10 SEP 2024 and signed by:


 Eng. Kungu Ndungu, MBS
 Director General


 Eng. Henry Gakuru
 Director -Development


 CPA Chanje Kera
 Deputy Director (F&A)
 ICPAK Member No.8279

Date 10 SEP 2024

Date 10 SEP 2024

Date 10 SEP 2024

9. Statement of Cashflows for the year ended 30th June 2024

| Description | Note | 2023/2024 | 2022/2023 |
|--|------|-------------|--------------|
| Cashflow from operating activities | | Kshs | Kshs |
| Receipts | | | |
| Transfer from government entities | | - | - |
| Proceeds from domestic and foreign grants | | - | - |
| Miscellaneous receipts | 3 | - | 668,585) |
| Total receipts | | - | - |
| Payments | | | |
| Compensation of employees | | - | - |
| Purchase of goods and services | | - | - |
| Social security benefits | | - | - |
| Transfers to other government entities | | - | - |
| Other grants and transfers | 6 | - | (19,437,030) |
| Total Payments | | - | (19,437,030) |
| Net receipts/(payments) | | - | (18,768,445) |
| Adjustments during the year | | | |
| Prior year adjustments | | - | - |
| Decrease/(increase) in accounts receivable | | - | - |
| Increase/(decrease) in accounts payable: | | - | - |
| Net cash flow from operating activities | | - | - |
| Cashflow from investing activities | | | |
| Acquisition of non-financial assets | 5 | - | - |
| Net cash flows from investing activities | | - | - |
| Cash flow from financing activities | | | |
| Proceeds from foreign borrowings | 2 | - | - |
| Net cash flow from financing activities | | - | - |
| Net increase in cash and cash equivalents | | - | (18,768,445) |
| Cash & cash equivalent at beginning of the year | | - | 18,768,445 |
| Cash and cash equivalent at end of the year | | - | - |

10. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2024

| Receipts/Payments Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Variance | % Var |
|-------------------------------------|-----------------|-------------|--------------|----------------------------|----------|---------|
| | a | b | c=a+b | d | e=c-d | f=d/c % |
| Receipts | | | | | | |
| Transfers from Government entities | - | - | - | - | - | - |
| Miscellaneous receipts | - | - | - | - | - | - |
| Total Receipts | - | - | - | - | - | - |
| Payments | | | | | | |
| Purchase of goods and services | - | - | - | - | - | - |
| Acquisition of non-financial assets | - | - | - | - | - | - |
| Other grants and transfers/payments | | | | - | - | - |
| Total Payments | - | - | - | - | - | - |
| Surplus/Deficit | - | - | - | - | - | - |

Note: The significant budget utilisation/performance differences in the last column are explained in Annex 2 to the financial statements if any.

11. Significant Accounting Policies

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

a) 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.

b) Reporting entity

The financial statements are for Timboroa-Eldoret Road Rehabilitation Project under the Kenya National Highways Authority. The financial statements are for the reporting entity Timboroa-Eldoret Road Rehabilitation as required by Section 81 of the PFM Act, 2012 .

c) 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.

d) Recognition of receipts

Timboroa-Eldoret recognises all receipts from the various sources when the event occurs, and the related cash has actually been received.

i) 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.

ii) External Assistance

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

iii) Other receipts

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

Significant Accounting Policies (Continued)

iv) 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.

v) Proceeds from borrowing

Borrowing includes external loans acquired by the Project or any other debt the Project may take and will be treated on cash basis and recognized as a receipt during the year they were received.

vi) 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.

e) Recognition of payments

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

i) Compensation to employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

ii) 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.

iii) Interest on borrowing

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

iv) Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements.

Significant Accounting Policies (Continued)

v) Acquisition of fixed assets

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

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

f) In-kind donations

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

g) 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.

h) Restriction on cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third part deposits.

i) Imprests and Advances

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is

Significant Accounting Policies (Continued)

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.

j) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because: -
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships.

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

There were no project contingent liabilities in the year.

k) Contingent Assets

Timboroa-Eldoret Road Rehabilitation Project does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Project in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) 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 are recorded as 'memorandum' or 'off-balance' 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.

Significant Accounting Policies (Continued)

m) 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 recognized 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 not been included in an annex to these financial statements since there were no activities in the Project hence no appropriations were made to the Project in FY 2023/2024.

n) Third party payments

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties' column in the statement of receipts and payments. During the year, there were neither receipts nor payments from/ by third parties since the project has been closed and the financing agreement lapsed.

o) 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 recognized in the statements of receipts and payments.

p) Comparative figures

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

q) 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 30th June 2024.

Significant Accounting Policies (Continued)

r) Prior period adjustments

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s).

There were no prior year adjustments in the FY 2023/2024.

12. Notes to The Financial Statements

1. Transfers from Government entities

These represent counterpart funding and other receipts from the government as follows:

| | FY 2023/2024 | FY 2022/2023 | Cumulative to-date |
|--|--------------|--------------|----------------------|
| | Kshs | Kshs | |
| Counterpart funding through Ministry of Roads and Transport | | | |
| Counterpart funds Quarter 1 | | | 978,762,642 |
| Counterpart funds Quarter 2 | | | 122,705,709 |
| Counterpart funds Quarter 3 | | | 10,686,303 |
| Counterpart funds Quarter 4 | | | 72,255,877 |
| Total | | | 1,184,410,531 |

2. Loan from External Development Partner

The Project's financing agreement lapsed in 2016 hence no funding from development partners was received in form of loans negotiated by the National Treasury in the current FY (FY 2022/23 Kshs Nil). A cumulative amount of Kshs 4.2 billion was however utilised in the project.

3. Miscellaneous Receipts

| Description | 2023/2024 | | | 2022/2023 | Cumulative to-date (from inception) |
|---------------|---|--------------------------------------|----------------|----------------|-------------------------------------|
| | Receipts controlled by the entity in Cash | Receipts controlled by third parties | Total receipts | Total receipts | |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Bank Interest | - | - | - | 668,585 | 17,154,114 |
| Total | - | - | - | 668,585 | 17,154,114 |

4. Purchase of Goods & Services

| Description | FY 2023/2024 | | | FY 2022/2023 | Cumulative to-date |
|-------------------------------|-------------------------------------|--------------------------------|----------------|--------------------------------|--------------------|
| | Payments Made by the Entity in Cash | Payments made by third parties | Total Payments | Payments made by third parties | |
| | KShs | KShs | KShs | Kshs | Kshs |
| Domestic Travel & Subsistence | - | - | - | - | 15,577,640 |
| Total | - | - | - | - | 15,577,640 |

Notes to the Financial Statements (Continued)

5. Acquisition of Non-Financial Assets

| | 2023/2024 | | | 2022/2023 | Cumulative to-date |
|--|-----------------------------|------------------------------|----------------|----------------|----------------------|
| | Payments made by the Entity | Payments made by Third Party | Total payments | Total payments | |
| | Kshs | Kshs | Kshs | Kshs | |
| Research, studies, project preparation, design & supervision | - | - | - | - | 310,191,907 |
| Rehabilitation of Roads | - | - | - | - | 5,065,012,744 |
| Total | - | - | - | - | 5,375,204,651 |

6. Other grants and transfers/payments

| | FY 2023/2024 | | | FY 2022/2023 | Cumulative |
|-------------------------|--|--------------------------------|----------------|-------------------|-------------------|
| | Receipts and payments controlled by the entity | Payments made by third parties | Total Payments | Total Payments | |
| | Kshs | Kshs | Kshs | Kshs | |
| Bank Charges | - | - | - | - | 6,389,673 |
| Transfer to Equity Bank | - | - | - | 19,437,030 | 19,437,030 |
| Total | - | - | - | 19,437,030 | 25,826,703 |

7. Cash and Cash Equivalents

| | 2023/2024 | 2022/2023 |
|--------------------------------------|-----------|-----------|
| | Kshs | Kshs |
| Bank accounts (Note 7) | - | - |
| Total local currency balances | - | - |

7A Bank Account

Project Bank Account

| | 2023/2024 | 2022/2023 |
|--------------------------------------|-----------|-----------|
| | Kshs | Kshs |
| NCBA Bank Ltd (A/C No 1000017384) | - | - |
| Total local currency balances | - | - |

8. Fund Balance Brought Forward

| | 2023/24 | 2022/23 |
|---------------|----------------|----------------|
| | KShs | KShs |
| Bank accounts | - | - |
| Total | - | - |

Notes to The Financial Statements (Continued)

Other Important Disclosures


9. Pending Accounts Payable

During the Financial year 2023/24 there was no pending bills.


13. Annexes

Annex 1- Prior Year Auditor-General's Recommendations

| Ref No. | Other Matter | Management comments | Status: | Timeframe |
|---------|---|--|---------------------------|-------------------------------|
| | | | (Resolved / Not Resolved) | |
| 1. | <p><u>Unresolved Prior Year Audit Issues</u></p> <p>Various prior year audit issues remained unresolved as at 30th June 2023. Although the issues were indicated as resolved, the Management did not provide evidence on how they were resolved since Senate had not discussed the report and made recommendations.</p> | <p>The Authority appeared before the Public Accounts Committee (alongside the State Department for Roads) from 30th January to 1st February 2024 to present its submissions on matters raised by the Auditor General on the Financial Statements of Timboroa -Eldoret Road Rehabilitation Project FY 2021/2022. Management was advised to prepare and submit copies of documents supporting our submission to enable the Committee review and prepare an objective report. The PAC report is yet to be shared. We expect the report to be out before the end of December 2024.</p> | Not Resolved | 31 st January 2025 |


 Eng. Kungu Ndungu, MBS
 Director General

Date 10 SEP 2024


 Eng. Henry Gakuru
 Director Development

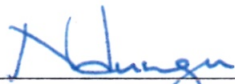
Date 10 SEP 2024

Annex 2 - Variance Explanations - Comparative Budget and Actual Amounts for Current FY


| | 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 % | |
| Receipts | | | | | |
| Transfer from Government entities | - | - | - | - | |
| Proceeds from borrowings | - | - | - | - | |
| Miscellaneous receipts | - | - | - | - | |
| Total Receipts | - | - | - | - | |
| Payments | | | | | |
| Purchase of goods and services | - | - | - | - | |
| Acquisition of non-financial assets | - | - | - | - | |
| Other grants and transfers | - | - | - | - | |
| Total payments | - | - | - | - | |

Annex 3 – Reconciliation of Inter-entity transfer

| Project Name: Timboroa Eldoret Road Rehabilitation Project | | | | |
|--|---------------------------------------|---------------------|---------------|---|
| Break down of Transfers from the State Department for Roads | | | | |
| a. | Government Counterpart funding | | | |
| | | Bank Statement Date | Amount (Kshs) | Indicate the FY to which the amounts relate |
| | | - | - | - |
| | | Total | - | - |


Eng. Kungu Ndungu, MBS
Director General

10 SEP 2024
Date


CPA Chanje Kera
Deputy Director (F&A)
ICPAK Member No: 8279

10 SEP 2024
Date