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TABLED:	Anastasia

REPORT

OF

THE AUDITOR-GENERAL

ON

**MULTINATIONAL HORN OF AFRICA
ISIOLO -MANDERA CORRIDOR
(EL WAK – RHAMU ROAD)
UPGRADING PROJECT**

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

**KENYA NATIONAL HIGHWAYS
AUTHORITY**



MINISTRY OF ROADS AND TRANSPORT



**PROJECT NAME: MULTINATIONAL HORN OF AFRICA ISIOLO – MANDERA
CORRIDOR: EL WAK – RHAMU ROAD UPGRADING PROJECT**

IMPLEMENTING ENTITY: KENYA NATIONAL HIGHWAYS AUTHORITY

PROJECT CREDIT NUMBERS: 2100150042744 & 21002500005152

PROJECT ID: P-Z1-DBO-249

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2024**

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

*Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project
Annual Report and Financial Statements for the financial year ended June 30, 2024*

*Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project
Annual Report and Financial Statements for the financial year ended June 30, 2024*

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1. Acronyms and Definition of Terms

ADF	African Development Fund
AfDB	African Development Bank
CBK	Central Bank of Kenya
CPA	Certified Public Accountant
EIA	Environmental Impact Assessment
EIK	Environmental Institute of Kenya
ENG.	Engineer
F&A	Finance and Accounts
FY	Financial Year
GK	Government of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
JKIA	Jomo Kenya International Airport
KeNHA	Kenya National Highways Authority
KISM	Kenya Institute of Supplies and Management
Kshs.	Kenya Shillings
NEMA	National Environment Management Authority
PAPs	Project Affected Persons
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
SDG	Sustainable Development Goals
TNT	National Treasury
UA	Unit of Account

2. Project Information and Overall Performance

2.1 Name and registered office

Name:

Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project

Objective:

The key objective of the Project is to improve road transport services along the corridor by reducing travel time and vehicle operating costs and to improve road traffic safety along the road

Address:

Barabara Plaza
Jomo Kenyatta International Airport (JKIA) off Mazao Road
Nairobi Kenya

Contacts:

Director General
Kenya National Highways Authority
Po 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:	9 th May 2022
Project End Date:	30 th June 2027
Project Coordinator:	Eng. Mutii Kivoto
Project Sponsors:	1. African Development Fund (ADF) 2. African Development Bank (AfDB) 3. Government of Kenya (GK)

2.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of State Department for Roads in the Ministry of Roads & Transport
Project number	P-Z1-DB0-249

Project Information and Overall Performance (Continued)

<p>Strategic goals of the project</p>	<p>The strategic goals of the project are as follows: -</p> <ul style="list-style-type: none"> (i) To reduce travel time for commercial & public service vehicles (ii) To enhance road safety (iii) To promote regional trade (iv) To enhance socio economic standards of the community along and around the project area. <p>The specific objectives of the project are as follows:</p> <ul style="list-style-type: none"> (i) Reduce travel times and costs (ii) Increase road safety to reduce death and serious injury to all road users
<p>Summary of Project Strategies for achievement of strategic goals</p>	<p>The project management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> • The project management aims to achieve the strategic goals through implementation of the project in a timely, efficient and effective manner

<p>Other important background information of the project</p>	<p>The Project has seven (7) components namely;</p> <ol style="list-style-type: none"> 1. Civil Works: The component will include civil works for construction of single carriageway road 7.0m wide with 2.0m shoulders on each side to bitumen standard in two lots, from El Wak to Gari (74 km, Lot 1) and from Gari to Rhamu (68 km, Lot 2). It will also include construction of 0.6km of Gari Town loop, 3.8km Rhamu Town loop, flood mitigation measures, provision for the security management plan, provision of a virtual axle load weighing station and construction of about 5 km of access roads. 2. Socio Economic Infrastructure: This component includes the upgrading/rehabilitation of socio-economic infrastructures in water, health, education, and livestock within the different sub-counties along the Project road. 3. Project Implementation, Monitoring and Supervision: This component will include: (i) Construction supervision services for Lot 1 Civil Works including a study in flood management measures for El Wak Town; (ii) Construction supervision services for Lot 2 Civil Works; (iii) Baseline survey and monitoring of environmental, climate change and socio-economic impacts; (iv) HIV/AIDS, STIs, Gender, Reproductive Health, and COVID-19 Awareness and Sensitization campaigns; (v) Project Technical Audit; (vi) Management of Social Risks Associated with Civil Works and Community Outreach Activities; (vii) Consultancy services for Security Liaison Officer; and (viii) Feasibility, ESIA, RAP and Detailed Engineering Design Studies of two road projects.. 4. Facilitation of Regional Integration, Trade and Transport: This component will include (i) Trade and Transport Facilitation Study and rollout; and (ii) Strengthening of Rapid Response Unit at El Wak to improve border management, enhance corridor security and facilitate
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	trade.
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Project Information and Overall Performance (Continued)

	<p>5. Enhancement of Road Safety: This component includes: (i) Road Safety Audit and Road Safety Awareness and Sensitization Campaigns; (ii) Enhancement of National Transport Safety Authority (NTSA) Motor Vehicle Inspection Centre at Garissa; and (iii) supporting GoK’s Motorcycle “bodaboda” Safety Initiatives by training motorcycle trainers.</p> <p>6. Capacity Building and Institutional Strengthening: This component will include: (i) Skills development of Unemployed Youth in the Project area; (ii) Capacity Building of Project Implementation and Supervisory Staff; (iii) Enhancement of Road Traffic Data Management by developing Road Traffic Survey Management System; (iv) Assessment of participation of domestic civil engineers in the implementation of transport projects.</p> <p>Compensation and Resettlement: This component makes provision for the compensation of Project Affected Persons (PAPs) identified in the Project Resettlement Action Plan (RAP) report.</p>
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<p>Areas that the project was formed to intervene</p>	<p>The project was formed to intervene in the following problems/gaps: Promote regional economic integration by enhancing the development of regional trade between Ethiopia, Kenya and the COMESA countries.</p> <ul style="list-style-type: none"> i) Improve transport in Kenya and other counties in the region. ii) Integrate the Kenya ASAL region with the rest of the country, in the administrative, economic and social context. iii) Improve accessibility and mobility to markets and other socio-economic infrastructure for the population in North-eastern region of Kenya. iv) Improve security along the corridor through improvement of response times to security breaches.
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<p>Project duration</p>	<p>The Project is expected to run for five (5) years</p>
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- 2.4** Co-operative Bank of Kenya
 Upper Hill Branch
 Nairobi.
- National Bank of Kenya
 Hill Branch
 Nairobi.

2.5 Independent Auditor

*Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project
Annual Report and Financial Statements for the financial year ended June 30, 2024*

The project is audited by the Auditor-General.

Project Information and Overall Performance (Continued)

2.6 Roles and Responsibilities

List of the people working on the project.

No	Names	Title designation	Key qualification	Responsibilities
1	Eng. Henry Gakuru	Director-Development	Registered Engineer	Project Implementing Team Leader
2	Eng. Mutii Kivoto	Deputy Director-Special Projects	Registered Engineer	Project Engineer
3	Mr. Walter Nyatwang'a	Deputy Director-Environment & Social Interests	NEMA Lead Expert, Member-EIK	Project Environment & Social Safeguards Specialist
4	Ms. Norah Odingo	Deputy Director-Legal Services	Advocate of the High Court of Kenya	Project Legal Specialist
5	CPA. Chanje Kera	Deputy Director-Finance & Accounts	Certified Public Accountant of Kenya	Project Financial Specialist
6	Mr. Richard Kilel	Assistant Director-Supply Chain Management	Registered Supply Management Professional (KISM)	Project Procurement Specialist

2.7 Funding summary

The Project is for a duration of 5 years from May 2022 to June 2027 with an approved budget of UA 157,410,000 equivalent to Kshs. 24,215,796,990 at an exchange rate of Kshs 153.84 per UA as highlighted in the table below:

A. Source of Funds

Source of funds	Donor Commitment-		Amount received to date – (30.06.2024)		Undrawn balance to date (30.06.2023)	
	UA	Kshs	UA	Kshs	UA	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loans						
ADF	100,000,000	15,383,900,000	39,303	6,046,300	93,953,700	15,377,853,700
AfDB	53,000,000	8,153,467,000	-	-	53,000,000	8,153,467,000
(ii) Counterpart funds					0	0
Government of Kenya	4,410,000	678,429,990	65,003	10,000,000	4,344,997	668,429,990
Total	157,410,000	24,215,796,990	104,306	16,046,300	151,298,697	24,199,750,690

Project Information and Overall Performance (Continued)

B. Application of Funds

Application of funds	Amount received to date - (30.06.2024)		Cumulative Amount paid to date - (30.06.2024)		Unutilised balance to date - (30.06.2024)	
	UA	Kshs	UA	Kshs	UA	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loans						
ADF	39,303	6,046,300	39,303	6,046,300	-	-
AfDB	-	-	-	-	-	-
(ii) Counterpart funds						
GK	65,003	10,000,000	751	115,500	64,252	9,884,500
Total	104,306	16,046,300	40,054	6,161,800	64,252	9,884,500

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: -

Budget	FY 2023/2024			Cumulative		
	Budget	Actual	%	Budget	Actual	%
	Kshs	Kshs		Kshs	Kshs	
Counterpart Funds - GK	10,000,000	10,000,000	100%	10,000,000	10,000,000	100%
Loan from External Development Partners						
ADF & AfDB	300,000,000	6,046,300	2%	600,000,000	6,046,300	1%
Total	310,000,000	16,046,300	5%	610,000,000	16,046,300	3%

(ii) Physical progress based on outputs and outcome since project commencement: -

There was no physical progress as at 30th June 2024 since the contractor had not been granted access to site as at the close of the financial year on 30th June 2024. However, one works contract has been awarded and works expected to commence in FY 2024/25

(iii) Absorption rate for each year since the commencement of the project

Financial Year	Budget	Actual	Percentage (%)
FY 2022/23	300,000,000	-	-
FY 2023/24	310,000,000	16,046,300	5%
Total	610,000,000	16,046,300	3%

(iv) The project implementation challenges and recommendations:

The location of the Project has been categorized as a red zone due to heightened security threats in the area, this challenge has been addressed by establishment of a Multi Agency Security Committee as stipulated in the Project's Security Management.

2.9 Summary of Project Compliance:

There are no significant cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants, which have been reported.

3. Statement of Performance Against Project’s Predetermined Objectives

Introduction

Section 81(2) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national government entity’s performance against predetermined objectives at the end of each financial year.

The key development objectives of the project’s agreement/ plan are to: -

- a) To improve road transport services along the corridor by reducing travel time and vehicle operating costs
- b) To improve road traffic safety along the road
- c) To promote regional trade
- d) To improve socio-economic standards of surrounding communities along and around the project.

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:

Objective	Outcome	Indicator	Performance
To improve road transport services along the corridor	Reduced travel time and vehicle operating costs	<ul style="list-style-type: none"> • Travel time for heavy commercial trucks and PSVs between El Wak and Rhamu • Average composite vehicle operating cost 	Project at procurement stage
To improve road traffic safety along the road	Enhanced road safety	Reduced road traffic accidents/crashes	Project at procurement stage
To promote regional trade	Increased regional trade	Kenya’s average value of trade with Ethiopia and Somalia	Project at procurement stage

4. Environmental and Sustainability Reporting

The Project's strategy on environment and sustainability focuses on the areas highlighted below: -

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)*: The Authority strives to undertake Road Safety Audits to identify accident black spots, implement intervention measures and provide road safety education to reduce accidents;
- b) *Gender Equality (SDG 5)*: The Authority encourages mainstreaming of gender equality in project and programmes by incorporating compliance to one third gender rule in procurement and recruitment;
- c) *Industry, innovation and infrastructure (SDG 9)*: The Authority develops quality, reliable, sustainable and resilient infrastructure including regional and trans-border infrastructure to support economic development and human wellbeing with a focus on affordable and equitable access for all;
- d) *Sustainable cities and communities (SDG 11)*: The Authority endeavours to extend 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 endeavours to combat negative impacts of road development through environmental mitigation, climate change measures and compliance with National Environment Management Authority (NEMA) requirements in all development projects

ii) Environmental performance

The proposed Project Road has been classified by AfDB as Category 1 due to the potential disruption of livelihoods likely to be experienced during construction.

The Authority is working towards ensuring environmental sustainability in projects by undertaking tree planting exercises, implementation of road beautification programs, enforce reinstatement of quarries

Environmental and Sustainability Reporting (Continued)

and borrow pits after construction works, undertake regular Environmental Impact Assessment (EIA) Audits, carry out M&E on Environment and Social Management Plan (ESMPs) as well as Environmental and Social Impact Assessment (ESIA) audit on the project.

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.

iv) Market place practices

The Authority strives to ensure responsible competition practices through open competitive bidding on procurement of its project contractors and consultants. Additionally, the Authority undertakes annual governance audits in projects, monitoring the implementation of policies and further promotes ethical conduct in projects. The Authority equally sensitizes staff on corruption and integrity.

v) Community Engagements

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

To achieve inclusive growth among the community around the project area, the project has a component of training of unskilled unemployed youth around the project area. To enhance social safeguards in projects, the Authority undertakes Resettlement Action Plan (RAP) studies and implements its recommendations, carries out Social Impact Assessments (SIA), undertakes gender mainstreaming and conduct stakeholders' forum to sensitize the public in 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 June 30, 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.

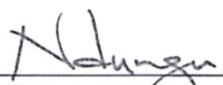
The Director General, KeNHA and the Project Implementation Team Leader accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting 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 June 30, 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 as well as the adequacy of the systems of internal financial control.

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 Project funds received during the financial year 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 Director General, KeNHA and the Project Implementation Team Leader Project 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

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Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON MULTINATIONAL HORN OF AFRICA ISILOLO- MANDERA CORRIDOR (EL WAK – RHAMU ROAD) UPGRADING PROJECT 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 Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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 Multinational Horn of Africa Isiolo - Mandera Corridor (El Wak-Rhamu Road) Upgrading Project set out on pages 1 to 16, which comprise of the statement of financial assets and liabilities as at 30 June, 2024,

Report of the Auditor-General on Multinational Horn of Africa Isiolo- Mandera Corridor: El Wak – Rhamu Road Upgrading Project No 2100150042744 and 21002500005152 for the year ended 30 June, 2024 - Kenya National Highways Authority

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 Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading 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 Financing Agreement between the African Development Bank (AfDB), Africa Development Fund (ADF) and the Republic of Kenya dated 9 May, 2022 and the Public Finance Management Act, 2012.

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 International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading 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

Budgetary Control and Performance

The statement of comparison of budgeted and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.310,000,000 and Kshs.16,046,300 respectively resulting to under-funding of Kshs.293,953,700 or 95% of the budget. However, the Project spent amount of Kshs.6,161,800 against actual receipts of Kshs.16,046,300 resulting to under-utilization of Kshs.9,884,500 or 62% of the actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

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

1. Low Absorption of Project Funds

Review of the financial statement and as disclosed in Note 2.7 on Funding Summary indicates that the Project period was for six (6) year at funding commitments of Kshs.23,531,320,700 and Kshs.668,429,990 from the development partners (Donor) and Government of Kenya (GOK) respectively, all totaling Kshs.24,215,796,990. However, the Project had drawn only an amount of Kshs.16,046,300 or 0.007% of the total commitment as 30 June, 2024 compared 40% Project period elapsed an indication of very low Project funds absorption.

In the circumstances, the credit may lapse without being fully utilized and the Project's planned deliverables earmarked for completion with the funding may not be realized.

2. 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 Resource, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024.

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, 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 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 the African Development Bank (ADB), 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 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 as a going concern, disclosing, as applicable, matters related to going concern 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.

. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

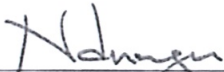
Nairobi

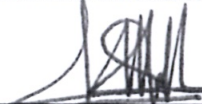
12 November, 2024


7. Statement of Receipts and Payments for the year ended 30th June 2024

	Note	FY 2023/24			FY 2022/23			Cumulative to Date
		Receipts & Payments Controlled by the Entity	Payments Made by Third Parties	Total	Receipts & Payments Controlled by the Entity	Payments Made by Third Parties	Total	
		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts								
Transfer from Government entities	1	10,000,000	-	10,000,000	-	-	10,000,000	
Loan from external development partners	2	-	6,046,300	6,046,300	-	-	6,046,300	
Total Receipts		10,000,000	6,046,300	16,046,300	-	-	16,046,300	
Payments								
Purchase of goods and services	3	115,500	-	115,500	-	-	115,500	
Acquisition of non-financial assets	4	-	6,046,300	6,046,300	-	-	6,046,300	
Total Payments		115,500	6,046,300	6,161,800	-	-	6,161,800	
Surplus/ (deficit)		9,884,500	-	9,884,500	-	-	9,884,500	

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


Eng. Kungu Ndungu, MBS
Director General

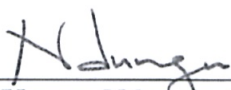

Eng. Henry Gakuru
Director-Development


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

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

Description	Note	FY 2023/24 Kshs	FY 2022/23 Kshs
Financial Assets			
Cash and Cash equivalents			
Cash and Cash equivalents	5A	9,884,500	-
Total Financial Liabilities		9,884,500	-
Financial Liabilities			
Deposits and Retention monies	6	-	-
Net Financial Assets		9,884,500	-
Represented By:			
Fund balance B/fwd	7	-	-
Prior year adjustments		-	-
Surplus/(Deficit) for the year		9,884,500	-
Decrease/(Increase) in Retention	8	-	-
Net Financial Assets		9,884,500	-


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

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

Description	Note	FY 2023/2024	FY 2022/2023
Cashflow from operating activities		Kshs	Kshs
Receipts			
Transfer from government entities	1	10,000,000	-
Total			
Receipts		10,000,000	-
Payments			
Purchase of goods and services	3	115,500	-
Total			
Payments		115,500	-
Net cash flow from operating activities		9,884,500	-
Cashflow from investing activities			
Acquisition of non- financial Ass	4	(6,046,300)	-
Net cashflow from investing activities		(6,046,300)	-
Cashflow from financing activities			
Proceeds from Foreign Borrowings	2	6,046,300	-
Net cash flow from financing activities		6,046,300	-
Net increase in cash and cash equivalent		9,884,500	-
Cash & cash equivalent at Beginning of the year		-	-
Cash and cash equivalent at End of the year		9,884,500	-

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	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts						
Transfer from Government entities	10,000,000	-	10,000,000	10,000,000	-	100%
Proceeds from Loans	-	300,000,000	300,000,000	6,046,300	293,953,700	2%
Total Receipts	10,000,000	300,000,000	310,000,000	16,046,300	293,953,700	-
Payments						
Purchase of goods and services	-		310,000,000	115,500	303,838,200	2%
Acquisition of non-financial assets				6,046,300		
Total Payments	-		310,000,000	6,161,800	300,000,000	2%
Surplus	-	-	-	9,884,500	-	-

Note: The significant budget utilization/performance differences in the last column are explained in **Annex 2** to these financial statements.

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 Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project under Kenya National Highways Authority as required Section 81 of the PFM Act, 2012.

(c) Reporting currency

The financial statements are presented in Kenya Shillings (Kshs), the project's functional and reporting currency. All values are rounded to the nearest Kenya Shilling.

(d) Recognition of receipts

Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project recognizes all receipts from various sources when an event occurs, and the related cash is received.

i) Transfers from the Exchequer

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

ii) External Assistance

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

Significant Accounting Policies (Continued)

iii) Other receipts

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

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 payment advice is received by the recipient entity or by the beneficiary. In the case of a grant/donation in kind, such grants are recorded upon receipt of the grant item and its value determined. The transaction date 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 the reporting date 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. The funding summary analyzes the Project's undrawn external assistance.

(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, and 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 when the goods/services are consumed and paid for. If not paid for when 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)

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

Significant Accounting Policies (Continued)

(v) Acquisition of fixed assets

The payment on the 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 a receipt and as a payment. A fixed asset register is maintained by each public entity, and a summary is provided for consolidation purposes. 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 are 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)

(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.

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

(k) Contingent Assets

Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading 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 Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading 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 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.

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 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.

(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.

(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 recognised in the statements of receipts and payments.

(p) Comparative figures

Where necessary comparative figures for the previous financial year 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 end with a significant impact on the financial statements for the year ended June 30, 2023.

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.

12. Notes to the Financial Statements

1. Transfers from Government Entities

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

Description	2023/24	2022/23	Cumulative to-date Kshs
	Kshs	Kshs	
Counterpart funding through Ministry of Roads & Transport			
Counterpart funds Quarter 1	-	-	-
Counterpart funds Quarter 2	-	-	-
Counterpart funds Quarter 3	-	-	-
Counterpart funds Quarter 4	10,000,000	-	10,000,000
Total (See Annex 3)	10,000,000	-	10,000,000

2. Loan from External Development Partner

During the financial year to 30 June 2024 we received funding from development partners in the form of loans negotiated by the National Treasury, as detailed in the table below:

Name of Donor	Amount in loan currency	Loans received in Cash	Loans received as direct payment	Total amount in Kshs	Total Amount in Kshs	Cumulative to date
				FY 2023/24	FY 2022/23	
				UA	Kshs	
Loans Received from Multilateral Donors						
ADF	39,303	-	6,046,300	6,046,300	-	6,046,300
AfDB	-	-	-	-	-	-
Total	39,303	-	6,046,300	6,046,300	-	6,046,300

3. Purchase of Goods and Services

Description	FY 2023/24			FY 2022/23	Cumulative to Date
	Payments Made in Cash	Payments Made by Third Party	Total Payments	Total Payments	
	Kshs	Kshs	Kshs	Kshs	
Domestic Travel & Subsistence	115,500	-	115,500	-	115,500
Hospitality Supplies & Services	-	-	-	-	-
Total	115,500	-	115,500	-	115,500

Notes to the Financial Statements (Continued)

4. Acquisition of Non-Financial Assets

Description	FY 2023/24			FY 2022/23	Cumulative to-date
	Payments Made by the Entity in Cash	Payments Made by Third Party	Total Payments		
	Kshs	Kshs	Kshs	Kshs	Kshs
Research, Studies, Project Preparation, Design & Supervision	-	6,046,300	6,046,300	-	6,046,300
Construction of Roads	-	-	-	-	-
Acquisition of Land	-	-	-	-	-
Total	-	6,046,300	6,046,300	-	6,046,300

5. Cash and Cash Equivalents Carried Forward

Description	FY 2023/24	FY 2022/23
	Kshs	Kshs
Bank accounts (Note 5A)	9,884,500	-
Total	9,884,500	-

5A Bank Accounts

Description	FY 2023/24	FY 2022/23
	Kshs	Kshs
<u>Local Currency Accounts</u>		
National Bank of Kenya Ltd. [A/c No. 0100132733200]	-	-
Co-operative Bank of Kenya [A/c No.01141160979900]	9,884,500	-
Total bank account balances	9,884,500	-

Notes to the Financial Statements (Continued)

6. Deposits & Retentions

Description	FY 2023/24		FY 2022/23	
	Kshs		Kshs	
Retentions	-	-	-	-
Total	-	-	-	-
Ageing analysis:	FY 2022/23	% of the Total	FY 2021/22	% of the total
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	-	-	-

7. Fund Balance Brought Forward

Description	FY 2023/24	FY 2022/23
	Kshs	Kshs
Bank Accounts	-	-
Deposits & Retention	-	-
Total	-	-

8. Changes in Accounts Payable – Retentions Controlled by The Entity

Description	FY 2024/24	FY 2022/23
	Kshs	Kshs
Retentions as at 1st July	-	-
Closing accounts payables - retentions as at 30th June	-	-
Changes in accounts payables - retentions	-	-

Other Important Disclosures

9. Pending Bills (See Annex 4)

Description	Balance b/f FY 2022/2023	Additions for the year	Paid during the year	Balance c/f FY 2023/24
	Kshs	Kshs	Kshs	Kshs
Construction of civil works	-	-	-	-
Lands Compensation	-	-	-	-
Supply of services	-	7,013,708	(6,046,300)	967,408
Total	-	7,013,708	(6,046,300)	967,408

Notes to the Financial Statements (Continued)

10. Changes in Accounts Payables (Deposits and Retention)

Description	FY 2023/24	FY 2022/23
	Kshs	Kshs
Retentions as at 1st July	-	-
Closing accounts payables - retentions as at 30 th June	-	-
Changes in accounts payables - retentions	-	-

11. External Assistance

a) External assistance relating to loans and grants

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
External assistance received as loans	6,046,300	-
Total	6,046,300	-

b) Undrawn external assistance

Description	Purpose for which the undrawn external assistance may be used	FY 2023/2024	FY 2021/2023
		Kshs	Kshs
Undrawn external assistance	Construction of roads & consultancy services	23,531,320,700	23,537,367,000
Total		23,531,320,700	23,537,367,000

c) Classes of providers of external assistance

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Multilateral donors	6,046,300	-
Total	6,046,300	-

External assistance for road construction works, design & supervision consultancy services.

d) Purpose and use of external assistance

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Acquisition of Assets	6,046,300	-
Total	6,046,300	-

Notes to the Financial Statements (Continued)

e) External Assistance paid by Third Parties on behalf of the Entity by Source

This relates to external assistance paid directly by third parties to settle obligations on behalf of the entity

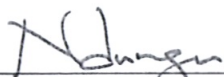
	FY 2023/2024	FY 2022/2023
Description	Kshs	Kshs
Multilateral donors	6,046,300	-
Total	6,046,300	-

*Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project
Annual Report and Financial Statements for the financial year ended June 30, 2024*

13. Annexes

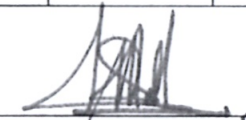
Annex 1: Prior Year Auditor-General's Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status	Timeframe
N/A	N/A	N/A	N/A	N/A



Eng. Kungu Ndungu, MBS
Director General

10 SEP 2024



Eng. Henry Gakuru
Director-Development

10 SEP 2024

Annex 2: Variance explanations - Comparative Budget and Actual Amounts for FY 2023/2024


	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					
Government of Kenya	10,000,000	10,000,000	-	100%	
External financing	300,000,000	6,046,300	293,953,700	2%	Project at procurement stage
Total receipts	310,000,000	16,046,300	293,953,700	5%	
Payments					
Purchase of goods and services		115,500			
Acquisition of non-financial assets	310,000,000	6,046,300	293,953,700	2%	Project at procurement stage
Total payments	310,000,000	6,161,500	293,953,700	2%	


*Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project
Annual Report and Financial Statements for the financial year ended June 30, 2024*

Annex 3: Reconciliation of Inter-Entity Transfers

Project Name:	Multinational Horn of Africa Isiolo-Mandera Corridor: El Wak-Rhamu Road Upgrading Project		
Break down of Transfers from the State Department of Roads			
Government Counterpart Funding			
-	<u>Bank Statement Date</u>	<u>Amount (Kshs)</u>	<u>FY to which the amounts relate</u>
		-	
		-	
Total	Total	-	
		<u>Amount (Kshs)</u>	<u>FY to which the amounts relate</u>
		=	2023/2024
		-	
	Total	-	
Others			
		<u>Amount (Kshs)</u>	<u>FY to which the amounts relate</u>
Annuity Fund		-	
Appropriations-in-Aid		10,000,000	2023/2024
	Total	10,000,000	
	Total (A+B+C)	10,000,000	

The above amounts have been communicated to and reconciled with the State Department of Roads


Eng. Kungu Ndungu, MBS
Director General


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

Annex 4 – Analysis of Pending Bills

Supplier of Goods/Services	Date Invoiced	Original Amount	Amount Paid To-Date	Outstanding Balance	Outstanding Balance	Comments
				2024	2023	
		a	c	d=a-c		
		(Ksh)	(Ksh)	(Ksh)	(Ksh)	
Consultancy Services	10 th April 2024	7,013,708	6,046,300	967,408	-	FN. 01
Sub-total		7,013,708	6,046,300	967,408		
Civil Works						
Sub-total		-	-	-	-	
Land Compensation						
Grand-Total		7,013,708	6,046,300	967,408	-	

Annex 5: Summary of Fixed Assets Register

Asset class	Opening Cost	Purchases/Additions in the Year	Disposals in the Year	Closing Cost
	(Ksh)	(Ksh)	(Ksh)	(Ksh)
	2023/24	2023/24	2022/23	2024
	(a)	(b)	(c)	(d)= (a)+ (b)-(c)
Land	-	-	-	-
Construction of Roads	-	6,046,300	-	6,046,300
Total	-	6,046,300	-	6,046,300