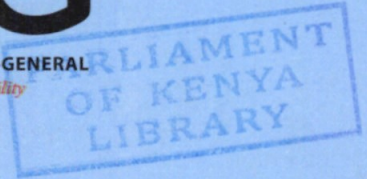
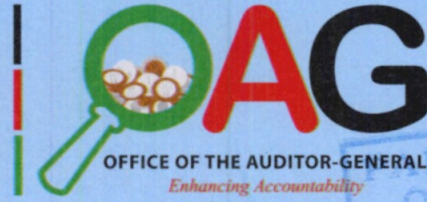


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 FEB 2026 DAY: Wednesday

OF
TABLED BY: Deputy leader of Majority Party

CLERK-AT THE AUDITOR-GENERAL Irene Nduku

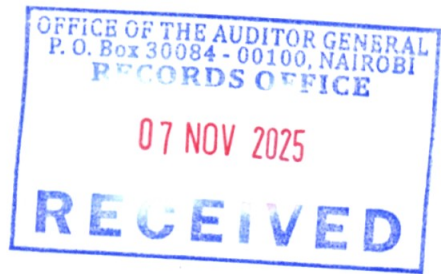
THE AUDITOR-GENERAL

ON

**HORN OF AFRICA GATEWAY DEVELOPMENT
PROJECT IDA CREDIT NO.6768-KE**

**FOR THE YEAR ENDED
30 JUNE, 2025**

**INFORMATION AND COMMUNICATIONS
TECHNOLOGY AUTHORITY**



PROJECT NAME: HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT (HOAGDP)

IMPLEMENTING ENTITY: ICT AUTHORITY

PROJECT GRANT/CREDIT NUMBER: 6768-KE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

Transitional IPSAS Financial Statements

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1. Acronyms and Definition of Terms

CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
WB	World Bank
GoK	Government of Kenya
IDA	International Development Association
HoA	Horn of Africa
HOAGDP	Horn of Africa Gateway Development Project
CEO	Chief Executive Officer
Comparative FY	Financial year preceding the current financial year.

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is **Horn of Africa Gateway Development Project (HOAGDP)**

Objective

The overarching objective of the HoA Program which the proposed project will contribute to is “enhancing connectivity among the HoA countries and access to seaports; facilitation of domestic and regional trade and economic integration, and improved security and road safety”.

This will be achieved through a sequential improvement in physical and institutional infrastructure and promoting trade and investing in development facilitation interventions. The overall program will be implemented in a Series of Projects (SoPs). The first project of the program (Phase 1- Kenya) focuses on Kenya which is the gateway to HoA for east, south and central Africa. The follow-on Phases will focus on the improvement of adjoining economic corridors, trade facilitation, digital connectivity, human development, and promoting resilience in Somalia and Ethiopia.

Address

The project headquarters offices are Nairobi City, Nairobi County, Kenya. The address of its registered office is:

Telposta Towers, 12th Floor

Kenyatta Avenue

P. o Box 27150-00100

Tel: +254-20-2089061

Nairobi, Kenya

Email: communications@ict.go.ke

Website: www.icta.go.ke

The project also has regional offices in all Counties.

Contacts: The following are the project contacts:

Telephone: (254) 20 2089061

E-mail: communications@ict.go.ke

Website:

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	08-09-2020
Project End Date:	30-06-2028
Project Manager:	Thomas Odhiambo
Project Sponsor:	IDA/GOK

2.3 Project Overview

Line Ministry/State Department of the project	Ministry of Information Communications and The Digital Economy/ State Department of ICT & Digital Economy
Project number	IDA- P161305 Credit No. 6768- KE
Strategic goals of the project	The objectives of the project are to improve: <ul style="list-style-type: none"> (i) 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 (ii) the capacity of selected transport related institutions in Kenya.
Summary of Project Strategies for achievement of strategic goals	This project will increase the growth of the ICT sector by: <ul style="list-style-type: none"> i. Increasing network coverage and quality of the network (Enabled 4G) ii. Enable cross-connect traffic from Kenya, Somalia and Ethiopia. iii. Enhance delivery of E-Government, E-Learning and E-Health services to all citizen in the counties mentioned. iv. Facilitate trade between countries in the Horn of Africa Region. v. Enhance the ability of private sector to

	<p>communicate and do business in the region.</p> <p>vi. Reliable connectivity will enhance security in the region.</p>
<p>Other important background information of the project</p>	<p>At a regional level, the proposed project will support the implementation of the HoA Initiative as well as the African Union (AU) for Infrastructure Development in Africa (PIDA) strategy on improving regional economic corridors to contribute to:</p> <p>(a) regional integration among countries in the HoA and global markets;</p> <p>(b) integration of North-eastern Kenya with the rest of the country and the domestic market;</p> <p>(c) upgrading 365km of the Isiolo-Mandera regional economic corridor;</p> <p>(d) expanding the territorial digital connectivity by laying 740km of backbone fiber optic cable and 200km of spur last-mile connection fiber optic cable;</p> <p>(e) enhancing resilience by supporting the socio-economic livelihoods of the communities along the economic corridor; and (f) human capital development.</p>
<p>Areas that the project was formed to Intervene</p>	<p>At the national level the project will:</p> <p>(a) protect and enhance the livelihoods of the vulnerable and marginalized communities in North-eastern Kenya;</p> <p>(b) support the implementation of Kenya’s long-term development strategy, Vision 2030, transitioning into a middle-income country which emphasizes the improvement in the provision of infrastructure and services, poverty reduction, accelerating sustainable growth, reducing inequality, enhancing equity, and managing resource scarcity;</p> <p>(c) support the implementation of the Integrated National Transport Policy (INTP) of 2009 which envisages the establishment of a world-class integrated transport system responsive to the needs of people and industry in the country and improve on road safety; and</p> <p>(d) Support the execution of Kenya’s National Climate</p>

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

	Change Framework Policy (NCCFP) and Act by building the institutional capacity to coordinate and enhance mainstreaming climate change and natural disasters.
Project duration	8 years

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the project:

Kenya Commercial Bank
 Kencom House, Moi Avenue,
 P.O. Box 48400-00100,
 Nairobi, Kenya.....

2.5 Independent Auditor

The project is audited by the Office of the Auditor General

2.6 Roles and Responsibilities

The people involved in the project are underlisted below:

Names	Title designation	Key qualification	Responsibilities
Stanley Kamanguya, OGW	Chief Executive Officer	Master of Business Administration; Bachelor's Degree in Computer Science.	Signatory to subsidiary agreement with The National Treasury, CEO
Thomas Odhiambo	Deputy Director Programmes and Standards	MSc Information Systems 20 years' experience in project implementation	Team Leader and Project Manager
Sylas Tomno	Deputy Director Planning M&E	Bsc Economics MSc Planning	M&E Specialist
Rev. Dr. Oliver Pyoko	Deputy Director Finance	Bsc Finance CPA (K)	Accounting Specialist
Sostanis Okoth	Deputy Director Supply Chain Management	BSc Supply Chain Management KISM	Procurement Specialist
Alex Njihia	Ag. Deputy Director Infrastructure	BSc Information Technology Networking Certifications	Technical Lead

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Victoria Njeru	Sr. Programmes Officer	BSc Computer Science MBA Information Systems	Project Team Member
James Kimani	Sr. ICT Officer-Network Security	BSc Computer Science CISM	ICT Security

2.7 Funding summary

The Project is for a duration of 8 years from 2021 to 2028 with an approved budget of Euro 21.5 million (use donor currency) equivalent to KShs 2.8 billion as highlighted in the table below.



Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Development Partner Commitment		Amount received to date - (30 th June 2025)		Undrawn balance to date	
	Development Partner currency (Euro)	KShs	Development Partner currency (Euro)	KShs	Development Partner currency (Euro)	KShs
	(A)	(A')	(B)	(B')	(A)-(B)	(A') - (B')
(i) Loan						
<i>World Bank / IDA</i>	17,800,000	2,284,590,444	3,966,844	581,491,925	13,833,156	1,703,098,519
(ii) Counterpart funds						
Government of Kenya	-	472,476,642	-	106,000,000	-	366,476,642
Total	17,800,000	2,757,067,086	3,966,844	687,491,925	13,833,156	2,069,575,161

Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date - (30 th June 2025)		Cumulative amount paid to date - (30 th June 2025)		Unutilised balance to date (30 th June 2025)	
	Development Partner currency(Euro)	KShs	Development Partner currency(Euro)	Kshs	Development Partner currency(Euro)	KShs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan						
World Bank / IDA	3,966,844	581,491,925	1,129,087	158,660,761	2,837,757	422,831,164
(ii) Counterpart funds						
Government of Kenya	-	106,000,000	-	88,060,078	-	17,939,922
Total	3,966,844	687,491,925	1,129,087	246,720,839	2,837,757	440,771,086

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

- i) *Budget performance against actual amounts for the current year and for cumulative to-date,*

Budget performance against actual amounts for the Project for the period under review was KShs 450 million, of which KShs 448.3 million was received. The Expenditure for the period was KShs 59.9 million against a budget of KShs 450 million. The low consumption is due to the initial stages of the project. Cumulatively up to date, Total received is KShs 581 million, with expenditure totaling to KShs 158 million.

Under counterpart funds, the budget was KShs 41 million, which was fully received. The expenditure was KShs 43 million against a budget of KShs 41 million. Cumulatively, total receipts are KShs 106 million and expenditure of 88 million.

- ii) *Physical progress based on outputs and outcomes since project commencement,*

Since its commencement, the Horn of Africa Gateway Development Project has made significant strides in achieving its physical outputs, leading to measurable outcomes and long-term impacts that align with its overarching goals. The progress made thus far demonstrates the project's potential to transform the region's infrastructure, economy, and social fabric, contributing to sustainable development and regional integration. Continued focus on achieving the remaining objectives will be crucial to ensuring the project's success and maximizing its benefits for all stakeholders involved

Project information and overall performance (continued)

iii) *The absorption rate for each year since the commencement of the project is as shown below:*

Period ending	Funds Received	Actual Expenses	Absorption Rate
	a	b	c=b/c%
13 months ending 30/6/22	113,748,479	41,037,111	36%
1/7/2022- 30/6/2023	25,380,617	52,762,464	208%
1/7/2023-30/6/2024	59,035,541	49,884,961	84%
1/7/2024-30/6/2025	489,327,288	103,036,302	21%
Total	687,491,925	246,720,838	36%

iv) *List the implementation challenges and recommend the next steps.*

The Horn of Africa Gateway Development Project (HOAGDP) has encountered several challenges that have impacted its implementation. These include regulatory compliance delays, environmental and social concerns, stakeholder coordination issues, logistical difficulties, and security risks. Each of these challenges has slowed down progress, increased costs, and sometimes strained relations with local communities and stakeholders.

Key Implementation Challenges:

1. **Regulatory Delays:** Slow bureaucratic processes have delayed project approvals.
2. **Environmental and Social Concerns:** Some construction activities have negatively affected ecosystems and communities.
3. **Stakeholder Coordination:** Miscommunication among diverse stakeholders has caused conflicts and delays.
4. **Logistical Challenges:** Difficult terrain has complicated the transport of materials and personnel.
5. **Security Risks:** Insecurity in certain regions has hindered smooth project execution.

2.9 Summary of Project Compliance:

All project requirements have been complied with.

3. Statement of Performance against Project's Predetermined Objectives

Introduction

Section 81(2)(f) /Section 164 (2)(f) 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:

The proposed project development objectives are to improve the movement of people and goods, access to digital and social services to communities at designated locations along the targeted sections of the Isiolo-Mandera regional trade corridor, and capacity building of selected transport and customs related institutions in Kenya.

Progress on the 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:

Project	Objective	Outcome	Indicator	Performance
Horn of Africa Gateway Development Project	To improve 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	Improved digital connectivity	Number of online public services used by communities along the corridor per month	

4. Environmental and Sustainability Reporting

The Horn of Africa Gateway Development Project (HOAGDP) is a strategic initiative aimed at enhancing regional connectivity and economic integration through the improvement of transport and digital infrastructure along the Isiolo-Mandera corridor. The project's main mandate is to facilitate the seamless movement of people, goods, and services while also expanding access to government services through the deployment of a robust fiber optic backbone. Central to the project's strategy is the commitment to sustainability—ensuring that the infrastructure developed not only meets current needs but also supports the long-term socio-economic development of the region.

Sustainability within the HOAGDP framework is defined by the ability to continue providing high-quality services to the citizens of Kenya over the long term. This focus on sustainability is reflected in five key areas: sustainability strategy and profile, environmental performance, social impact, economic viability, and governance. By embedding sustainability into every aspect of the project, the HOAGDP aims to create lasting value for communities, contribute to the preservation of the environment, and align with global best practices.

1. Sustainability strategy and profile

The HOAGDP's sustainability strategy is guided by a commitment to creating infrastructure that remains viable and beneficial for decades to come. The top management, including the accounting officer, has placed a strong emphasis on integrating sustainable practices into all stages of project implementation. This involves considering the long-term environmental, social, and economic impacts of the project and taking proactive steps to mitigate potential risks.

Key Points:

- **Sustainability Efforts:** The project has adopted a holistic approach to sustainability, considering not just the immediate impacts of construction but also the long-term operational sustainability of the infrastructure. This includes the use of durable materials, energy-efficient technologies, and designs that minimize environmental disruption.
- **Political and Macroeconomic Trends:** The project aligns with national development goals and is sensitive to macroeconomic factors such as inflation, currency fluctuations, and political stability, which can affect

project costs and timelines. By anticipating these challenges, the project has built in contingencies to ensure continuous progress.

- **International Best Practices:** The HOAGDP is benchmark-ed against international standards for sustainable infrastructure development. Lessons learned from similar projects globally have been incorporated into the project’s design and implementation phases, ensuring that the project meets high standards of sustainability and resilience.
- **Key Achievements and Challenges:** To date, significant progress has been made in laying the groundwork for sustainable infrastructure. However, challenges such as budget constraints, regulatory hurdles, and environmental concerns have required ongoing adjustments to the project plan.

2. Environmental performance

The HOAGDP is committed to minimizing its environmental footprint through a comprehensive environmental policy that guides all aspects of the project’s implementation. The policy emphasizes the protection of biodiversity, responsible waste management, and efforts to reduce the environmental impact of the project’s infrastructure.

Environmental Policy:

- The environmental policy of the HOAGDP is designed to ensure that all project activities are carried out in a manner that respects and preserves the natural environment. This policy is backed by a robust framework for monitoring and managing environmental impacts throughout the project lifecycle.
- **Key Successes:**
 - The project has successfully implemented measures to protect sensitive ecosystems along the corridor, including rerouting infrastructure to avoid critical habitats.
 - Efforts to manage construction waste have been effective, with a significant proportion of materials being recycled or reused.
 - The project has also taken steps to reduce its carbon footprint by incorporating energy-efficient technologies into the design of the infrastructure.

- **Shortcomings:**

Despite these efforts, some challenges remain, particularly in managing the environmental impacts of large-scale construction activities. There have been instances of habitat disruption and increased emissions, which the project team is actively working to address.

- **Biodiversity Management:**

- The project includes specific measures to protect and enhance biodiversity, such as the creation of buffer zones and the restoration of native vegetation in areas affected by construction.
- A biodiversity management plan is in place, outlining strategies for the conservation of flora and fauna in the project area.

- **Waste Management:**

- The project has a comprehensive waste management policy that prioritizes the reduction, reuse, and recycling of construction materials. This policy is implemented across all project sites, with regular audits to ensure compliance.
- Efforts to minimize the environmental impact of waste include the safe disposal of hazardous materials and the reduction of waste generated by project activities.

3. Employee welfare

The Authority remains committed to non-discrimination and ensuring we encourage diversity, disability and equity in the Workplace, as guided by the Human Resource Policy Manual. Additionally, our advertisements encourage people with disability to apply, with emphasis being on disability, women or marginalized communities. We also adhere to all requirements for registered staff with disabilities.

In improving skills and managing careers, appraisal and reward systems, In line with the Career Development policies of ICT Authority, we seek to enhance both the capacity and capability of our staff to bring the best out of them. To this end in the FY 2024/2025 the Authority has spent USD 200,000 in various learning and development initiatives. This is strengthened by an ongoing training needs analysis plan in place this financial year. The Authority conducted a staff engagement survey in December 2024 guiding on the key areas staff wanted focus on, which included compensation and benefits, work life balance and career progression. The Authority will, in FY 2025/2026 be supported in bringing on board the Balanced Scorecard, a comprehensive tool to enhance performance management.

Policy on safety and compliance with Occupational Safety and Health Act of 2007

ICT Authority remains committed in compliance measures along the OSHA Act of 2007. As part of an ongoing plan, we are conducting health and safety Audits in all regions. In June 2025, ICT Authority invited the Department of Occupational Health and Safety to

conduct a training for an OSHA Committee. The focus is on addressing gaps and ensuring full compliance along the OSHA Act. Notably, we have not had any workplace accidents or incidents.

4. Marketplace practices-

a) Responsible Supply chain and supplier relations-

On local community, the authority ensures that our work with the local community involves working and supporting local and national charities and encouraging volunteer work in community activities. The Authority will also ensure that we deal responsibly, openly and fairly with suppliers by ensuring that we use local suppliers as much as possible and that we will endeavour to pay them on time. The Authority will continue to forge public private partnership when undertaking the activities in order to ensure we make a significant positive difference in the society

b) Responsible ethical practices

The Authority has an Anti-Corruption Committee which meets and discusses any issue of corruption within the Organisation. There is hotline in place and a suggestion box to drop complaints/comments/complements.

c) Regulatory impact assessment

This is to Safeguard citizen and stakeholder's rights.

5. Community Engagements

The Authority trained its staff in as per their training needs.

5. Statement of Project Management Responsibilities

The Chief Executive Officer for ICT Authority and the Project Coordinator 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 the financial year ended on June 30, 2025.

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 (v) Making accounting estimates that are reasonable in the circumstances.

The Chief Executive Officer for ICT Authority and the Project Coordinator accept responsibility for the Project's financial statements, which have been prepared on the accrual basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Chief Executive Officer for ICT Authority and the Project Coordinator are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June 30, 2025, and of the Project's financial position as at that date. The Chief Executive Officer and the Project Coordinator further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control.

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

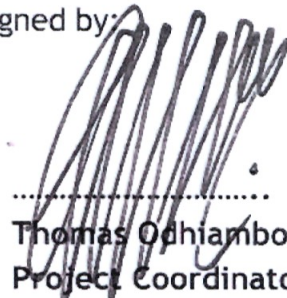
The Chief Executive Officer and the Project Coordinator confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which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

Approval of the Project Financial Statements

The Project financial statements were approved by the Chief Executive Officer and the Project Coordinator on August 26, 2025 and signed by:



.....
Zilpher Owiti, OGW
Ag. Chief Executive Officer



.....
Thomas Odhiambo
Project Coordinator

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 IDA CREDIT NO.6768-KE FOR THE YEAR ENDED 30 JUNE, 2025 – INFORMATION AND COMMUNICATIONS TECHNOLOGY AUTHORITY

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Horn of Africa Gateway Development Project IDA Credit No. 6768-KE - ICT Authority set out on pages 1 to 32,

Report of the Auditor-General on Horn of Africa Gateway Development Project IDA Credit No 6768-KE for the year ended 30 June, 2025 - Information and Communications Technology Authority

which comprise of the statement of financial position as at 30 June, 2025, statement of financial performance, statement of changes in net assets, statement of cashflow and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Horn of Africa Gateway Development Project (HOAGDP) IDA Credit No. 6768-KE - ICT Authority as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Financing Agreement, Credit No. 6768-KE dated 7 October, 2020 between International Development Association (IDA) and the Republic of Kenya and the Public Finance Management Act, 2012.

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 (HOAGDP) IDA Credit No. 6768-KE - ICT Authority 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

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final budget and actual on a comparable basis of Kshs.491,000,000 and Kshs.500,582,220 respectively, resulting to an over funding of Kshs.9,582,220 or 2% of the approved budget. Similarly, the Project spent an amount of Kshs.103,036,302 from actual receipts of Kshs.500,582,220 resulting to an under-utilization of Kshs.397,545,918 or 79% of the actual receipts.

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

2. Amount Withdrawn but not Claimed

Part B of the statement of special (designated) account for the Project reflects USD. 3,143,995.54 as amounts withdrawn and not claimed as at 30 June, 2025. This amount represents cumulative funds transferred to the local project account, but whose expenditure returns had not been submitted to The National Treasury by the close of the financial year.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Issues

In the audit report of the previous year, several issues were raised under the Report on Financial Statement, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance as listed in attached **Appendix I**. However, the issues remained unresolved as at 30 June, 2025.

Other Information

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

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

My opinion on the financial statements does not cover the Other Information and accordingly. I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Delay In Project Implementation

Physical verification to the Project site in September, 2025 revealed that the actual works of laying internet cables had not started. The Management attributed the delay to

incomplete construction of the road along which the cables are to be laid. The Project component of constructing the road is being implemented by Kenya National Highways Authority (KeNHA) which is responsible for executing the civil works under the Horn of Africa Gateway Development Project.

In the circumstances, the delayed implementation may result to the objectives of the Project not being achieved affecting service delivery to the public.

The audit was conducted in accordance with of ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and 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 controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by International Development Association (IDA) and the financing agreement, 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 agree with the accounting records and returns.

The Financing Agreement requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Project's compliance with laws and regulations. I believe that the audit

evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls 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 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 going concern basis of accounting unless Management is aware of the intention 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 comply 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 International Standards of Supreme Audit Institutions (ISSAIs). The standards require 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 ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I also I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

06 November, 2025

Appendix I: Unresolved Prior Year Issues

- 1 Budgetary Control and Performance
- 2 Single Sourcing of Training Consultants
- 3 Delayed Project Implementation

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

7. Statement of Financial Performance for the Year Ended 30th June 2025.

	Notes	FY 2024/2025 KShs
Revenue		
Revenue Transfers	6	489,327,288
Other Income	7	11,254,932
Total revenue		500,582,220
Expenses		
Use of goods and services	8	59,926,142
GOK Counterpart Expenses	9	43,110,160
Total expenses		103,036,302
Surplus/ (deficit)		397,545,918

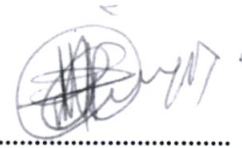
The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



.....
Zilpher Owiti, OGW
Ag. Chief Executive Officer



.....
Thomas Odhiambo
Project Coordinator



.....
Rev. Dr. Oliver Pyoko
Project Accountant
ICPAK M.No: 12558

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

8. Statement of Financial Position as at 30th June 2025

	Note	FY 2024/2025 KShs	1 st July 2024 KShs
Assets			
Current Assets			
Cash and Cash equivalents	10	452,994,726	54,211,099
Receivables	11	6,252,937	269,000
Total Current Assets		459,247,662	54,480,099
Non-Current Assets			
Property, Plant and Equipment		-	-
Total Non- Current Assets		-	-
Total Assets (a)		459,247,662	54,480,099
Liabilities			
Current Liabilities			
Trade and Other Payables	12	7,437,745	-
Total Current Liabilities		7,437,745	-
Total Liabilities (b)		7,437,745	-
Net Assets (a-b)		451,809,917	54,480,099
Represented By:			
Accumulated Surplus	13	451,809,917	54,480,099
Total Net Assets		451,809,917	54,480,099

The financial statements were approved on August 26, 2025 and signed by:



.....
Zilpher Owiti, OGW
Ag. Chief Executive Officer



.....
Thomas Odhiambo
Project Coordinator



.....
Rev. Dr. Oliver Pyoko
Project Accountant
ICPAK M.No: 12558

**The Information and Communication Technology Authority
Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30,
2025**

9. Statement of Changes in Net Assets

Description	Accumulated Surplus KShs
As at 30 th June 2024 (Cash Basis)	54,480,099
Adjustments:	
Prior year adjustment	(216,100)
As at 1 st July 2024	54,263,999
Surplus/(Deficit) for the year	397,545,918
As at 30 th June 2025	451,809,917

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

The financial statements were approved on August 26, 2025 and signed by:

.....
Zilpher Owiti, OGW
Ag. Chief Executive Officer

.....
Thomas Odhiambo
Project Coordinator

.....
Rev. Dr. Oliver Pyoko
Project Accountant
ICPAK M.No: 12558

*The Information and Communication Technology Authority
Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30,
2025*

10. Statement of Cashflow for the year ended 30th June 2025

Description	Note	FY 2024/2025 KShs
Cashflow from operating activities		
Receipts		
Revenue Transfers	6	489,327,288
Other Income	7	11,254,932
Total receipts		500,582,220
Payments		
Use of goods and services		59,926,142
GOK Counterpart Expenses		41,872,452
Total payments		101,798,594
Net cash flow from operating activities		398,783,626
Cashflow from investing activities		
Acquisition of non-financial assets		-
Proceeds from sale of Assets		-
Acquisition of Intangible assets		-
Net cash flows from investing activities		-
Cash flow from financing activities		-
Net cash flow from financing activities		-
Net increase/Decrease in cash and cash equivalents		398,783,626
Cash and cash equivalent at 1 st July 2024		54,211,099
Cash and cash equivalent at end June 2025	10	452,994,726

11. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025

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 %
	KShs	KShs	KShs	KShs	KShs	
Budget Carry Overs from previous periods						
Receipts						
GoK Counter Part funding	41,000,000	-	41,000,000	41,000,000	-	100%
Transfers from Development partners	450,000,000	-	450,000,000	448,327,288	1,672,712	100%
other income				11,254,932	(11,254,932)	
Total Revenue	491,000,000	-	491,000,000	500,582,220	(9,582,220)	102%
Payments						
Consultancy Services & Institutional Strengthening	441,698,757		441,698,757	53,235,589	388,463,168	12%
Bank charges	1,000,000		1,000,000	11,351	988,649	1%
Capacity Building/Training	7,301,243	-	7,301,243	6,679,202	622,041	91%
GoK Counter Part funding	41,000,000	-	41,000,000	43,110,160	(2,110,160)	105%
Total Payments	491,000,000	-	491,000,000	103,036,302	387,963,698	
Surplus	-	-	-	397,545,918	(397,545,918)	

Budget notes

1. Provide a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)

- Consultancy Services & Institutional Strengthening-the works are ongoing, contacts delayed due to design approvals

12. Notes to the Financial Statements

1. General Information

The information and communications Technology Authority was established by in August 2013 by merging the Government Information Technology Service (GITS), The Kenya ICT Board, and E-Government services in line with the Executive Order No.2 of 2013 on the Reorganization of Government, under Legal Notice No. 183 of 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya.

The Authority's principal activity is to rationalize and streamline the management of all Government of Kenya ICT functions. Its broad mandate entails enforcing ICT Standards in Government and enhancing the supervision of its electronic communication. The Authority also promotes ICT literacy, capacity, innovation and enterprise in line with the Kenya National ICT Masterplan 2017 and the Kenya National Digital Master Plan (2022-32).

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

These financial statements were authorized for issue by the accounting officer on 26 August 2025.

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

3. Adoption of New and Revised Standards

i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>The standard has no impact in the Authority.</i></p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>The standard has no impact in the Authority.</i></p>
IPSAS 45-Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure</p>

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Standard	Effective date and impact:
	assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <i>The standard has no impact in the Authority.</i>
IPSAS 46 Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <i>The standard has no impact in the Authority.</i>

ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025

Standard	Effective date and impact:
IPSAS 47- Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. <i>The standard has no impact in the Authority.</i>
IPSAS 48-	<i>Applicable 1st January 2026</i>

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Standard	Effective date and impact:
Transfer Expenses	<p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>The standard has no impact in the Authority.</i></p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>The standard has no impact in the Authority.</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p><i>The standard has no impact in the Authority.</i></p>

iii) Early adoption of standards

The Authority did not early - adopt any new or amended standards in the financial year.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on 22nd August 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. The Authority's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

Notes to the financial statements

Revenue from exchange transactions (continued)

Budget information(continued)

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 of these financial statements.

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Notes to the financial statements

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

f) Research and development costs

The Authority expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale.
- Its intention to complete and its ability to use or sell the asset.
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

Notes to the financial statements

g) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

Notes to the financial statements

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year-end.

Notes to the financial statements

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

h) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Authority

Notes to the financial statements

i) Provisions

Provisions are recognized when the Authority has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Authority expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

The Authority 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.

Contingent assets

The Authority 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 Authority 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.

j) Nature and purpose of reserves

The *Entity* creates and maintains reserves in terms of specific requirements. The Authority did not maintain any reserve in the year under review.

Notes to the financial statements

k) Changes in accounting policies and estimates

The Authority recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

l) Employee benefits

Retirement benefit plans

The Authority provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

n) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

Notes to the financial statements

o) Related parties

The Authority regards a related party as a person or an entity with the ability to exert control individually or jointly or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

p) Service concession arrangements

The Authority analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Entity recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise - any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Entity also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

q) 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.

r) 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, 2025.

Notes to the financial statements

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Authority's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the *Authority*
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Notes to the financial statements

6. Revenue Transfers

Description	FY 2024/2025 KShs
Unconditional Transfers	
GoK Counter Part funding	41,000,000
Transfers from Development partners	448,327,288
Total Unconditional Transfers (a)	489,327,288
Conditional Transfers	
Transfers from Development partners	0
Total Conditional Transfers (b)	0
Total Transfers for the Year (a + b)	489,327,288

The funds are for the project implementation

a) Details to Revenue Transfers

Name of The Entity Transferring	Amount recognized to Statement of Financial performance	Amount deferred under deferred income.	Amount moved to Capital fund	Total transfers (FY 2024/2025)
	KShs	KShs	KShs	KShs
GOK Funding	41,000,000	-	-	41,000,000
Development Partner 1	448,327,288	-	-	448,327,288
Subtotal	489,327,288	-	-	489,327,288
Deferred Income realized	-	-	-	-
Total	489,327,288	-	-	489,327,288

*Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025*

Notes to the financial statements

7. Other Income

Description	FY 2024/2025
	KShs
Interest Income-HOAGDP A/C	10,842,775
Interest Income-HOAGDP Counterpart A/C	412,157
Total Other Income	11,254,932

8. Use of Goods and Services

Description	FY 2024/2025
	KShs
Consultancy costs	50,859,557
Institutional Strengthening	2,387,383
Capacity Building/Training	6,679,202
Total	59,926,142

9. GoK Counterpart Expenses

Description	FY 2024/2025
	KShs
HOAGDP-Counterpart Domestic Travel Expenses	40,254,400
HOAGDP-Counterpart Conferences & Hospitality Expenses	2,331,900
HOAGDP-Counterpart General Operations	523,860
Total	43,110,160

10. Cash and Cash Equivalent

Description	FY 2024/2025	1 st July 2024
	KShs	KShs
Cash in Bank	452,994,726	54,211,099
Cash on hand	-	-
Total Cash and Cash Equivalents	452,994,726	54,211,099

Notes to the financial statements

Project Bank Accounts

Details	FY 2024/2025	1 st July 2024
	KShs	KShs
Local Currency Accounts		
KCB [A/C No. 1322543372]	434,285,069	34,161,017
KCB [A/C No. 1329049918]	18,709,657	20,050,082
Total bank account balances	452,994,726	54,211,099

11. Receivables

Description	FY 2024/2025	1 st July 2024
	KShs	KShs
Imprest & Advances	927,200	269,000
from PDTP & KDEAP& GOK	5,325,737	
Total Receivables	6,252,937	269,000

The receivables relate to unsurrendered Imprests and refund of funds.

Ageing analysis for Receivables

Description	FY 2024/2025		1 st July 2024	
	KShs		KShs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	6,252,937	100%	269,000	100%
Between 1- 2 years	-	0%	0	0%
Between 2-3 years	-	0%	0	0%
Over 3 years	-	0%	0	0%
Total (a+b)	6,252,937	100%	269,000	100%

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Notes to the financial statements

12. Trade and Other Payables

Description	FY 2024/2025		1 st July 2024	
	KShs		KShs	
Trade payables	2,371,544		0	
Refund to KDEAP/GOK Account	5,066,200			
Total trade and other payables	7,437,744		0	
Ageing analysis: (Trade and other payables)	FY 2024/2025	% of the Total	1st July 2024	% of the Total
Under one year	7,437,744	100%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (tie to above total)	7,437,744	100%	0	0%

13. Accumulated Surplus

Description	FY 2024/2025
	KShs
Bal B/f	54,480,099
Prior year adjustments	(216,100)
Surplus/ (deficit)	397,545,918
Total	451,809,917

13.A Prior year adjustments

Description	FY 2024/2025
	KShs
Bal B/f	-
Prior year adjustments	216,100
Total	216,100

Notes to the financial statements

14. Cash Generated from Operations

Description	FY 2024/2025
	KShs
Surplus/Deficit for the year	397,545,918
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Impairment	-
Prior year adjustments	(216,100)
Working capital adjustments	397,329,818
Increase in receivables	(5,983,937)
Increase in payables	7,437,744
Net cash flow from operating activities	398,783,626

15. Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as of 30th June 2025 are not included in the Statement of Financial Assets since the line items 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 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

Description	FY 2024/2025	1 st July 2024
	KShs	KShs
(i) HOAGDP-ICTA [A/c No.1000474823]		
Opening balance	4,541,158	4,329,492
Total amount deposited in the account	437,510	387,223
Total amount withdrawn	(3,122,664)	(175,557)
Closing balance (as per SDA bank account reconciliation attached)	1,856,004	4,541,158

(The Special Deposit Account reconciliation statement has been attached as Appendix 4 support these closing balance.)

Notes to the financial statements

16. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the Authority include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the Authority, holding 100% of the *Entity's* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Key management.
- v) Board of Directors.

Description	FY 2024/2025
	KShs
Transactions with related parties	
Grants /transfers from the government	
Grants from national government	41,000,000
Total	41,000,000

17. Events after the Reporting Period

There were no material adjusting and non-adjusting events after the reporting period.

18. Ultimate And Holding Entity

The Authority is a State Corporation under the Ministry of ICT & DE; State Department of ICT & DE

- . Its ultimate parent is the Government of Kenya.

Notes to the financial statements

19. Currency

The financial statements are presented in Kenya Shillings (KShs) rounded to the nearest KShs.

13. Annexes

Annex 1: 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)
<p>Emphasis of Matters</p> <p>Budgetary Control and Performance</p>	<p>The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.130,000,000 and Kshs.59,035,541 respectively, resulting to an under-fundraising of Kshs.70,964,459 Or 55% of the budget. However, the project spent a balance of Kshs.70,964,459 against actual receipts of Ksh.59,035,541, resulting to an under-utilization of Ksh.9,150,580 or 16% of the actual receipts.</p>	<p>The Project is implemented on the basis of reimbursement of actual expenditure incurred and paid for during the year. Due to the reasons already provided which occasioned an overall delay in implementation of the Project, it was not possible to absorb most of the provided budget. The initial approved budget of Ksh. 575 million was reduced during Supplementary Budget Estimates No. II to KShs 130 million by the National</p>	<p>Not Resolved</p>	<p>December 2025</p>

*Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025*

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)
		Treasury acting on our advise due to reduced absorption rates.		
<p>Report on Lawfulness and Effectiveness in Use of Public Resources</p> <p>1.Single Sourcing of Training Consultants.</p>	<p>Review of the tender process revealed that the project management engaged two (2) training consultants towards the end of the year under review at total cost of Kshs.9,798,562 through single sourcing. Further, Management did not report the direct procurement to public procurement to Public Procurement Regulatory Authority as required by regulations 90(1)(b) of the Public Procurement and Asset Disposal Regulations,2020 which require an accounting an accounting officer within fourteen (14) days after the notification of the award of the</p>	<p>The annual training plan for the Project was developed by obtaining the training needs and preferred training institutions from the staff of the Authority. The feedback from staff resulted in the majority selecting the two training institutions as the preferred trainers for the specific courses selected (the courses were largely similar due to the capacity requirements for purposes of the</p>	<p>Not Resolved</p>	<p>December 2025</p>

*Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	<p>contract report any direct procurement of a value exceeding five hundred thousand shillings to the authority in a format provided by the authority. In the circumstance, Management was in breach of the law and it was not possible to confirm if value of money was achieved from this process.</p>	<p>Project). Subsequently, the Training Committee approved the courses together with the preferred institutions before seeking a no-objection from the Bank. The Bank issued a no objection to the training plan with trainees, courses and training institutions being contained in the Plan submitted. This was considered sufficient by the Authority for purposes of carrying out the training programs since the project is implemented in compliance with the Procurement Regulations for</p>		

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

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)
		Investment Project Financing (IPF) Borrowers and other guidelines by the Bank		
2. Delayed Project Implementation	<p>A physical visit to the project site revealed that nothing much has been done as at 30th June 2024. The actual works of laying internet cables had not started. The management attributed the delay to incomplete constructions of the road along which the cables are to be laid. The project component of constructing the road is being implemented by Kenya National Highway Authority (KENHA). In the circumstances, management was in breach of the requirements of the project implementation manual and delayed implementation may result to the objective of the project not being achieved. The audit was conducted in accordance with ISSAIs 3000 and</p>	<p>It is true that the implementation of the Project is falling behind the planned schedule with the installation of the backbone Fibre Optic Cable (FOC) yet to be started.</p> <p>The Project is jointly implemented together with Kenya National Highways Authority (KeNHA) who are responsible for the construction of the road that has seen good progress. The ICT Authority has procured the</p>	Not Resolved	December 2025

*Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025*

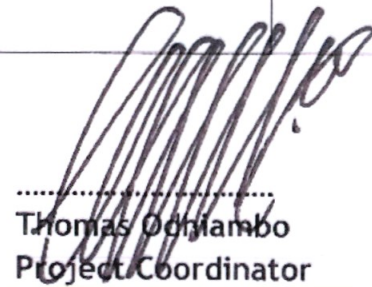
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>4000 .The standards require that I comply with ethical requirement and plan and perform the audit to obtain assurance whether the activities, financial transactions and information reflects in the financial statements comply, in all material respects ,with the authorities that govern them. I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my conclusion.</p>	<p>consultant responsible for the design and preparation of tender documents for the Fibre Optic Cable installation. It is expected that the procurement of the fibre installation works will commence within the next two months with possible on-boarding in the 3rd quarter of the financial year. Together with KeNHA, we are making every effort to ensure that the project implementation is fast-tracked.</p> <p>We are optimistic that the rollout of the FOC will be</p>		

Horn of Africa Gateway Development Project (HOAGDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

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)
		completed ahead of the Project completion date.		



.....
Zilpher Owiti, OGW
Ag. Chief Executive Officer



.....
Thomas Odhiambo
Project Coordinator

Annex 2: Reconciliation of inter-entity transfers

Project Name: Horn of Africa Gateway Development Project					
Break down of transfers from the State Department of ICT & Digital Economy					
a.	Government Counterpart funding	Bank Date	Statement	Amount (KShs)	Indicate the FY to which the amounts relate
			5/9/2025	10,250,000	FY 2024/2025
			5/8/2025	10,250,000	FY 2024/2025
			11/15/2024	20,500,000	FY 2024/2025
			Total	41,000,000	
b.	IDA	Bank Date	Statement	Amount (KShs)	Indicate the FY to which the amounts relate
			12/4/2024	223,327,288	
			9/18/2024	225,000,000	
			Total	448,327,288	
			Total (A+B+C)	489,327,288	

The above amounts have been communicated to and reconciled with the State Department of ICT & Digital Economy

Project Coordinator
ICT Authority

Sign.....

Head of Accounting Unit
Ministry of ICT & DE

Sign.....



Annex 3: Fixed Asset Register

Asset class	Historical Cost b/f (KShs) Previous Year	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out) during the year	Historical Cost c/f (KShs) Current Year
Transport equipment	39,298,360	-	-	-	39,298,360
Total	39,298,360	-	-	-	39,298,360

Annex 4: Other Support Documents

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations statement as at 30th June 2025
- iii. Board of Survey Report
- iv. Special Deposit Account reconciliation statement



REPUBLIC OF KENYA
MINISTRY OF INFORMATION, COMMUNICATIONS AND THE DIGITAL ECONOMY
STATE DEPARTMENT FOR ICT AND DIGITAL ECONOMY

Telephone: +254-020-4920000
If calling or telephoning as

Telposta Towers
P. O. Box 30025-00100
Nairobi-KENYA

When replying please quote
Ref. No MICTDE/SDICTDE/ACCT/ICTA/24/25-02


11th Aug 2025

Chief Executive Officer
ICT Authority
Telposta Towers 12th Floor
P.O Box 27150-00100
NAIROBI

RE: CONFIRMATION OF FUNDS DISBURSED TO SAGAS FOR FINANCIAL YEAR 2024-2025

The State Department for ICT and Digital Economy wishes to confirm the amounts disbursed to you as at 30th June, 2025 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table and sign and stamp the request in the space provided.

	Date Disbursed	Recurrent (Kshs) (A)	Development (Kshs) (B)	Inter-Ministerial (Kshs) (C)	Total (Kshs) D=(A+B+C)	Amount Received by ICT Authority as at 30 June, 2025 (Kshs) E	Differences (Kshs) F=D-E
FT24232MQRYM	19-Aug-24	9,666,667.00			9,666,667.00	9,666,667.00	—
FT2425020GRC	06-Sept-24	9,666,666.65			9,666,666.65	9,666,666.65	—
FT24262R[41]	18-Sept-24		225,000,000.00		225,000,000.00	225,000,000.00	—
FT24262NR85Z	18-Sept-24		412,240,056.75		412,240,056.75	412,240,056.75	—
FT24268YV2KL	24-Sept-24		71,005,000.00		71,005,000.00	71,005,000.00	—
FT242832PFIW	09-Oct-24	9,666,666.35			9,666,666.35	9,666,666.35	—
FT24311HDVBI	06-Nov-24	9,666,666.35			9,666,666.35	9,666,666.35	—
FT243205CNJN	15-Nov-24		20,500,000.00		20,500,000.00	20,500,000.00	—
FT24320XTYRL	15-Nov-24		82,000,000.00		82,000,000.00	82,000,000.00	—
FT24341FYVBZ	06-Dec-24	9,666,665.30			9,666,665.30	9,666,665.30	—
FT243391GRRS	04-Dec-24		223,327,288.05		223,327,288.05	223,327,288.05	—
FT25003D2441	03-Jan-25	9,666,667.30			9,666,667.30	9,666,667.30	—
FT250279XZOV	27-Jan-25		71,005,000.00		71,005,000.00	71,005,000.00	—

FT250270Y4YZ	27-Jan-25		82,000,000.00		82,000,000.00	82,000,000.00	7
FT25038MY49 C	07-Feb-25	9,666,666.65			9,666,666.65	9,666,666.65	2
FT25038SKYNL	07-Feb-25	128,000,000.00			128,000,000.00	128,000,000.00	1
FT25071Z49BK	12-Mar-25	128,000,000.00			128,000,000.00	128,000,000.00	1
FT25073BJKZ	14-Mar-25	9,666,666.65			9,666,666.65	9,666,666.65	1
FT250944MS8 K	04-Apr-25	9,666,666.65			9,666,666.65	9,666,666.65	1
FT2509489HV Z	04-Apr-25	128,000,000.00			128,000,000.00	128,000,000.00	1
FT25128KXG1	08-May-25	9,666,666.00			9,666,666.00	9,666,666.00	1
FT25128DGN7 2	08-May-25	42,666,666.70			42,666,666.70	42,666,666.70	1
FT25128ZTRV8	08-May-25		10,250,000.00		10,250,000.00	10,250,000.00	1
FT251288TB85	08-May-25		71,005,000.00		71,005,000.00	71,005,000.00	1
FT25129H2WR S	09-May-25		10,250,000.00		10,250,000.00	10,250,000.00	1
FT25129MSKOL	09-May-25		71,005,000.00		71,005,000.00	71,005,000.00	1
FT25162F4NN H	11-Jun-25	9,666,666.70			9,666,666.70	9,666,666.70	1
FT25162RYH86	11-Jun-25	42,666,666.70			42,666,666.70	42,666,666.70	1
FT251692NPDF	14-Jun-25		14,000,000.00		14,000,000.00	14,000,000.00	1
FT25182ZQWB Q	01-Jul-25	42,666,666.60			42,666,666.60	42,666,666.60	1
FT251820V49X	01-Jul-25	9,666,666.60			9,666,666.60	9,666,666.60	1
TOTAL		627,999,998.20	1,363,587,344.80	-	1,991,587,343.00	1,991,587,343.00	1
I confirm that the amounts shown above are correct as of the date indicated							
Head of Accounts Department							
Name: <u>Rev. Dr. Ppoko Oliver</u>							
Date: <u>21/8/2025</u> 							


HENRY MOBEGI
 FOR PRINCIPAL SECRETARY

CC: Director General Accounting Services and Quality Assurance
 National Treasury

Bank Reconciliation Report

Statement Number: 18

Bank Number: 100016
 Bank Name: KCB ICTA HOAGDP
 Reconciliation as at: 6/30/2025
 Bank Account Balance as per Cash Book: 434,285,068.80
 Balance on Bank Statement: 435,870,178.70
 Difference to be explained: 1,585,109.90
 Difference explained by uncredited and unrepresented cheques

UNPRESENTED CHEQUES

Posting Date	Document No	Description	Amount
30 Jun 2024	PV6009023A	Pay To: MULTI-COM TECHNOLOGIES BEING PAYMENT REQUEST FOR HOAGDP	(0.05)
30 Jun 2024	PV6009023A	Imprest issued to KUYIONI VERONICA SELEYIAN	(0.01)
30 Jun 2024	PV6009023A	Pay To: KENYA SCHOOL OF GOVERNMENT-MOMBASABEING PAYMENT REQUEST OF	(0.01)
30 Jun 2024	PV6009023A	Pay To: KENYA SCHOOL OF GOVERNMENT-MOMBASABEING PAYMENT REQUEST OF	(0.21)
30 Jun 2025	PV6009023A	Pay To: THE AFRICAN ADVANCED LEVEL TELECOMMUNICATIONS	(0.04)
30 Jun 2025	PV6009023A	Imprest issued to BRIAN KARIUKI WAMAITHA	(0.02)
30 Jun 2025	PV6009023A	Pay To: KENYA SCHOOL OF GOVERNMENT-MOMBASABEING PAYMENT REQUEST OF	(7,708.03)
30 Jun 2025	PV6009290	Pay To: Prof. Charles Nzioka BEING PAYMENT REQUEST OF CONSULTANCY FEES FOR	(665,000.00)
30 Jun 2025	PV6009325	Pay To: JOHN AMBUYABEING PAYMENT REQUEST FOR 2ND PAYMENT FOR HOAGDP	(1,102,950.00)
30 Jun 2025	PV6009354	Pay To: KENYA SCHOOL OF GOVERNMENT-EMBUBEING PAYMENT REQUEST OF	(163,103.45)
TOTAL			(1,585,109.90)

UNPRESENTED CHEQUES (CLEARED NEXT MONTH)

Posting Date	Document No	Description	Amount Entry
TOTAL			0.00
			GRAND TOTAL (1,585,109.90)

Prepared By

Ronic Momenzi
6/2/2025
[Signature]

Date

Signature

Checked By

Date

Signature

Approved By

Macharia Ojwang
7/7/25
[Signature]

Date

Signature

[Signature]

[Signature]

[Signature]

Bank Reconciliation Report

Statement Number: 11

Number 100019
Bank Name KCB ICTA HOAGDP COUNTERPART
Reconciliation as at: 6/30/2025
Bank Account Balance as per Cash Book 18,709,657.00
Balance on Bank Statement 18,808,757.00
Difference to be explained 99,100.00

Difference explained by uncredited and unrepresented cheques

6/27/2025 Imprest issued to VERONICA JEPKOSGEI NGELECHEI PV6009242

(99,100.00)

Prepared By

Eunice Momenji

Date

6/7/2025

Signature

[Signature]

Checked By

.

Signature

Approved By

Machno Onyigo

Date

7/7/25

Signature

[Signature]

[Signature]

[Signature]

[Signature]
05/08/2025

REPUBLIC OF KENYA

Date 5/8/2025

Report of the Board of Survey on the Cash and Bank Balances of ICT AUTHORITY as at the close of business on 30th June, 2025.

The Board, consisting of (Names and official titles)

KCB A/c 1322543372
ICTA HOAGDP A/c

NAME	DESIGNATION	
1. Phillip Musee	- PH RMO	- Chairman
2. Paul Mbatia	- P. Accountant	- Member
3. Imela June	- S. Accountant	- Member Secretary

assembled at the office of The
at(time) on the ,2025
and the following cash was produced: -

Notes	Sh. Nil.....
Silver	Sh. Nil
Copper	Sh. Nil
Cheques (as per details on reverse)	Sh. Nil.....

It was observed that cheques amounting to Sh. NIL had been on hand for more than 14 days prior to the date of the survey.

The cash consists of East African currency and does not contain any demonetized coin or notes.


The Cash Book reflected the following balances as at the close of business on the
.....30th June, 2025.


Cash on hand	Sh. NIL.....
Bank Balance	Sh. 434,285,068.80

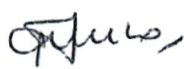
The Bank Certificate Balance showed a sum of Sh. 435,870,178.70
.....cts03.....(Sh.....cts.....)

Standing to the credit of the account on 30/06 N/A 2025

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O. 30) attached.

Chairman 

Secretary 

Member 

Date

GPk(L)

REPUBLIC OF KENYA

Date 5/8/2025

Report of the Board of Survey on the Cash and Bank Balances of ICTA AUTHORITY as at the close of business on 30th June, 2025.

The Board, consisting of (Names and official titles)

NAME	DESIGNATION	
1. PHILIP MUSEI	CHAIRMAN	Chairman
2. PAUL MBATHA	P. ACCOUNTANT	Member
		Member
4. IMELDA OJUNE	S. ACCT.	Secretary

KCB A/C 1329049918
ICFA HOAGDP (COUNTERPART X)

assembled at the office of The
at(time) on the ,2025
and the following cash was produced: -

Notes	Sh. Nil.....
Silver	Sh. Nil
Copper	Sh. Nil
Cheques (as per details on reverse)	Sh. Nil.....

It was observed that cheques amounting to Sh. NIL
had been on hand for more than 14 days prior to the date of the survey.

The cash consists of East African currency and does not contain any demonetized coin or notes.


The Cash Book reflected the following balances as at the close of business on the.....
.....30th June, 2025.


Cash on hand	Sh. NIL.....
Bank Balance	Sh. 18,709,657.00
	Sh.


The Bank Certificate Balance showed a sum of Sh. 18,808,757.00
.....cts03.....(Sh.....cts.....)

Standing to the credit of the account on 30.06 N/A....., 2024

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O. 30) attached.

Chairman 

Secretary 

Member 

Date

**HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT - ICTA
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2025**

Credit No.: IDA LOAN CREDIT NO.67680-KE (DA-B)

Bank Account No.: 1000474823 Held with CENTRAL BANK OF KENYA

		NOTES	AMOUNT EURO	AMOUNT EURO
1	Amount advanced by IDA			5,964,376.09
	Less:			
2	Total amount documented			964,376.09
3	Outstanding amount to be documented			5,000,000.00
	Represented by:			
4	Ending Special account Balance as as 30 June 2025			1,856,004.46
5	Amounts claimed but not credited as at 30 June 2025			
6	Amounts withdrawn and not claimed			3,143,995.54
7	Service Charges (if not included in lines 5 and 6 above)			-
8	Interest earned (if included in Special Account)			-
9	Total advance to Special Account Year ended 30 June 2025			5,000,000.00

Discrepancy between total appearing on line 3 and 9

-

Notes:

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

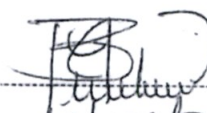
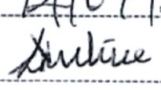
Signature

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: 05-08-2025

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SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2025	
Account No.	1000474823	
Depository Bank	CENTRAL BANK OF KENYA.	
Address	CENTRAL BANK OF KENYA.	
Related Loan	HOAGDP-ICTA	
Credit Agreement		
Currency	EUR	
Part A - Account Activity		
Beginning balance of 1st July, 2024 as per C.B.K. Ledger Account		4,541,158.38
Add:		
Total Amount deposited by World Bank		437,509.61
Total Interest earnings if deposited in account		
Total amount refunded to cover ineligible expenditure		
Deduct:		
Total amount withdrawn		3,122,663.53
Total service charges if not included above in amount withdrawn		
Ending balance on 30th June, 2025		1,856,004.46
AUTHORISED REPRESENTATIVE CENTRAL BANK OF KENYA	SIGNATURE:	
	DATE	4/07/2025
AUTHORISED REPRESENTATIVE EXTERNAL RESOURCES DEPARTMENT-TREASURY	SIGNATURE:	
	DATE	05-08-2025

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2025 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Run Date: 17/07/2025 Run Time: 12:13:41
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60009-0200
 NAIROBI
 STATEMENT PERIOD: From 01/07/2024 To

STATEMENT OF ACCOUNT PAGE NO: 1
 ACCOUNT NUMBER : 1000474823
 ACCOUNT TITLE : HO AGDP-ICTA
 30/06/2025

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE	
OPENING BAL :			4,541,158.38			
NO.	Value Date	Reference No	Details	Debit	Credit	Balance
1	23/08/2024	FT24236PMJMNI;1	PA131332	-3,000,000.00	0.00	1541158.38
2	10/09/2024	FT24254ZMS6Q;1	PA136418	-122,663.53	0.00	1418494.85
3	17/09/2024	FT24261RPGC3;1	PROJECT FUNDING	0.00	122,658.53	1541153.38
4	20/01/2025	FT25020GQX9P;1	FUNDING	0.00	158,241.51	1699394.89
5	08/04/2025	FT25098XFKDH;1	PROJECT FUNDING	0.00	84,150.27	1783545.16
6	29/05/2025	FT25149JH6G8;1	PROJECT FUNDING	0.00	72,459.30	1856004.46

CLOSING BALANCE : 1856004.46

END OF ACCOUNT STATEMENT

Favourites	TITLE STATEMENT OF ACCT FPRM	More Options	Print
Account	equals	▼ 1000474823	
Statement From	equals	▼ 20240701	
Statement To	equals	▼ 20250630	

TITLE STATEMENT OF ACCT FPRM

Loan: IDA 67680 (IDA - IDA Credit) | Status: Disbursing | Country: Kenya |

Project: P161305 - Horn of Africa Gateway Development Project

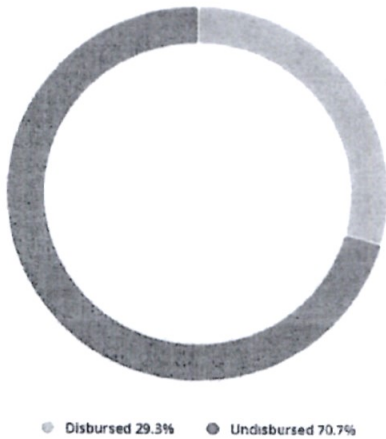
Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | Disbursements

Important Dates

Approval	Signing	Commitment Charges Start Date	Effective	First Repayment	Closing	Application Deadline	Last Repayment
08-Sep-2020	07-Oct-2020	06-Dec-2020	22-Dec-2020	01-Nov-2025	30-Jun-2028	31-Oct-2028	01-May-2050

Currency of Commitment : EUR

Show amounts in EUR



Loan Information (EUR)

Signed Amount	669,200,000.00
Cancelled	0.00
Disbursed	196,168,596.36
Undisbursed	473,031,403.64
Special Commitments	0.00
Funds Available	473,031,403.64

Funds Available (EUR)

Withdrawal Applications	246,870.69
Special Commitment Issuance Applications	0.00
Estimated Funds Available	472,784,532.95

Last Bill, IDA 67680, due on 01-May-2025

USD Equivalents

Borrower: The National Treasury and Planning

Original Approved Amount	750,000,000.00
Current Undisbursed	551,483,661.93
Historical Disbursed	215,984,343.02

Date Payable	Currency	Amount Payable
02-May-2025	EUR	1,013,076.20

196,168,596.36	1.21 %	0.00 %
Principal Outstanding	Total Charges	Net Commitment Fee
	Service Charge 1.21 %	Commitment Fee 0.50 %

business

<https://ebizprd.worldbank.org/secure/index.html#/ebiz/wfa/myportfol..>

Disbursed	196,168,596.36	Waiver	0.00 %	Waiver	0.00 %
Repaid	0.00	Interest Waiver Status	Ineligible		
Prepaid	0.00	Rate Reset Date	07-Oct-2020		
Regular Repaymen	0.00				

Reference Information

Lending Instrument :	IPF - Investment Project Financing		
Loan Type :	IDA - IDA Credit		
Borrower of Record :	The National Treasury and Planning		
Guarantor :	Kenya	Maturity Type :	IDA5_30
Loan Term :	30 Years	Maturity Profile :	STANDARD
Grace Period :	5 Years		

Loans with Inactive Advances

Replenishment applications are to be submitted in accordance with the instructions provided in the Disbursement Letter.

If the DA is inactive for six months, the Bank notifies the borrower that it will request a refund of the outstanding balance unless, within 90 days, the borrower submits satisfactory evidence of eligible expenditures financed through the DA.

To discuss other arrangements, including refund of funds deposited to the Designated Account, the borrower representative should contact the Finance Officer.

Loan: IDA 67680 (IDA - IDA Credit) | Status: Disbursing | Country: Kenya |

Project: P161305 - Horn of Africa Gateway Development Project

- Loan Overview
- Disbursements
- History
- Repayments
- Amortization Schedule
- Audit Submission
- Disbursemen
- Applications
- eSignatorie(s)
- Beneficiaries
- Contracts
- Designated/UN Accounts
- Category Schedule

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 08-Sep-2020	Loan Signing Date 07-Oct-2020	Loan Made Effective 22-Dec-2020	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan is Ready for Disbursing Online 29-Jul-2025
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 163 of 163 entries

Filter by DA-B ▼ Paid Summary ▼ Value Date

Search

Borrower Reference	Application					Paid					
	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated
ICTA-HOA-012	DA-B	Completed	EUR	72,464.30	3	EUR	72,464.30	21-May-2025	28-May-2025	Borrower	28-May-2025
ICTA-HOA-011	DA-B	Completed	EUR	84,155.27	3	EUR	84,155.27	01-Apr-2025	07-Apr-2025	Borrower	07-Apr-2025
ICTA-HOA-010	DA-B	Completed	EUR	158,246.51	3	EUR	158,246.51	14-Jan-2025	17-Jan-2025	Borrower	17-Jan-2025
ICTA-HOA-009	DA-B	Completed	EUR	122,663.53	3	EUR	122,663.53	10-Sep-2024	16-Sep-2024	Borrower	16-Sep-2024
ICTA-HOA-007	DA-B	Completed	EUR	175,556.85	3	EUR	175,556.85	11-Jun-2024	14-Jun-2024	Borrower	14-Jun-2024
ICTA-HOA-008	DA-B	Completed	EUR	73,945.35	3	EUR	73,945.35	11-Jun-2024	14-Jun-2024	Borrower	14-Jun-2024
ICTA-HOA-006	DA-B	Completed	EUR	137,736.14	3	EUR	137,736.14	09-Aug-2023	18-Aug-2023	Borrower	18-Aug-2023
ICTA-HOA-005	DA-B	Completed	EUR	24,821.14	3	EUR	24,821.14	01-Mar-2023	07-Mar-2023	Borrower	07-Mar-2023
ICTA-HOA-004	DA-B	Completed	EUR	84,625.40	3	EUR	84,625.40	03-Nov-2022	08-Nov-2022	Borrower	08-Nov-2022

Application						Paid					
ICTA-HOA-003	DA-B	Completed	EUR	11,342.35	3	EUR	11,342.35	15-Jun-2022	22-Jun-2022	Borrower	22-Jun-2022
ICTA-HOA-002	DA-B	Completed	EUR	18,819.25	3	EUR	18,819.25	20-Dec-2021	23-Dec-2021	Borrower	23-Dec-2021
ICTA-HOA-001AA	DA-B	Completed	EUR	5,000,000.00	DA-B	EUR	5,000,000.00	28-Apr-2021	11-May-2021	Borrower	11-May-2021

Loans with Inactive Advances

Replenishment applications are to be submitted in accordance with the instructions provided in the Disbursement Letter.

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Loan: IDA 67680 (IDA - IDA Credit) | Status: Disbursing | Country: Kenya |

Project: P161305 - Horn of Africa Gateway Development Project

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | Disbursemen

Applications | eSignatorie(s) | Beneficiaries | Contracts | Designated/JN Accounts | Category Schedule |

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 08-Sep-2020	Loan Signing Date 07-Oct-2020	Loan Made Effective 22-Dec-2020	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan is Ready for Disbursing Online 29-Jul-2025
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 0 of 163 entries

Filter by DA-B Documented Detail Value Date

Search

Borrower Reference	Application					Paid						
	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated	
ICTA-HOA-012	DA-B	Completed	EUR	72,464.30	3	EUR	72,464.30	21-May-2025	28-May-2025	Borrower	28-May-2025	
ICTA-HOA-011	DA-B	Completed	EUR	84,155.27	3	EUR	84,155.27	01-Apr-2025	07-Apr-2025	Borrower	07-Apr-2025	
ICTA-HOA-010	DA-B	Completed	EUR	158,246.51	3	EUR	158,246.51	14-Jan-2025	17-Jan-2025	Borrower	17-Jan-2025	
ICTA-HOA-009	DA-B	Completed	EUR	122,663.53	3	EUR	122,663.53	10-Sep-2024	16-Sep-2024	Borrower	16-Sep-2024	
ICTA-HOA-007	DA-B	Completed	EUR	175,556.85	3	EUR	175,556.85	11-Jun-2024	14-Jun-2024	Borrower	14-Jun-2024	
ICTA-HOA-008	DA-B	Completed	EUR	73,945.35	3	EUR	73,945.35	11-Jun-2024	14-Jun-2024	Borrower	14-Jun-2024	
ICTA-HOA-006	DA-B	Completed	EUR	137,736.14	3	EUR	137,736.14	09-Aug-2023	18-Aug-2023	Borrower	18-Aug-2023	
ICTA-HOA-005	DA-B	Completed	EUR	24,821.14	3	EUR	24,821.14	01-Mar-2023	07-Mar-2023	Borrower	07-Mar-2023	
ICTA-HOA-004	DA-B	Completed	EUR	84,625.40	3	EUR	84,625.40	03-Nov-2022	08-Nov-2022	Borrower	08-Nov-2022	

Application						Paid					
ICTA-HOA-003	DA-B	Completed	EUR	11,342.35	3	EUR	11,342.35	15-Jun-2022	22-Jun-2022	Borrower	22-Jun-2022
ICTA-HOA-002	DA-B	Completed	EUR	18,819.25	3	EUR	18,819.25	20-Dec-2021	23-Dec-2021	Borrower	23-Dec-2021
ICTA-HOA-001AA	DA-B	Completed by WB	EUR	5,000,000.00	DA-B		0.00	27-Apr-2021		Macline Onyiego	11-May-2021

Loans with Inactive Advances

Replenishment applications are to be submitted in accordance with the instructions provided in the Disbursement Letter.

If the DA is inactive for six months, the Bank notifies the borrower that it will request a refund of the outstanding balance unless, within 90 days, the borrower submits satisfactory evidence of eligible expenditures financed through the DA.

To discuss other arrangements, including refund of funds deposited to the Designated Account, the borrower representative should contact the Finance Officer.



Loan: IDA 67680 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P161305 - Horn of Africa Gateway Development Project

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- Category Schedule

Designated Account Detail- DA-B

Account Details

<p>Account Holder</p> <p>Account Holder's Bank</p>	<p>HORN OF AFRICA GATEWAY DEVELOPMENT</p> <p>CENTRAL BANK OF KENYA HAILE SELASSIE AVENUE NAIROBI Swift: CBKEKENXXX</p>	<p>DA Currency</p> <p>Current Authorized Allocation</p>	<p>EUR</p> <p>5,000,000.00</p>
<p>Account Number</p>	<p>XXXXXXXX23</p>	<p>Associated Categories</p>	<p>3 - (GDS,WKS,NC,TR CS prt A.2 ICTA) 7B - (UNALLOCATED prt A.2 ICTA)</p>
<p>Intermediary Bank</p>	<p>STANDARD CHARTERED BANK 1 BASINGHALL AVENUE LONDON Swift: SCBLGB2LXXX</p>	<p>Other Financing Sources</p>	

Transaction Details

Currency (EUR) View Transaction List

<p>Total Deposits Less Refunds</p> <p>Documented</p> <p>Outstanding Balance</p> <p>Waived Documentation Amount</p> <p>Transaction in Process</p>	<p>5,964,376.09</p> <p>964,376.09</p> <p>5,000,000.00</p> <p>0.00</p> <p>0.00</p>
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Loans with Inactive Advances

Replenishment applications are to be submitted in accordance with the instructions provided in the Disbursement Letter.

If the DA is inactive for six months, the Bank notifies the borrower that it will request a refund of the outstanding balance unless, within 90 days, the borrower submits satisfactory evidence of eligible expenditures financed through the DA.

To discuss other arrangements, including refund of funds deposited to the Designated Account, the borrower representative should contact the Finance Officer.

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**HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT - ICTA
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2024**

Credit No.: IDA LOAN CREDIT NO.67680-KE (DA-B)

Bank Account No.: 1000474823 Held with CENTRAL BANK OF KENYA

		NOTES	AMOUNT EURO	AMOUNT EURO
1	Amount advanced by IDA			5,526,846.48
	Less:			
2	Total amount documented			526,846.48
3	Outstanding amount to be documented			5,000,000.00
	Represented by:			
4	Ending Special account Balance as as 30 June 2024			4,541,158.38
5	Amounts claimed but not credited as at 30 June 2024			
6	Amounts witdraen and not claimed			458,841.62
7	Service Charges (if not included in lines 5 and 6 above)			-
8	Interest earned (if included in Special Account)			-
9	Total advance to Special Account Year ended 30 June 2024			5,000,000.00

Discrepancy between total appearing on line 3 and 9

-

Notes:

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

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: