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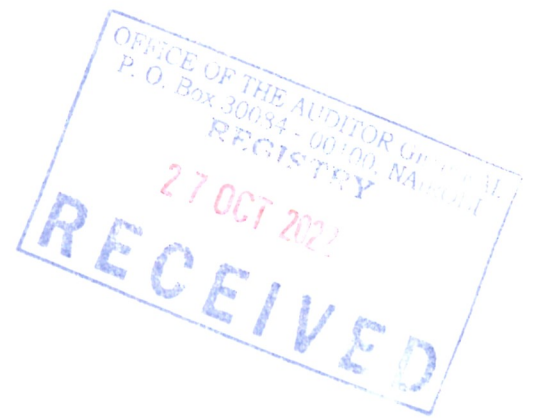
THE AUDITOR-GENERAL

ON

**HORN OF AFRICA GATEWAY
DEVELOPMENT PROJECT
CREDIT NUMBER 6768-KE**

**FOR THE YEAR ENDED
30 JUNE, 2022**

**STATE DEPARTMENT
FOR INFRASTRUCTURE**



HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT

STATE DEPARTMENT OF INFRASTRUCTURE

PROJECT GRANT/CREDIT NUMBER: 6768-KE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2022

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

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1. PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and registered office

Name

The project's official name is Horn of Africa Gateway development Project.

Objective:

The key objective of the project is to strengthen institutional capacities to the State Department and beneficiary institutions involved within the project.

Address:

The project headquarters offices are Transcom Building (Nairobi), Nairobi County, Kenya.

The address of its registered office is:

State Department of Infrastructure

P.O. Box 30260-00100

Nairobi.

Contacts: The following are the project contacts

Telephone: (254)020 2723232

E-mail: ps@infrastrure.go.ke

Website: www.transport.go.ke

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PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.2 Project Information

Project Start Date:	The project start date is 22 nd Dec. 2020
Project End Date:	The project end date is 30 th June 2028
Project Manager:	The project manager is Eng. Sospeter Gitonga
Project Sponsor:	The project sponsor is World Bank(IDA)

1.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the State Department of Infrastructure.
Project number	6768-KE
Strategic goals of the project	The strategic goals of the project are as follows: (i) To improve: (a) the movement of people and goods and digital connectivity and access to social services to communities at designated locations along the targeted sections of the Isiolo-Mandera Regional Road Corridor; and (b) The capacity of selected transport related institutions in Kenya.
Other important background information of the project	Facilitation of Regional Trade and Transport
Current situation that the project was formed to intervene	The project was formed to support activities designed to strengthen the institutional capacities of implementing entities involved in project implementation and to support monitoring and evaluation of road projects, transforming MTD into a SAGA, transforming MTRD a SAGA
Project duration	The project started on 22 nd Dec. 2020 and is expected to run until 30 th June 2028

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PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.4 Bankers

The following are the bankers for the current year:

A/C No. 1000477946
 Central Bank of Kenya
 Haile Selassie Avenue
 P.O. Box 60000-0200
 Nairobi, Kenya

1.5 Auditors

The project is audited by:

The Office of the Auditor General
 Anniversary Towers. University Way
 P.O. Box 30084-00100
 Nairobi, Kenya

1.6 Roles and Responsibilities

List of the different people who will be working on the project. This list would include the project manager and all the key stakeholders who will be involved with the project. Also, record their role, their positions, and their contact information.

Names	Title designation	Key qualification	Responsibilities
Eng. S.W Gitonga	Project Team Leader	Msc.(Civil Engineering)	Proper Management of the implementation
Eng. Boniface Maithya	Deputy Team Leader	Msc. (Civil Engineering)	Technical Coordination and management of entities on project
Cyrus Njau	Project Accountant	MBA , CPA-K CPS-K	Proper funds flow and timely financial reports
Joseph Muoka	Finance Officer	BCOM, CPA-K	Review and approve project budgets and any other Finance related matters
Elvis Kandie	Procurement Officer	BBM Purchasing and Supplies	Plan, process, and implement procurement activities

1.7 Funding summary

The Project is for duration of 8 (eight) years from 2020 to 2028 with an approved budget of EURO 40,300,000.00 equivalent to KShs 4,844,469,600 as highlighted in the table below:

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PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment-		Amount received to date – (30 June 2022)		Undrawn balance to date	
	Donor currency EURO (A)	KShs (A')	Donor currency EURO (B)	KShs (B')	Donor currency EURO (A)-(B)	KShs (A)-(B)
(i) Loan						
World Bank (IDA)	40,300,000.00	4,844,463,000.00	1,139,087.83	136,929,748.25	39,160,912.17	4,707,533,251.75
(ii) Counterpart funds						
Government of Kenya	7,629,685.55	917,164,500.00	145,000.01	17,430,451.30	7,484,685.54	899,734,048.70
Total	47,929,685.55	5,761,627,500.00	1,284,087.84	154,360,199.55	46,645,597.71	5,607,267,300.45

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PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2022)		Cumulative Amount paid to date – (30 th June 2022)		Unutilised balance to date (30 June 2022)	
	Donor currency (EURO) (A)	Kshs (A')	Donor currency (EURO) (B)	Kshs (B')	Donor currency (EURO) (A)-(B)	Kshs (A')-(B')
(i) Loan						
World Bank (IDA)	1,139,087.83	136,929,748.25	1,031,841.54	124,037,671.55	107,246.29	12,892,076.70
(ii) Counterpart funds						
Government of Kenya	145,000.01	17,430,451.30	145,000.01	17,430,451.30	-	-
Total	1,284,087.84	154,360,199.55	1,176,841.55	141,468,122.85	107,246.29	12,892,076.70

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.8 Summary of Overall Project Performance:

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

Note; provided in the financial information

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

- Progress of activities under the department is good however, there is slow progress for activities under beneficiary entities.
- Activities been undertaken in the department are geared towards institutional strengthening of the department in oversight of roads development and maintenance, impacts might not be felt immediately as most of the activities are under procurement or procurement has just been completed
- Capacity building program already undertaken or ongoing has helped the Project Implementation Team in understanding and implementation of donor funded projects thus ensuring efficiency in the delivery of the projects

iii. Comment on value-for-money achievements

- The department has ensured procurement of most of activities is competitive to ensure value for money is achievement
- The department has an inspection and acceptance committee which ensures that all goods and services delivered/offered are as per required standards and specifications
- The department has been working within the approved budget during procurement of the various activity where applicable

iv. List the implementation challenges and recommended way forward.

a) List of implementation challenges

- Price escalations – There has been change in prices of goods and services in the global market due to strengthening of US dollar against local currency thus affecting approved budgets
- Most of the beneficiaries under the department are implementing World Bank financed projects for the first time and they lack knowledge on the procedures and processes in the implementation of these projects. Most of the beneficiaries have not implemented any activity since commencement of HOAGDP.
- Lengthy internal processes and procedures which has delayed implementation of activities
- Request for “No Objection” from the Government on procurement of vehicles has delayed procurement of some activities due to period it takes to receive approval from the Government.

a) Way forward

- Proper market survey to be undertaken before commencement of the implementation of projects i.e. inclusion of risk based planning.
- Capacity building of the Project Implementation Team from the Department/Beneficiary entities on implementation of World bank financed projects is necessary

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- Integrating Government and World Bank procurement procedures where possible to reduce time taken in internal delays within department.

1.9 Summary of Project Compliance:

- i) Include significant cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants,
- ii) Include consequences suffered on account of non-compliance or likely to be suffered.
- iii) Indicate mitigation measures taken or planned to be taken to alleviate the adverse effects of actual or potential consequences of non-compliance.

There is no non-compliance on the projects

2. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETRMINED 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's agreement/* plan are to:

Improve:

- a) the movement of people and goods along the Isiolo-Mandera Regional Road Corridor
- b) digital connectivity along the Isiolo-Mandera Regional Road Corridor
- c) access to social services to communities at designated locations along the targeted sections of the Isiolo-Mandera Regional Road Corridor and
- d) Improve the capacity of selected transport related institutions in Kenya

Project Development Objective (PDO)

The objectives of Horn of Africa Gateway Development Project (HoAGDP) are to improve: (a) the movement of people and goods and digital connectivity and access to social services to communities at designated locations along the targeted sections of the Isiolo-Mandera Regional Road Corridor; and (b) the capacity of selected transport related institutions in Kenya.

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Progress on attainment of Strategic development objectives

Project	Objective	Outcome	Indicator
- Horn Of Africa Gateway Development Project (HoAGDP)	- To improve the movement of people and goods along the Isiolo-Mandera Regional Road Corridor	- reduced travel time between Isiolo to Modogashe; and Wajir to Elwak, disaggregated by passengers and freight; - Increased public transport service providers along Isiolo-Modogashe and Wajir-Elwak - Reduced road crash fatalities between Isiolo-Mandera road section -Reduced time taken to cross borders	- Average Travel time between Isiolo to Modogashe; and Wajir to Elwak, disaggregated by passengers and freight; - Number of public transport service providers along Isiolo-Modogashe and Wajir-Elwak - Number of road crash fatalities between Isiolo-Mandera road section (per 1,000 vehicles) - Average time to cross target border crossing
-	- To improve digital connectivity along the Isiolo-Mandera Regional Road Corridor	- Reduced processing time at border crossing for freight trucks and passenger vehicles -Increased online public services used by communities along the corridor	- Road Management Information System utilized for decision making and setting performance targets; - Number of online public services used by communities along the corridor per month; - Average processing time at border crossing for freight trucks and passenger vehicles
	- To improve access to social services to communities at designated locations along Isiolo-Mandera road	-increased provision of basic services such as School, Market, health clinic constructed, and services provided - Increased number of women and children utilizing the improved social services (Social/Gender disaggregated)	- Number of social infrastructure and service provided - Number of women and children utilizing the improved social services (Social/Gender disaggregated)
	- To improve the capacity of selected transport related institutions in Kenya	- Enhanced project oversight	- Number of Kenyan trained in new skills

3. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Currently the State Department is not involved in any corporate social responsibility since the activities under the department are not interactive with any society.

4. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

The Principal Secretary for the State department of Infrastructure and the Project Coordinator for Horn of Africa Gateway Development Project (Chief Engineer Roads) 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 (period) ended on June 30, 2022.

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 Principal Secretary for the State department of Infrastructure and the Project Coordinator for Horn of Africa Gateway Development Project 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 Principal Secretary for the State department of Infrastructure and the Project Coordinator for Horn of Africa Gateway Development Project 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/period ended June 30, 2022, and of the Project's financial position as at that date. The Principal Secretary for the State department of Infrastructure and the Project Coordinator for Horn of Africa Gateway Development Project 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.

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The Principal Secretary for the State department of Infrastructure and the Project Coordinator for Horn of Africa Gateway Development Project 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.

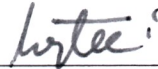
Approval of the Project financial statements

The Project financial statements were approved by the Principal Secretary for the State department of Infrastructure and the Project Coordinator for Horn of Africa Gateway Development Project on 27.10 2022 and signed by them.



Principal Secretary

Prof. Arch. Paul M. Maringa (PhD),
CBS, F.A.A.K, MKIP



Project Coordinator

Eng. S.W Gitonga

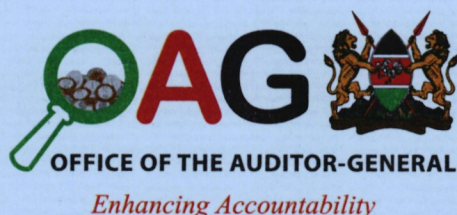


Project Accountant:

Cyrus Njau
CPAK, MBA, CPSK
ICPAK Member NO 19592

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT CREDIT NUMBER 6768-KE FOR THE YEAR ENDED 30 JUNE, 2022 - STATE DEPARTMENT FOR INFRASTRUCTURE

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 Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Horn of Africa Gateway Development Project set out on pages 1 to 18, which comprise of the statement of

financial assets as at 30 June, 2022, and the statement of receipts and payments, statement of cash flow and the 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 the Horn of Africa Gateway Development Project as at 30 June, 2022, 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 Financing Agreement for Credit No.6768-KE dated 7 October, 2020 between International Development Association (IDA) and the Government of the Republic of Kenya.

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

Basis for Opinion

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual receipts on comparable basis of Kshs.155,000,000 and Kshs.117,251,593 respectively resulting in an underfunding of Kshs.37,748,407 or 24% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.155,000,000 and Kshs.119,947,614 respectively, resulting in an under expenditure of Kshs.35,052,386 or 23% of the budget.

The underfunding and under-performance affected the planned activities of the Project and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Management of Imprest

As disclosed in Note 5 to the financial statements, the statement of financial assets reflects a balance of Kshs.3,441,923 in relation to outstanding imprest due from two officers that ought to have been surrendered by 28 April, 2022. However, the imprest remained outstanding as at the time of the audit in October, 2022 contrary to Regulation 93(5) of the Public Finance Management (National Government) Regulations, 2015 which states that a holder of a temporary imprest shall account or surrender the imprest within 7 working days after returning to duty station.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by International Development Association, 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 International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue 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 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

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 noncompliance. 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 Project's policies and procedures may deteriorate.

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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and 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

05 December, 2022

*Horn of Africa Gateway Development Project (HoAGDP)
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For the financial year ended June 30, 2022*

6. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2022.

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)
	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	
RECEIPTS													
Loan from external development partners	1	117,251,593.25	-	117,251,593.25	-	117,251,593.25	19,678,155.00	-	19,678,155.00	-	19,678,155.00	136,929,748.25	
TOTAL RECEIPTS		117,251,593.25	-	117,251,593.25	-	117,251,593.25	19,678,155.00	-	19,678,155.00	-	19,678,155.00	136,929,748.25	
PAYMENTS													
Compensation of employees	2	41,542,840.80	-	41,542,840.80	-	41,542,840.80	4,090,058.00	-	4,090,058.00	-	4,090,058.00	45,632,898.80	
Purchase of goods and services	3	78,404,772.75	-	78,404,772.75	-	78,404,772.75	-	-	-	-	-	78,404,772.75	
TOTAL PAYMENTS		119,947,613.55	-	119,947,613.55	-	119,947,613.55	4,090,058.00	-	4,090,058.00	-	4,090,058.00	124,037,671.55	
SURPLUS/ (DEFICIT)		(2,696,020.30)	-	(2,696,020.30)	-	(2,696,020.30)	15,588,097.00	-	15,588,097.00	-	15,588,097.00	12,892,076.70	

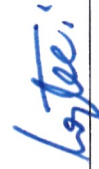
The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



Principal Secretary

Prof. Arch. Paul M. Maringa (PhD),

CBS, F.A.A.K, MKIP



Project Coordinator

Eng. S.W Gitonga



Project Accountant:

Cyrus Njau

CPAK MBA, CPSK

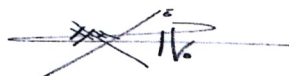
ICPAK Member No. 19592

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

7. STATEMENT OF FINANCIAL ASSETS AS AT 30TH JUNE 2022

	Note	2021-2022	2020-2021
		KShs	KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents	4		
Bank Balances		9,450,153.00	15,588,097
Account Receivables	5	3,441,923.70	
Total Cash and Cash Equivalents		-	
TOTAL FINANCIAL ASSETS		12,892,077	15,588,097
REPRESENTED BY			
Fund Balance b/f	7	15,588,097	
Surplus/(Deficit) for the year		(2,696,020.30)	15,588,097
NET FINANCIAL POSITION		12,892,077	15,588,097

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 27th 10 2022 and signed by:



Principal Secretary

Prof. Arch. Paul M. Maringa (PhD),
 CBS, F.A.A.K, MKIP



Project Coordinator

Eng. S.W Gitonga



Project Accountant

Cyrus Njau
 ICPAK MBA, CPSK
 ICPAK Member No. 19592

Horn of Africa Gateway Development Project (HoAGDP)
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8. STATEMENT OF CASHFLOW FOR THE PERIOD 30TH JUNE 2022

		2021-2022	2020-2021
	Note	KShs	KShs
CASHFLOW FROM OPERATING ACTIVITIES			
Payments from operating activities			
Compensation of employees	2	(41,542,840.80)	4,090,058
Purchase of goods and services	3	(78,404,772.75)	-
Account Receivables	5	(3,441,923.70)	
Net cash flow from operating activities		(123,389,537.25)	4,090,058
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets		-	-
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Foreign Borrowings	1	117,251,593.25	19,678,155
Net cash flow from financing activities		117,251,593.25	19,678,155
NET INCREASE IN CASH AND CASH EQUIVALENTS		(6,137,944.00)	15,588,097
Cash and cash equivalent at BEGINNING of the year		15,588,097	-
Cash and cash equivalent at END of the year		9,450,153	15,588,097

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 27.10 2022 and signed by:



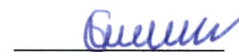
Principal Secretary

Prof. Arch. Paul M. Maringa (PhD),
CBS, F.A.A.K, MKIP



Project Coordinator

Eng. S.W Gitonga



Project Accountant

Cyrus Njau
CPAK MBA, CPSK
ICPAK Member No. 19592

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

9. Statement of Comparison of Budget and Actual amounts for the year ended 30th June 2022

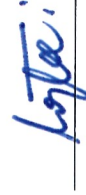
Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts						
Proceeds from borrowings	2,150,000,000	- 1,995,000,000	155,000,000	117,251,593	37,748,407	76%
Miscellaneous receipts						
Total Receipts	2,150,000,000	- 1,995,000,000	155,000,000	117,251,593	37,748,407	76%
Payments						
Compensation of employees	43,000,000	-	43,000,000	41,542,841	1,457,159	97%
Purchase of goods and services	2,107,000,000	- 1,995,000,000	112,000,000	78,404,773	33,595,227	70%
Total Payments	2,150,000,000	- 1,995,000,000	155,000,000	119,947,614	35,052,386	77%

Note: The significant budget utilisation/performance differences in the last column are explained in Annex 1 to these financial statements.



Principal Secretary

Prof. Arch. Paul M. Maringa (PhD),
 CBS, F.A.A.K, MKIP



Project Coordinator

Eng. S.W Gitonga



Project Accountant

Cyrus Njau
 CPAK, MBA, CPSK
 ICPAK Member No. 19592

10. SIGNIFICANT ACCOUNTING POLICIES

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

10.1 Basis of Preparation

10.2 Statement of compliance and basis of preparation

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

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

10.3 Reporting entity

The financial statements are for the Project - under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

10.3.1 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.

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

10.4 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.

i) Transfers from the Exchequer

Transfer from Exchequer is be 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 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 the time associated cash is received.

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.

Significant Accounting Policies (Continued)

c) Proceeds from borrowing

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

d) 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 of 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.

Significant Accounting Policies (Continued)

iii) Interest on borrowing

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

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.

Significant Accounting Policies (Continued)

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.

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.

h) 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.

Significant Accounting Policies (Continued)

i)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. The Project does not have contingent liabilities in the year of reporting.

Section 89 (2) (i) of the PFM Act requires the National Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

j) Contingent Assets

The Entity 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 Entity 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.

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

Significant Accounting Policies (Continued)

k) 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.

l) 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.

m) 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 party's column in the statement of receipts and payments.

During the year Kshs - billion being loan disbursements were received in form of direct payments from third parties.

Significant Accounting Policies (Continued)

n) 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.

o) 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.

p) 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, 2022.

q) Errors

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

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

11. NOTES TO THE FINANCIAL STATEMENTS

1. LOAN FROM EXTERNAL DEVELOPMENT PARTNERS

During the 12 months to 30 June 2022 we received funding from development partners in form of loans negotiated by the National Treasury donors as detailed in the table below:

Name of Donor	Date received	Amount in loan currency	Loans received in cash	Loans received as direct payment *	Total amount in KShs	
			KShs	KShs	2021/2022	2020/2021
Loans Received from Multilateral Donors (International Organizations)						
World Bank (IDA)	9/11/2021		60,327,181.20	-		
	17/2/2022		40,216,224.25			
	20/6/2022		16,708,187.80		117,251,593.25	19,678,155
Total			117,251,593.25		117,251,593.25	19,678,155

2. COMPENSATION OF EMPLOYEES

	2021/2022			2020/2021	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	KShs
Remuneration of Employees	41,542,840.80	-	41,542,840.80	4,090,058	45,632,898.80
Total	41,542,840.80	-	41,542,840.80	4,090,058	45,632,898.80

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. PURCHASE OF GOODS AND SERVICES

	2021/2022			2020/2021	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	KShs
Training payments	73,780,215.70	-	73,780,215.70	-	73,780,215.70
Purchase of ICT equipment	4,624,557.00	-	4,624,557.00	-	4,624,557.00
Total	78,404,772.75		78,404,772.75	=	78,404,772.75

4. CASH AND CASH EQUIVALENTS

	2021/2022	2020/2021
	KShs	KShs
Bank accounts (Note 11A)	9,450,152.90	15,588,097
Total	9,450,152.90	15,588,097

The project has 1 project accounts spread within the project implementation area and 1 foreign currency designated accounts managed by the National Treasury as listed below:

Project Bank Accounts

	2021/2022	2020/2021
	KShs	KShs
Local Currency Accounts		
Central Bank of Kenya [A/c No:1000477946]	9,450,152.90	15,588,097
Total bank account balances	9,450,152.90	15,588,097

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as at 30th June 2022 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule which shows the flow of funds that were voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

Special Deposit Accounts Movement Schedule

	2021/2022	2020/2021
(i) A/c Name [A/c No: 1000474858]		
Opening balance	€4,850,000	€5,000,000
Total amount deposited in the account	€677,399.3	
Total amount withdrawn (as per Statement of Receipts & Payments)	€ (918,085)	€150,000
Closing balance (as per SDA bank account reconciliation attached)	<u>€ 4,609,314</u>	<u>€4,850,000</u>
(ii) A/c Name [A/c No: 1000474858] (Kshs.)	<i>1Euro=Ksh.120.21</i>	<i>1Euro=Ksh.131.19</i>
Opening balance (as per the SDA reconciliation)	636,260,345.00	655,938,500
Total amount deposited in the account	81,430,169.85	-
Total amount withdrawn (as per Statement of Receipts & Payments)	(117,251,593.25)	(19,678,155.00)
Closing balance (as per SDA bank account reconciliation attached)	<u>600,438,921.60</u>	<u>636,260,345.00</u>

Horn of Africa Gateway Development Project (HoAGDP)
 Reports and Financial Statements
 For the financial year ended June 30, 2022

5. ACCOUNTS RECEIVABLES

<i>Description</i>	2021/2022	2020/2021
	Kshs	Kshs
Government Imprests	3,441,923.70	-
Salary advances	-	-
Advances	-	-
Total	3,441,923.70	-

5 B: BREAKDOWN OF IMPRESTS AND ADVANCES

<i>Name of Officer or Institution</i>	<i>Amount Taken</i>	<i>Due Date of Surrender</i>	<i>Amount Surrendered</i>	<i>Balance 2022</i>	<i>Balance 2021</i>
James Kungu	1,720,961.85	28-04-2022	-	1,720,961.85	-
Francis Gitau	1,720,961.85	28-04-2022	-	1,720,961.85	-
Total	3,441,923.70		=	3,441,923.70	

6. ACCOUNTS PAYABLES

<i>Description</i>	2021-2022	2020-2021
	Kshs	Kshs
Payables	-	-
Total	-	-

7. FUND BALANCE BROUGHT FORWARD

	2021/22	2020/21
	KShs	KShs
Cash in hand	-	-
Bank accounts	15,588,097	-
Outstanding imprests and advances	-	-
Total	15,588,097	-

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. PRIOR YEAR ADJUSTMENT

	Balance b/f FY 2021/2022 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2020/2021
Description of the error	Kshs	Kshs	Kshs
Receivables	-	-	
Total	-	-	

(Explain whether the prior year relates to errors noted in prior year, changes in estimates or accounting policy.)

9. CHANGES IN RECEIVABLE

Description of the error	2021/2022	2020/2021
	KShs	KShs
Opening Receivables as at 1 st July 2022	-	-
Closing account receivables as at 30 th June 2022	3,441,923.70	
Change in Receivables	3,441,923.70	

10. A Bank Accounts

Project Bank Accounts

	2021/2022	2020/2021
	KShs	KShs
<u>Local Currency Accounts</u>		
Central Bank of Kenya [A/c No:1000477946]	9,450,152.90	15,588,097
Total bank account balances	9,450,152.90	15,588,097

Horn of Africa Gateway Development Project (HoAGDP)
 Reports and Financial Statements
 For the financial year ended June 30, 2022

12. PRIOR YEAR AUDITOR-GENERAL'S RECOMMENDATIONS

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Budget Performance	Availed	Resolved	
	Approved work plan	Availed	Resolved	

Guidance Notes:

1. Use the same reference numbers as contained in the external audit report;
2. Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
3. Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
4. Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.



Prof. Paul M. Maringa (PhD), CBS, F.A.A.K, MKIP
 Principal Secretary



.....
 Name
 Project Coordinator

Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022

13. Annexes

Annex1 - Variance explanations - Comparative Budget and Actual amounts for FY 2021-2022

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance(below 90% and over 100%)
Receipts	a	b	c=a-b	d=b/a %	
Proceeds from borrowings	155,000,000	117,251,593.25	37,748,407	76%	Some of the activities like trainings had their dates varied hence there was no need to get funding for such
Miscellaneous receipts	-	-	-	-	
Total Receipts	155,000,000	117,251,593.25	37,748,407	76%	
Payments					
Compensation of employees	43,000,000.00	41,542,840.80	1,457,159	97%	
Purchase of goods and services	112,000,000.00	78,404,773.00	33,595,227	70%	Some of the training programmes postponed
Total payments	155,000,000.00	119,947,613.8	35,052,386	77%	

**Horn of Africa Gateway Development Project (HoAGDP)
Reports and Financial Statements
For the financial year ended June 30, 2022**

Annex 2: Reconciliation of inter-entity transfers

Project Name:		Break down of transfers from the State Department of Infrastructure	
a. Government Counterpart funding	Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
		17,430,451.01	2021/22
	Total	<u>17,430,451.01</u>	
B. Direct payments	Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
		xx	
	Total	xx	
C. Others	Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
		xx	
	Total (A+B+C)	<u>17,430,451.01</u>	

The above amounts have been communicated to and reconciled with the Parent Ministry/ State Department

Project Coordinator
EARTTDFP

Lytec

Sign -----

Project Accountant
State Department of Infrastructure

Suuu

Sign-----

Horn of Africa Gateway Development Project (HoAGDP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021
Annex 3 – Summary of Fixed Assets Register

Asset class	Opening Cost (KShs) 2021/22 (a)	Donations in form of assets (KShs) 2021/22 (b)	*Purchases/ Additions in the Year (KShs) 2021/22 (c)	** Disposals in the Year (KShs) 2021/22 (d)	Transfers in/(out) Kshs 2021/22 (d)	Closing Cost (KShs) 2021/22 (e)= (a)+ (b)+c- (d)+(-)d
Land						
Buildings and structures						
Transport equipment						
Office equipment, furniture and fittings						
ICT Equipment,						
Other Machinery and Equipment						
Heritage and cultural assets						
Biological assets						
Infrastructure assets roads, rails						
Intangible assets						
Work in Progress						
Total						

Notes

* Purchases/Additions in the year reconciled to the amount in Statement of Receipts and Payments

** The disposal amount to be disclosed in this register is the cost that the asset was acquired at and not the price at which it has been sold. The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the Ministry, Department or Agency. Additions during the year should tie to note 18 on acquisition of assets during the year. Ensure this section is complete covering all the entities assets. Ensure the complete fixed asset register is separately prepared as per circular number 5/2020 and follow up reminder of circular No. 23/2020 of The National Treasury

Annex 4: Other Support Documents

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations statement as at 30th June 2022
- iii. Board of Survey Report
- iv. Special Deposit Account(s) reconciliation statement(s)
- v. GOK IFMIS comparison Trial Balance

ASSET REGISTER FOR HORN OF AFRICA GETWAY DEVELOPMENT PROJECT CREDIT NO. 6768 FOR F/Y 2021/2022

S/NO	SUPPLIER	ASSETS DESCRIPTION	MAKE	MODEL	SERIAL NO	CATEGORY	L.P.O	INVOICE	PURCHASE DATE	PRICE	BK VALUE	ROOM NO	USERS	LACATION
1	Essypams Investment	Digital camera	Canon	E056D			2895451	28	23/12/2021	420,859.00	420,859.00	631	M/E	6th Floor
2	Essypams Investment	Digital camera	Canon	E056D			2895451	28	23/12/2021	420,859.00	420,859.00	436	M/E	4th Floor
3	Essypams Investment	Digital camera	Canon	E056D			2895451	28	23/12/2021	420,859.00	420,859.00	436	M/E	4th Floor
4	Essypams Investment	Accessories for 3 cameras					2895451	28	23/12/2021	200,380.00	200,380.00		M/E	various
5	Spanworld Enterprises	Laptop Type A	Spectre		SCD201G07H		2895457	170	13/4/2022	395,200.00	395,200.00		X	Industrial Area
6	Spanworld Enterprises	Laptop Type A			SCD201G07M		2895457	170	13/4/2022	395,200.00	395,200.00	631	MTRD	6th Floor
7	Spanworld Enterprises	Laptop Type A			SCD201G055		2895457	170	13/4/2022	395,200.00	395,200.00	520	T/L ROADS	6th Floor
8	Spanworld Enterprises	Laptop Type A			SCD201G079		2895457	170	13/4/2022	395,200.00	395,200.00	612	PIT ROADS	6th Floor
9	Spanworld Enterprises	Laptop Type A			SCD201G07G		2895457	170	13/4/2022	395,200.00	395,200.00	634	PIT ROADS	6th Floor
10	Spanworld Enterprises	Laptop Type A			SCD201G076		2895457	170	13/4/2022	395,200.00	395,200.00		X PIT MATERIAL	Industrial Area
11	Spanworld Enterprises	Laptop Type A			SCD201G058		2895457	170	13/4/2022	395,200.00	395,200.00		X PIT KIBHT	Industrial Area
12	Spanworld Enterprises	Laptop Type A			SCD201G07P		2895457	170	13/4/2022	395,200.00	395,200.00		X PIT MTRD	Industrial Area
										4,624,557.00	4,624,557.00			

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