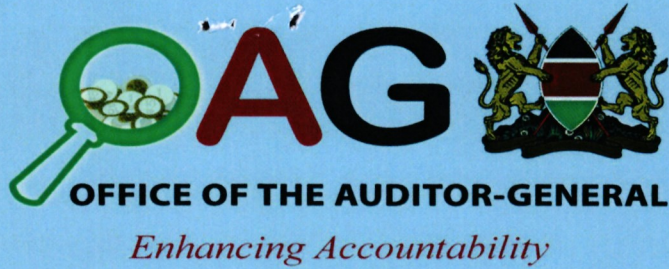
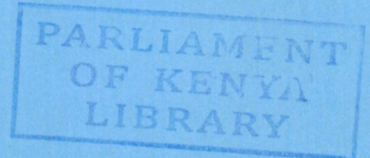


REPUBLIC OF KENYA



REPORT

OF



THE AUDITOR-GENERAL

ON

**AFRICA CENTER OF EXCELLENCE IN
SUSTAINABLE USE OF INSECTS AS FOOD AND
FEEDS PROJECT (IDA CREDIT NO.5798-KE)**

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

**JARAMOGI OGINGA ODINGA UNIVERSITY OF
SCIENCE AND TECHNOLOGY**



THE NATIONAL ASSEMBLY PAPERS L.A.T.D.	
DATE: 10 FEB 2022	DAY: Thurs
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CLERK AT THE TABLE: B. Inzumi	



**AFRICA CENTER OF EXCELLENCE
IN
SUSTAINABLE USE OF INSECTS AS FOOD AND FEEDS**

**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE
AND TECHNOLOGY**

PROJECT GRANT/CREDIT NUMBER: IDA CREDIT 5798-KE

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

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

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1.0 PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and Registered Office

Name: ACE II Project:

Africa Center of Excellence in Sustainable Use of Insects as Food and Feeds (INSEFOODS).

Objectives:

The specific project objectives are to: -

- i)** Build human resource and infrastructural capacity for research, training and technology development and transfer on insects as food and feed;
- ii)** Build sustainable local, regional and international partnerships and networks for research, development and training on insects as food and feed;
- iii)** Develop a biodiversity repository of insects for food and feed in the region; and
- iv)** Develop insect technology incubation and skills transfer hub for teaching and research.

Address:

The Project offices are located at Jaramogi Oginga Odinga University of Science and Technology, main campus,

Bondo. Bondo - Usenge Road
P.O Box 210-40601 Bondo, Kenya
Telephone: (254) 057-2058000/ 2501804
E-mail: drinsefoods@jooust.ac.ke

Contacts

Center Director
Telephone: (254) 057-2058000/ 2501804
E-mail: drinsefoods@jooust.ac.ke
Website: www.insefoods.jooust.ac.ke

1.2 Project Information

Project Start Date:	The Financing Agreement was signed on 4th July 2016 and the Subsidiary Grant (Performance Agreement) signed on 27 th October 2016. Date of Credit Effectiveness 1st February 2017
Project End Date:	The project end date is 31 st December 2023
Project Manager:	The Center Director: Prof. Darius Otiato Andika
Project Sponsor:	International Development Association (IDA)-World Bank

1.3 Project Overview

Line Ministry / State Department of the project	Ministry of Education / State Department for University Education
Project Number:	P151847
Strategic goals of the Project	<p>Key Strategic Objectives.</p> <ul style="list-style-type: none"> i) Build human resource and infrastructural capacity for research, training and technology development and transfer on insects as food and feed; ii) Build sustainable local, regional and international partnerships and networks for research, development and training on insects as food and feed; iii) Develop a biodiversity repository of insects for food and feed in the region; and iv) Develop insect technology incubation and skills transfer hub for teaching and research.
Achievement of strategic goals	<p>The project aims to achieve the goals through the following means:</p> <p>Component 1. Strengthening Education Capacity (Excellence) and Development impact</p> <p>Component 2. Strengthen Research Capacity Excellence</p> <p>Component 3. Attracting Regional Faculty and Students</p> <p>Component 4. Plan for National, Regional and International Academic Partnership and Collaborations</p> <p>Component 5. Plan for Management and Governance</p> <p>Component 6. Sustainability</p>
Other important background information of the project	<p>INSEFOODS is one of the 24 competitively selected centers at Universities in Eastern and Southern Africa under the World Bank's Eastern and Southern Africa Higher Education Centers of Excellence Project II (ACE II).</p> <p>The overall objective of INSEFOODS is to achieve long-term food and nutritional security by using insects as a cost effective, reliable and sustainable source of protein and other nutrients for food and feeds.</p> <p>To achieve this objective, INSEFOODS' strategy is to develop and offer high quality regional and internationally accredited masters, doctoral and short courses programs in food security and sustainable agriculture with insects for food and feeds as the entry point.</p>

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	<p>The educational programs will involve teaching, research, product development and commercialization, and student and staff exchanges in different disciplines related to insects as food and feeds across Africa.</p> <p>INSEFOODS is funded by the World Bank to the tune of US\$ 6 million over a five-year period 2017-2023. The Bank has disbursed cumulative of US\$ 2.1 million. The funds were credited into the JOOUST Bank Account at the Equity Bank, Bondo Branch, for the ACE II Project. The total amount received cumulatively in Kenya shillings was 307,845,102 (Three Hundred and Seven million, Eight Hundred and Forty Five Thousand One Hundred and Two).</p>
Current situation that the project was formed to intervene	<p>INSEFOODS was designed to:</p> <ul style="list-style-type: none">a) Strengthen Education Capacity Excellence through the number of Ph.D. and Masters students trained, and the number of students who participate in short term trainings;b) Strengthen Education Capacity & Development Impact through the number of student and staff internships with private sector, the number of sub-regional and internationally accredited education programs, the number of students employed by industry and by universities as faculty members, and the number of students who create/start their own businesses;c) Strengthen Research Capacity Excellence through the number of internationally peer reviewed research publications in disciplines supported by the INSEFOODS Program; the number of new research collaboration in the region; the number of students employed by research organizations; and the number of patents, invention disclosures, trademarks and copyrights emanating from the project's activities; andd) Strengthen Education and Research Capacity through increased financial sustainability and demonstration of value to students and partners through the amount of externally generated revenue by the INSEFOODS
Project duration	The project started on 1 st February 2017 and is expected to run until 31 st Dec 2023

1.4 Bankers
Equity Bank;
Bondo Branch
P.O Box 598-40601
Bondo, Kenya

1.5 Auditors
Office of the Auditor General,
Kenya National Audit Office,
Anniversary Towers, University way,
P.O Box 30084-00100
Nairobi, Kenya

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1.6 Roles and Responsibilities

Key person(s) working with the project.

Names	Title designation	Key qualification	Responsibilities
Prof. Stephen Agong'	Vice Chancellor	PhD in Horticulture and Food Security	Project Accounting Officer
Prof. Benson Estambale	Deputy Vice Chancellor, Research Innovation and Outreach	PhD, Medicine	Chair, Center Advisory Board for the Project
Prof. Joseph Bosire	Deputy Vice Chancellor, Academic Affairs	PhD Curriculum Studio	Member Center Advisory Board
Prof. Francis Ang'awa	Ag. Deputy Vice Chancellor, Planning, Administration and Finance	PhD Geography	Member Center Advisory Board
Prof. Arnold Watako	Dean School of Agricultural and Food Sciences	PhD Horticulture	Member Center Advisory Board
Prof. Darius Andika	Center Director	PhD Horticulture	Center Administration
Prof. Monica Ayieko	Deputy Director and Principal Investigator	PhD Consumer Sciences and Food Security	Center Technical activities
CPA Nancy Muchai	Chief Finance Officer	MBA Finance, B.Sc. Statistic, CPA (K), CSIA	In charge of internal Project Finances
Mr. Joram Ooro	Project Manager	MA Project Planning and Management	Coordinate Centre activities
CPA Nelly Ako	Deputy Chief Internal Auditor	MBA Accounting, BBM Accounting, CPA (K), CISA	In charge of Internal Project Auditing
Dickson Seda	Procurement Officer	MBA Procurement, BSc Procurement, CIPS	In charge of internal project Procurement

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1.7 Funding Summary

The project duration is 5 years (from 2017 to 2023) with an approved total budget of USD 6 Million equivalent of KShs. approx. 600 Million as highlighted in the table below:

Table A: Source of Funds

Source of funds	Donor commitment		Amount received to date		Undrawn amount to date	
	USD.	KShs.	30.06.2021		30.06.2021	
			USD.	KShs.	USD.	KShs.
Grant						
The World Bank	6,000,000	600,000,000	3,078,451	307,845,102	2,921,549	292,154,898
Sub Total	6,000,000	600,000,000	3,078,451	307,845,102	2,921,549	292,154,898
Other Grants						
DANIDA Fellowship Centre	16,096	1,609,594	16,096	1,609,594	-	-
Gottfried Wilhelm	6,258	625,818	6,258	625,818	-	-
Kobenhaven University	31,769	3,176,880	31,769	3,176,880	-	-
African Center Technology Studies	22,299	2,229,942	22,299	2,229,942	-	-
Goteborg University	6,159	615,904	6,159	615,904	-	-
National Research Fund- SA	41,767	4,176,708	41,767	4,176,708	-	-
University of Southampton	39,233	3,923,272	39,233	3,923,272	-	-
World Health Organization	60,317	6,031,665	60,317	6,031,665	-	-
National Research Funds	369,951	36,995,113	369,951	36,995,113	-	-
Sub Total	593,849	59,384,896	593,849	59,384,896	-	-
Total	6,593,849	659,384,896	3,672,300	367,229,998	2,921,549	292,154,898

Table B: Application of Funds

Application of Funds	Amount received to date		Cumulative Amount Paid to Date	Unutilized Balance to date	
	30.06.2021			30.06.2021	
	USD.	KShs.	KShs.	USD.	KShs.
Grant					
The World Bank	3,078,451	307,845,102	239,209,868	305,453,003	68,635,234
Sub Total	3,078,451	307,845,102	239,209,868	305,453,003	68,635,234
Other Grants					
DANIDA Fellowship Centre	16,096	1,609,594	1,609,594	-	-
Gottfried Wilhelm	6,258	625,818	625,818	-	-
Kobenhaven University	31,769	3,176,880	1,808,819	13,681	1,368,061
African Center Technology Studies	22,299	2,229,942	-	22,299	2,229,942
Goteborg University	6,159	615,904	-	6,159	615,904
National Research Fund- SA	41,767	4,176,708	-	41,767	4,176,708
University of Southampton	39,233	3,923,272	-	39,233	3,923,272
World Health Organization	60,317	6,031,665	-	60,317	6,031,665
National Research Funds	369,951	36,995,113	20,334,768	166,604	16,660,345
Miscellaneous Receipts	43,130	4,313,014	-	43,130	4,313,014
Sub Total	636,979	63,697,910	24,378,999	393,189	39,318,911
Total	3,715,430	371,543,012	263,588,867	305,846,192	107,954,145

1.8 Summary of Overall Project Performance

Budget performance

During the year the budget performance against actual amount stood at 69%

Physical Progress- Value for money achievements

1. Accomplished Project Activities

A). Admission of Students in the two accredited programmes MSc. And PhD. Food Security and Sustainable Agriculture as well as short course courses in Cricket rearing and value addition and Black soldier fly rearing and value addition.

i) MSc. Food Security and Sustainable Agriculture Cohort 1 October 2018 intake)

This group was enrolled in October 2018 and are currently conducting field research. The cohort one students are in different categories of research work, data collection, data analysis, thesis writing, exploring on publishing and submission of thesis.

The cohort 1 student representations are indicated in table 2 below: -

Table 2. Cohort 1 MSc. Food Security and Sustainable Agric. Student numbers

Country	Male	Female	Total
Kenya	16	8	24
Tanzania	1	0	1
Zambia	2	2	4
Rwanda	0	1	1
Total	19	11	30

ii) MSc Food Security and Sustainable Agriculture Cohort 2 (June 2019 intake)

This group was enrolled in June 2019 and have completed their course work. The cohort one students are in different categories of research work, data collection, data analysis, thesis writing, exploring on publishing and submission of thesis.

Table 3. Cohort 2 MSc. Food Security and Sustainable Agric. Student numbers

Country	Male	Female	Total
Kenya	10	8	18
Malawi	1	0	1
Zambia	1	2	3
Zimbabwe	1	1	2
Uganda	1		1
Botswana		1	1
Total	14	12	26

iii) MSc Food Security and Sustainable Agriculture Cohort 3 (June 2019 intake)

This group was enrolled in June 2019 and have completed their course work. The Center facilitated the regional students physically report on campus on 11th March 2021. Orientation was conducted from 18th to 23rd March 2021

- The Center facilitated processing of student pass for the regional students.

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- The Cohort 3 conducted learning through online platform and Center supported the students with data bundles.
- The Cohort 3 students completed their year 1 semester 1 examinations on 17th March.
- The learning throughout the semester was virtual and the center supported the students with data bundles.
- 32 MSc and 4 PhD students successfully completed the semester.
- The students eligible for support continue to get their stipend and bundles support to facilitate their online classes and engagements with their supervisors during this pandemic period.
- The Cohort 3 students completed their year 1 semester 2 examinations on 18th June.
- The Cohort presented their research concepts from 15 to 22nd April 2021.

Country	Kenya	Malawi	Zambia	Zimbabwe	Uganda	Tanzania	South Sudan	Rwanda	Total
Male	16	2	4	1	3	1	6	1	34
Female	11	1	1	2	2		2	1	20
Total	27	3	5	3	5	1	9	2	54

iv) PhD. Food Security and Sustainable Agriculture Students Enrollment (Cohort 1, 2 & 3)

Cohorts 1, 2 and 3 were enrolled in October 2018 and June 2019 and September 2020 respectively (**Table 4**). The cohort one and two students are in different categories of research work, data collection, data analysis, thesis writing, exploring on publishing and submission of thesis. The proposal presentations were approved and the students were advised to make necessary corrections and forward them to the University Ethics Review Committee for approval before data collection. Cohort 3 have defended their thesis.

Table 4. Both Cohorts PhD. Food Security and Sustainable Agric. Student numbers

S/no.	Programme	National Students		Regional Students		Total
		Male	Female	Male	Female	
1.	Cohort 1 PhD. FSSA	3	6	2	1	12
2.	Cohort 2 PhD. FSSA	4	2	1	2	9
3.	Cohort 3 PhD. FSSA	2	5	2	0	9

iv) Cohort Four admission for MSC and PhD Food Security and Sustainable Agriculture
a) Cohort 4 Admission and Virtual orientation

- 41 students were enrolled in Cohort 4 comprising of 32 in MSc and 9 in PhD of whom 34% regional students while 44% females.
- 14 students were enrolled from the region comprising of 9 students in MSc and 5 in PhD.
- Virtual orientation was conducted from 10th to 11th June and year 1semester 1 virtual learning commenced on 14th June 2021.

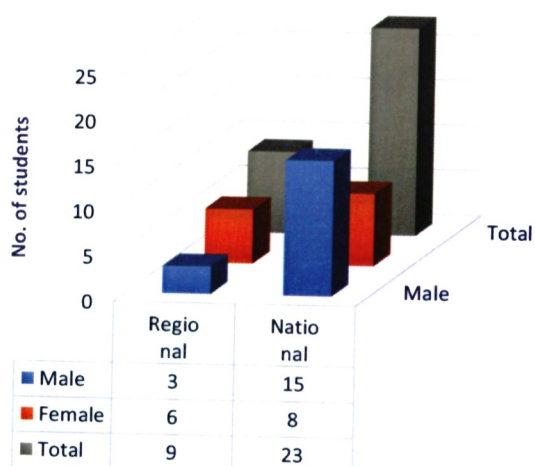
Table 1. Summary of enrollment of cohort 4 students by Country of origin

	Kenya	Tanzania	Uganda	Rwanda	S. Sudan	Zambia	Zimbabwe	Malawi	Nigeria	Total
Male	16	1	2	0	1	0	1	1	1	23
Female	11	0	1	1	1	2	0	0	2	18
Total	27	1	3	1	2	2	1	1	3	41

Table 2. Summary of Cohort 4 MSc intake as per region

	Program	Number of students
1. Regional Students enrolled (i) Masters (No. of Female)	Masters (Total No.)	9
	Masters (Female No.)	6
2. Students (national and regional) enrolled (i) Masters (No. of Female)	Masters (Total No.)	32
	Masters (Female No.)	14

MSc Cohort 4 enrolment



MSc ENROLMENT BY GENDER (%)

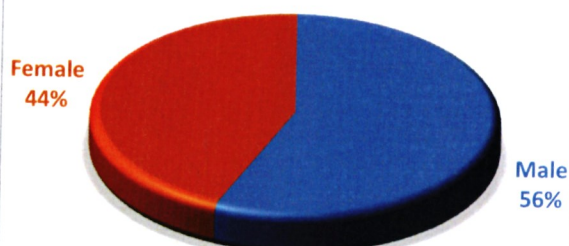


Table 3. MSc regional student's country of origin per program

Program	Regional Students Countries of origin
MSc	Tanzania, Nigeria, Zimbabwe, Zambia, Uganda, S. Sudan, Malawi

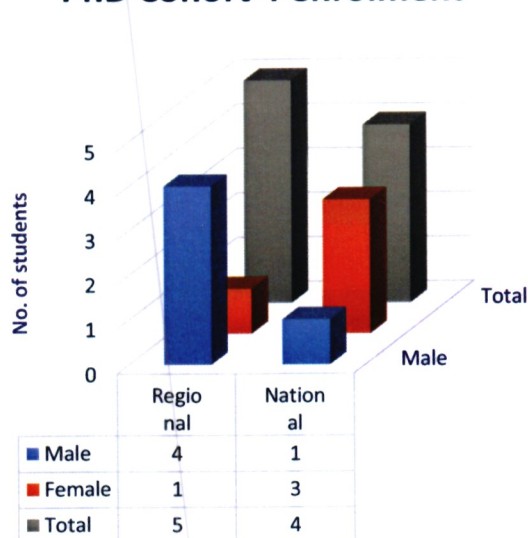
Cohort 4 Doctoral Students

The Center enrolled 9 PhD students for Cohort 4 who will commence online classes after training on use of the virtual platform by Center for e-learning.

Table 4. Summary of Cohort 4 PhD intake as per region

	Program	Number of students
1. Regional Students enrolled	PhD (Total No.)	5
(i) PhD (No. of female)	PhD (Female No.)	1
2. Students (national and regional) enrolled	PhD (Total No.)	9
(i) PhD (No. of female)	PhD (Female No.)	4

PhD Cohort 4 enrolment



PHD ENROLMENT BY GENDER (%)

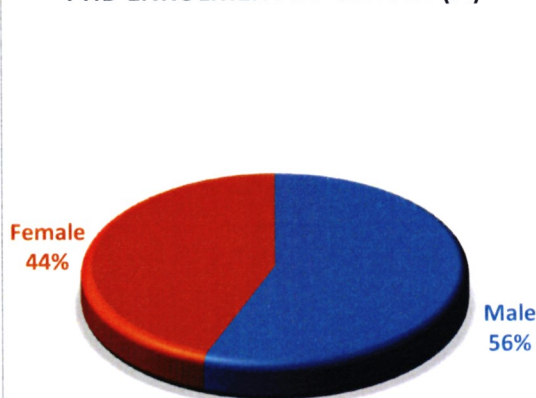


Table 5. Regional student's country of origin per program

Program	Regional Students Countries of origin
PhD	Nigeria, Rwanda, S. Sudan, Uganda

Short course courses Training in Cricket rearing and value addition and Black soldier fly rearing and value addition.

Training on Black soldier fly rearing and value addition was conducted from 25th March to 10 April 2021, targeting local and regional and national students at JKUAT. 24 beneficiaries trained from 9 countries of whom 5 were female.

30 Postgraduate students successfully completed black soldier fly short course training.

Training on Cricket and Black Soldier Flies rearing and value addition was conducted from 19th to 30th April, 2021 at Siaya Campus. 27 beneficiaries trained of whom 10 were female.

B. MoUs with Partner institutions

The Centre has signed MOUs and Partnership Agreements with the following institutions: National Museums of Kenya, Chinhoyi University (Zimbabwe), Masinde Muliro University of Science and Technology, Egerton University, Kyambogo University Uganda, Jomo Kenyatta University of Agricultural Technology, Makerere University, Uganda, Sigma Feeds Ltd., and MOU with ICIPE.

The Center with its partners regularly engage in;

- Strategic working groups for collaborative teaching and research;
- Faculty and student training workshops;
- Exchange visit programmes;
- Joint student supervision;
- Academic attachments
- collaborative setup of insect technology incubation hubs

C. Staff/ Student exchange program

The Center facilitated Fifty-One (51) faculty/students for exchange with other institutions. A total of 37 students undertook exchanges in different partner research institutions.

The exchanges majorly focused on laboratory analyses and equipment's sharing. Similarly, the Centre has identified supervisors from most of those partners' institutions who are part of the supervisory team for the students in the Centre.

A total of 14 Faculty exchanges were undertaken during the quarter in different intuitions. 1 Internationally, 3 regionally and 10 nationally.

Among the outputs from the exchange, activities are: -

- Taught part of the graduate seminar units
- Presentation on possible areas of joint research and student supervision
- Identified joint externally funded research opportunities and proposals
- Participated in learning, teaching and research activities including community engagement
- Drafting research article and collaborative publication with JOOUST researchers

D. Peer Reviewed Journals and Conference Presentations

A total number of 119 peer-reviewed publications have been published to date by faculty and students affiliated to the Center.

E. Programs accreditation

National Accredited Masters Programs

CUE visited on 17th to 18th March 2021 CUE and the following three programs were accreditation.

- MSc in Applied Insect Science
- MSc in Agricultural Extension
- MSc in Innovation and Sustainable Development
- MSc in Spatial Planning and Design

National Accredited PhD Programs

CUE visited on 17th to 18th March 2021 CUE and the following two programs were for accreditation.

- PhD in Applied Insect Science
- PhD in Agricultural Extension

PhD in Innovation and Sustainable Development granted conditional approval pending acquisition of relevant software.

International Accreditation

International accreditations redefined. The Center engaged two Universities to initiate partnership in order to achieve the DLR namely.

Chalmers University of Technology.

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- MSc in Food Security and Sustainable Agriculture
- PhD in Food Security and Sustainable Agriculture
- MSc in Innovation and Sustainable Development
- PhD in Innovation and Sustainable Development

College of Life Sciences Northwest A & F University;

- MSc in Food Security and Sustainable Agriculture
- PhD in Food Security and Sustainable Agriculture
- MSc in Innovation and Sustainable Development
- PhD in Innovation and Sustainable Development
- MSc in Agricultural Extension
- PhD in Agricultural Extension

G. Sustainability of the Center (External revenue generation)

The Center is involved in sustainability activities to ensure continuity beyond the project funding period. These include revenue generation as outlined below;

Revenue Analysis as at 30th June, 2021		
S/No	Revenue Line	Amount
1	Sale of goods and services	9,600
3	Other Receipts Not Classified Elsewhere	575,461
4	Other Tuition Fees Charges	353,910
5	Application fees	108,651
6	State department University	89,654,925
7	Research Grants	23,593,484
	Grand Total	114,296,031

F. Engagement in IUCEA activities.

The Center participated in Technical Advisory Meeting (TAM) virtual meeting organized by the IUCEA on June 7th -11th 2021, in which several issues were discussed including;

- Progress of ACE Centers
- Extension of project period to December 2023
- Progress on DLIs and DLRs

On 21st May 2021, the Center participated in the University-Industry partnership pilot matchmaking event organized by World Bank to facilitate commercialization of research products from the project.

G. Participation in PASET

On 10th March 2021, the Center Director attended the Introduction Session for the Pilot Partnership between Japanese Companies and ACE/PASET RSIF Universities organized by World Bank. The objective of the meeting was to initiate platform for ACE II Universities to collaborate with Japanese companies to promote up-scaling of technologies developed.

Virtual meeting was conducted on 16th March, 2021 to share information of submission of required data. All data and supporting documents to be sent by 30th April, 2021. The PASET focal persons met on 16th to 17th April to compile data which was resubmitted for verification by World Bank.

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The data was verified and the qualified and already submitted withdrawal application of the DLR 2.8 that has allocation of 10,000 USD.

H. Financial Audit and Procurement reports

The Centers Financial Management Review towards achieving Deliverable Linked Indicator Number 3.0 (one of World Bank’s deliverables) on timely, transparent and institutionally reviewed Financial Management for the period. Procurement audit was conducted by PPRA on 16th and 18th November 2020. The Center is awaiting final report for submission to World Bank for review of DLR 4.0 on timely and satisfactory procurement.

I. Council Capacity building workshop

The workshop was held from 24th February to 26th February 2021. Objective of the workshop was to build capacity of Council members on financial management, fiduciary practices and overall implementation of the JOOUST ACE II since they play key role in the project implementation. The workshop objective was enhanced Council members understanding of the ACE II project and hence the importance of their contribution.

J. National Steering Committee visit

On 26th May 2021, the Eastern and Southern Africa Higher Education Center of Excellence ACE II National Steering Committee (NSC) visited JOOUST. The objective of the visit was to undertake project review and appraise themselves on the status of the project implementation. The Principal Secretary State Department for University Education and Research led the team.

K. Social Safe guard

- The Center supported the Cohort 3 regional students physical reporting and settling down within the campus.
- The Center supported one of the expectant student from South Sudan to get pre- and post-natal care upon her reporting. She gave birth to a baby girl and the Center supported her through the process of registering the baby with the Embassy of South Sudan.
- The Center supported one of the regional student who lost the father to travel back to attend the burial through facilitating one-way flight.

L. ACE II Phase II funding

The three ACE II centers in Kenya lead by the Ministry of Education held a meeting from 14th to 17th June 2021 to develop the concept note for Phase II funding based on the treasury format.

Table 9. Timelines and next steps of the concept development

Step 1	Item	Responsible
14 th to 17 th June 2021	Development of ACE II Phase 2 Proposal Concept Note	Kenya ACE II centers and MoE
17 th to 23 rd June 2021	Center Director and the team to reviews to clean the document	Center Directors
23 rd June 2021	Submission of the reviewed documents to Director INSEFOODS for compilation	Center Directors, INSEFOODS

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25 th June 2021	Submission of the document to MOE through Mr. Paul	Center Directors, INSEFOODS
28 th June 2021	Sharing with National Steering Committee for input	National Coordinator, ACE II
Date to be determined	Organizing of stakeholders meeting to go through final document for ownership	NSC Chair

M. OTHER ACTIVITIES

- On 21st May 2021, the Center participated in the University-Industry partnership pilot matchmaking event organized by World Bank to facilitate commercialization of research products from the project.
- On 21st May, 2021, the INSEFOODS team met in preparation for the National Steering Committee visit to ensure success of the event.

Implementation Challenges

COVID -19 management guidelines have contributed to non-achievement of most of quarter three and four planned activities including short courses trainings, faculty and students' exchanges within the region, delayed students research work.

1.9 Summary of Project Compliance

There were no issues of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants.

2.0. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETRMINED OBJECTIVES

Introduction

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

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

- i. Build human resource and infrastructural capacity for research, training and technology development and transfer on insects as food and feed;
- ii. Build sustainable local, regional and international partnerships and networks for research, development and training on insects as food and feed;
- iii. Develop a biodiversity repository of insects for food and feed in the region; and
- iv. Develop insect technology incubation and skills transfer hub for teaching and research.

Achieved Metric

The Center is result based oriented based on Deliverable Linked Results and the performance of the DLR's are indicated in the table below:

Indicators	End Target	Achieved		Remarks	
		Self-reported	Verified		
PDO Indicators					
1. Regional students enrolled in ACEs: (i) Masters (No. of Female) (ii) PhD (No. of female)	Masters (Total No.)	17	51	31	Achieved
	Masters (Female No.)	7	24	14	Achieved
	PhD (Total No.)	10	13	5	Achieved
	PhD (Female No.)	3	4	3	Achieved
	Short-term courses (Total No.)	0	94	31	Achieved
	Short-term courses(Female)	0	40	14	Achieved
2. Students (national and regional) enrolled in the Center: (i) Masters (No. of female) (ii) PhD (No. of female)	Masters (Total No.)	60	143	87	Achieved
	Masters (Female No.)	24	58	35	Achieved
	PhD (Total No.)	20	41	14	Achieved
	PhD (Female No.)	8	22	13	Achieved
	Short-term courses (Total No.)	110	182	96	Achieved
	Short-term courses(Female)	22	83	34	Achieved

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3. MOUs on partnerships for collaboration in applied research and training entered into by the ACEs		5	10	5	Achieved
4. Accredited education programs offered by the Center	Total No.	14	9	2	Other programs are being developed to meet the target
	National (No.)	10	9	2	Other programs are being developed to meet the target
	Regional (No.)	2	0	0	Dropped
	International (No.)	2	0	0	Centre is engaging other internationally accredited institutions to help achieve the target
5. Direct Project Beneficiaries (of which female)	Total No.	117	496	82	Achieved
	Female	32	173	38	Achieved
Component 1 1. Faculty and PhD students exchanges to promote research and teaching (No. of female)	Total No.	37	88	30	Plans are underway for more exchanges
	Female	11	47	21	Plans are underway for more exchanges
2. Amount of externally generated revenue by the Center, USD		420,000	1,042,525	64,000	Target exceeded
3. Internationally recognized research publications in disciplines supported by the Center Programs and with regional coauthors	Total No.	75	119	30	Target exceeded
	No. co-authored with regional collaborators		35	22	Target exceeded
4. No. of institutions hosting the Center participating in the PASET benchmarking exercise (No.)		1	5	0	Target achieved
Component 2 1. Events that foster partnerships between the Center and private sector/industry (No.)		5	4	XX	There are plans to continue expanding the network with both private sector and industry Participated in all IUCEA organized events
Component 3 1. Knowledge sharing events with the Center, partner institutions, academia and diaspora (No.)		10	5	XX	Participated in IUCEA organized events
2. Reports by the Center on Beneficiary Satisfaction (No.)		4	2	27	
3. Timely verification of Center achievement of DLIs		10	8	XX	
4. Biannual reporting on M&E of the Center		10	8	XX	

3.0 CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

INSEFOODS exists to transform lives. The overall objective of INSEFOODS is to achieve long-term food and nutritional security by using insects as a cost effective, reliable and sustainable source of protein and other nutrients for food and feeds.

To achieve this objective, INSEFOODS' strategy is to develop and offer high quality regional and internationally accredited masters, doctoral and short courses programs in food security and sustainable agriculture with insects for food and feeds as the entry point. Below is a brief highlight of our activities that drive towards sustainability.

1. Sustainability strategy and profile

The center has developed sustainability strategy that relate to social, environmental, economic and ethical issues that define its relationships with society and continued existence in executing its mandate as defined from inception.

The sustainability strategy has considered several key factors including.

- i) Sustainability Assessment to identify current activities and potential gaps
- ii) Benchmarking against peers to identify areas of strength, weakness, opportunity, and risk
- iii) Stakeholder Engagement to hold a meaningful dialogue and receive feedback through workshops and interviews
- iv) Impact measurement to assess performance in social, environmental and economic areas
- v) Reporting and Engagement to communicate and explain progress to stakeholders

The center has therefore engaged in proposal development to promote continued availability of funds to support research in food security and postgraduate students.

The University has formed JOOUSTES Company to focus on commercialization of the research products developed from the INSEFOODS project. Patenting of the products developed has been given priority and currently JOOUSTER foods has been protected by KIPI and its production certified by KEBS for market production.

Involvement of strategic stakeholders from the industry has been given priority to facilitate marketing of developed research outputs and access to the consumers.

Therefore, the sustainability strategy focuses on;

- i) Innovation for growth to provide an additional revenue stream through meeting environmental or social needs.
- ii) Leadership in the market to future proof and build competitive advantage.
- iii) Risk and resilience for minimizing vulnerabilities and anticipating upcoming issues, such as new regulations.
- iv) Reputation and brand for stronger relationships with customers and an enhanced license to operate through better relationships with regulators, non-profits and other stakeholders.

2. Environmental performance

The Center has an approved Environmental and Social Monitoring Plan that clearly outlines the management of environmental related issues. The summary of the plan is indicated below for the year under review.

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Activity	Environmental Impact to be monitored (As in ESMP)	Monitoring/Performance Indicators (as in ESMP)	Status or Implementation Update.	Corrective Action Required.
Renovation of Laboratory at ACE-WM/Ethiopia	Air Quality deterioration	Air Quality: <ul style="list-style-type: none"> Presence of debris-chutes. Availability of dust management plan (manage all issues of dust generation). Availability of incinerators (no open air burning). 	The site has hoarding that encompasses the whole to mitigate against dust circulation to nearby facilities and Environmental, Health and safety plan to guide in facets of that nature	None
	Noise and vibration	Noise: <ul style="list-style-type: none"> Presence of construction schedules. Availability of noise management plan 	Activities limited to working hours between, 8am and 5pm with machinery properly greased and oiled to reduce friction and possible noise emission.	None
	Soil and water contamination	Water Quality: <ul style="list-style-type: none"> Presence of hay bales and/or silt fences. Availability of a Water resource protection plan. 	Use of existing wastewater treatment plant to manage its liquid waste	None
	Health and safety hazards.	Waste Management: <ul style="list-style-type: none"> Presence of records of waste disposal. Availability of a Waste Management Plan (WMP). 	The contractor uses solid management system in disposal of waste	None
Disposal of medical.	Health and safety hazards.	Infrastructure for medical waste management: <ul style="list-style-type: none"> Presence of incinerators. Availability special facilities for segregated waste. Availability of appropriate storage facilities for medical waste. 	Health Unit has tins for temporary storage and once they are full, they are transported to Usigu Sub-county hospital for incineration	None
Toxic Materials	Health and safety hazards.	Asbestos Management: <ul style="list-style-type: none"> Presence of sealed asbestos containers. Availability of the Asbestos Management Plan. 	We done have asbestos in our facility	None
	Health and safety hazards.	Toxic/hazardous waste management: <ul style="list-style-type: none"> Presence of labelled safe containers of hazardous waste. Availability of license/licensed waste handlers. 	Labelling done on tins concerning the nature of waste to be placed inside them. -No licenced handlers/collectors.	None

3. Employee Welfare

Jaramogi Oginga Odinga University Science Technology has a Criteria for Appointments and Promotions which is in tandem with the JOOUST Human Resource Policy and Procedures Manual. The University endeavors to carry out all appointments and promotions in line with the Article 27(8) of the Constitution of Kenya, 2010 on two-thirds gender rule. The University equally carries out Stakeholder engagement in order to listen to, collaborate with, or inform the existing stakeholders in the development of the JOOUST Criteria for Appointments and Promotions. There is an existing Staff Training Policy which provides guidelines on staff development matters. The University also has a performance management system that provides employees with a clear understanding of job expectations, regular feedback on performance, advice and steps for improving performance, rewards for good performance and sanctions for poor performance. The University has an Occupational Safety and Health Policy that complies with Occupational Health and Safety Act, 2007 and provides guidelines on prevention and protection of employees against occupational hazards.

Market place practices-

a) Responsible competition practice.

The Institution has ethics and integrity policy 2016 in place. The policy is a landmark in the commitment of JOOUST to prevent corruption within its boundaries and involving its stakeholders and enforces the University commitment to Zero Tolerance to Corruption. This process involved the development of the JOOUST Code of Ethical Principles and Conduct 2013 for University Staff; establishment of the Corruption Prevention Committee and appointment of its members; training of JOOUST staff and sensitization of new students on corruption prevention; installation of Anticorruption boxes in the University and its Learning Centers; carrying out a corruption prevention survey by external consultants (which revealed insignificant levels of corruption across the departments) and ensuring that all Schools, Directorates, Departments and all functional units within the University submit annual corruption prevention plans and corruption prevention reports at the end of each quarter.

b) Responsible Supply chain and supplier relations-

The Institution is having a service delivery charter in place that governs the relationship with the different stakeholders. It governs the duration and timelines within which the different suppliers should be paid. Additionally, the Financial policy also has a part on procurement highlighting that all procurements undertaken within the framework of the procurement policy are properly accounted for with respect to application of financial resources.

c) Responsible marketing and advertisement-

The Institution has a corporate communication policy that serves as an important aspect of our continued efforts to build and retain local and global trust in the University as a corporate brand. It provides guidelines for how communication should be conducted to ensure that it fits within the wider strategic interest of the University. As a SAGAs, nearly all the advertising and marketing are handled within the framework of the Government Advertising Agency.

d) Product stewardship

The institution has Customers complaint and Complements Handling Policy that is commitment to meeting the needs and expectation of all its customers and stakeholders as spelt out in its Customers

Service Delivery Charter and Strategic Plan. The University seeks to build and maintain its reputation as an institution delivering high quality university education and other services. The University is also committed to maintain its responsiveness to the needs and concerns of customers.

4. Community Engagements

JOOUST ACE II INSEFOODS priority is to contribute to food security and improve household nutritional quality in the targeted focus areas at both national and regional level. Priority is given to small scale farmers who suffer greatly the consequences of food insecurity. The project has therefore developed strategic mechanisms to achieve its goals of improving food security.

Two short courses on black soldier fly rearing and value addition and Cricket rearing and value addition have been developed. These courses are offered to the farmers to provide skills for rearing the two insects for feed for livestock and food. The farmers have been engaged at both national and regional level including Uganda and Zimbabwe. During the year under review, Training on Black soldier fly rearing and value addition was conducted from 25th March to 10 April 2021, targeting local and regional and national students at JKUAT. 24 beneficiaries trained from 9 countries of whom 5 were female. 30 Postgraduate students successfully completed black soldier fly short course training. Training on Cricket and Black Soldier Flies rearing, and value addition was conducted from 19th to 30th April, 2021 at Siaya Campus. 27 beneficiaries trained of whom 10 were female.

The University through open days has provided platforms for sharing with the community and obtain feedback for continued improvement on delivery on its mandate. The Open day is open to all stakeholders and the public.

The University organizes international scientific conferences after every two years to engage with the academic and public community to share the research outputs and identify new research agenda for potential benefits.

The University has established a staff and students exchange program that promote reskilling and sharing of ideas as well as equipment sharing. The exchange program has also provided platform for collaborative research proposal development for suitability.

4.0 STATEMENT OF PROJECT MANAGAMENT RESPONSIBILITES

The University Management and the Project Centre Coordinator for **Africa Centre of Excellence in Sustainable Use of Insects as Food and Feeds ACE II-INSEFOODS** are responsible for the preparation and presentation of the project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial period ended on June 30, 2021. 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 preparations and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Project; (v) selecting and applying appropriate accounting policies and (vi) making accounting estimates that are reasonable in the circumstances. The University Management and the Project Centre Coordinator for **Africa Centre of Excellence in Sustainable Use of Insects as Food and Feeds ACE II-INSEFOODS** accepts responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The University Management and the Project Centre Coordinator for **Africa Centre of Excellence in Sustainable Use of Insects as Food and Feeds ACE II-INSEFOODS** are of the opinion that the Project Financial statements give a true fair view of the state of Project's transactions during the financial period ended June 30, 2021, and of the Project's financial position as at that date. The University Management and the Project Centre Coordinator for **Africa Centre of Excellence in Sustainable Use of Insects as Food and Feeds ACE II-INSEFOODS** further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial controls.

The University Management and the Project Centre Coordinator for **Africa Centre of Excellence in Sustainable Use of Insects as Food and Feeds ACE II-INSEFOODS** 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 period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements.

The Project financial statements were approved by The University Management and the Project Centre Coordinator for **Africa Centre of Excellence in Sustainable Use of Insects as Food and Feeds ACE II-INSEFOODS** on 24th September 2021 and signed by them.



Prof. Stephen G. Agong'
Vice Chancellor



Prof. Darius O. Andika
Project Coordinator



CPA Nancy Muchai
Chief Finance Officer
ICPAK No. 7974

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REPORT OF THE AUDITOR-GENERAL ON AFRICA CENTER OF EXCELLENCE IN SUSTAINABLE USE OF INSECTS AS FOOD AND FEEDS PROJECT (IDA CREDIT NO. 5798-KE) FOR THE YEAR ENDED 30 JUNE, 2021- JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

PREAMBLE

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

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

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

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

Report of the Auditor-General on Africa Center of Excellence in Sustainable use of Insects as Food and Feeds Project (IDA Credit No.5798-KE) for the year ended 30 June, 2021- Jaramogi Oginga Odinga University of Science and Technology

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of of Africa Center of Excellence in Sustainable Use of Insects as Food and Feeds Project set out on pages 23 to 37, which comprise the statement of financial assets as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and statement of comparative budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Africa Center of Excellence in Sustainable Use of Insects as Food and Feeds Project as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Financing Agreement Credit No. IDA-5798-KE dated 4 July, 2016 between the International Development Association IDA and the Subsidiary Grant Agreement between Jaramogi Oginga Odinga University of Science and Technology and the Government of the Republic of Kenya dated 27 October, 2016 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 Africa Center of Excellence in Sustainable Use of Insects as Food and Feeds Project Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

During the year under review, the project had an approved budget of Kshs.140,745,572 and actual receipts of Kshs.205,306,488 to implement various

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activities. Out of the receipts, an amount of Kshs.97,352,344 or approximately 47% of the total receipts was expended resulting to under absorption of Kshs.107,954,144 or approximately 69% of the approved expenditure budget as shown below:

Expenditure Component	Final Budget (Kshs)	Actual Expenditure (Kshs)	Under Absorption (Kshs)	Under Absorption %
Compensation of Employees	13,192,972	12,294,537	898,435	7
Purchase of Goods and Services	70,506,308	63,831,743	6,674,565	9
Acquisition of Non-Financial Assets	57,046,292	21,226,064	35,820,228	63
Total	140,745,572	97,352,344	43,393,228	31

The Management attributed the under absorption to low enrolment of foreign students, late accreditation of courses due to COVID-19 restrictions which slowed down the activities of the Project, delayed procurement of equipment and delays in receipt of other foreign grants. The low absorption of funds clearly indicates some of the planned project activities were not implemented and this would lead to delayed project implementation. The Management indicated that the project shall be implemented as planned through a non-funded extension of the project of one year. However, no documentary evidence was provided in support of the request or approval for the extension.

Other Information

The Management are responsible for the other information, which comprises project information and overall performance, the statement of performance against project pre-determined objectives, statement of corporate social responsibility and the statement of management' responsibilities. The other information does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance or conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by International Development Association (IDA), 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 Project Management, so far as appears from the examination of those records; and,
- iii. The Project's financial statements are in agreement with the accounting records and returns.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards

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(Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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


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

conditions may cause the Project to cease to continue as a going concern or to sustain its services.

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 December, 2021

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6.0 STATEMENT OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 30 JUNE 2021.

	Note	2020-2021			2019-2020			Cumulative to-date (From inception) Kshs.
		Receipts and payments controlled by the entity	Payments made by third parties	Total	Receipts and payment controlled by the entity	Payments made by third parties	Total	
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
RECEIPTS								
Transfer from Government entities	1	89,654,925	-	89,654,925	65,800,311	-	65,800,311	307,845,102
Proceeds from domestic and foreign grants	2	23,593,484	-	23,593,484	33,556,000	-	33,556,000	59,384,896
Miscellaneous receipts	3	1,047,622	-	1,047,622	329,792	-	329,792	4,313,014
TOTAL RECEIPTS		114,296,031	-	114,296,031	99,686,103	-	99,686,103	371,543,012
PAYMENTS								
Compensation of employees	4	12,294,536	-	12,294,536	12,298,811	-	12,298,811	44,522,499
Purchase of goods and services	5	63,831,743	-	63,831,743	45,085,300	-	45,085,300	169,154,404
Acquisition of non-financial assets	6	21,226,064	-	21,226,064	7,407,131	-	7,407,131	49,911,964
TOTAL PAYMENTS		97,352,343	-	97,352,343	64,791,242	-	64,791,242	263,588,867
SURPLUS/(DEFICIT)		16,943,688	-	16,943,688	34,894,861	-	34,894,861	107,954,145

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



Prof. Stephen G. Agong
Vice Chancellor



Prof. Darius O. Andika
Project Coordinator



CPA Nancy Muchai
Chief Finance Officer
 ICPAK No. 7974

7.0. STATEMENT OF FINANCIAL ASSETS AS AT 30 JUNE 2021

	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and cash Equivalents			
Bank Balances	7	107,954,145	91,010,457
Total Cash and Cash Equivalents		107,954,145	91,010,457
TOTAL FINANCIAL ASSETS			
		107,954,145	91,010,457
REPRESENTED BY			
Fund balance b/fwd.	8	91,010,457	56,115,596
Surplus for the year		16,943,688	34,894,861
NET FINANCIAL POSITION			
		107,954,145	91,010,457

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on **24th September 2021** and signed by:

Prof. Stephen G. Agong'
Vice Chancellor

Prof. Darius O. Andika
Project Coordinator

CPA Nancy Muchai
Chief Finance Officer
ICPAK No. 7974

8.0. STATEMENT OF CASHFLOW FOR THE PERIOD 30 JUNE 2021.

	Note	2020-2021 KShs	2019-2020 KShs
Receipt for operation activities			
Transfer from Government entities	1	89,654,925	65,800,311
Proceeds from domestic and foreign grants	2	23,593,484	33,556,000
Miscellaneous receipts	3	1,047,622	329,792
		114,296,031	99,686,103
Payments for operating activities			
Compensation of employees	4	12,294,536	12,298,811
Purchase of goods and services	5	63,831,743	45,085,300
Change in students' debtors		-	-
		76,126,279	57,384,111
Net cash flow from operating activities		38,169,752	42,301,992
CASHFLOWS FROM INVESTING ACTIVITIES			
Acquisition of Assets	6	21,226,064	7,407,131
Net Cashflows from Investing Activities		21,226,064	7,407,131
NET INCREASE IN CASH AND CASH QUIVALENT			
Cash and cash equivalent at BEGINNING of the year		91,010,457	56,115,596
Cash and cash equivalent at END of the year		107,954,145	91,010,457

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on **24th September 2021** and signed by:

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AFRICA CENTER OF EXCELLENCE IN SUSTAINABLE USE OF INSECTS AS FOOD & FEEDS.
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9.0. STATEMENT OF COMPARATIVE BUDGET and ACTUAL AMOUNTS

Receipts / Payment Items	Original Budget	Adjustments	Final Budget	Actual	Budget Utilization	% of Utilization	
	a Kshs.	b Kshs.	c=a+b Kshs.	d Kshs.	e=c-d Kshs.	f=d/c% Kshs.	
Transfer from Government entities	116,152,088	-	116,152,088	180,665,382	(64,513,294)	156%	Note 1
Other Foreign Grants	-	23,593,484	23,593,484	23,593,484	-	100%	
Miscellaneous receipts	-	1,000,000	1,000,000	1,047,622	(47,622)	105%	
Total Receipts	116,152,088	24,593,484	140,745,572	205,306,488	(64,560,916)	146%	
Payments							
Compensation of employees	13,192,972	-	13,192,972	12,294,537	898,435	93%	
Purchase of goods and services	58,709,566	11,796,742	70,506,308	63,831,743	6,674,565	91%	
Acquisition of non-financial assets	44,249,550	12,796,742	57,046,292	21,226,064	35,820,228	37%	Note 2
Total Payments	116,152,088	24,593,484	140,745,572	97,352,344	43,393,228	69%	Note 3
Balance carried forward	-	-	-	107,954,144	-		

Prof. Stephen G. Agong'
Vice Chancellor

Prof. Darius O. Andika
Project Coordinator

CPA Nancy Muchai
Chief Finance Officer
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Notes to Statements of Budget vs Actual

1. The budget figure on transfers from foreign entities of KShs. 116,152,088 comprise of KShs. 91,010,457 brought forward and Kshs. 25,141,631 projections for the year while the actual figure of Kshs. 180,665,382 realized comprises of the sum of KShs. 91,010,457 brought forward from the previous year and KShs. 89,654,925 transfers during the year.
2. The budget performance was affected primarily by two issues.
 - a) **Low Enrolment of Foreign Students and late accreditation of courses**

The enrolment of foreign students was largely affected by Covid 19 pandemic. The foreign students who contribute to the absorption of the budget would not report as planned in the financial year under review. Similarly, late accreditation of academic courses was delayed as a result of the pandemic thus contributing further to low absorption of the budget. Following the improvement on local and foreign travel, the Centre has put in place mechanisms to overcome this setback.
 - b) **Procurement of Equipment.**

Factored in the budget were specialized equipment and learning materials for the INSEFOODS project. These items had to be procured in the year under review, but due to the Covid-19 (Coronavirus) pandemic and the measures put in place by the Government of Kenya to curb the spread of the pandemic, the procurement of these items was not done as planned. The funds for these equipment and learning materials have been set aside and factored into the annual work plan for the procurement process to be concluded as originally intended as soon as the situation normalizes. As at the close of the financial year under review, the non-procurement of the said items contributed to the under absorption of the budget to the tune of Kshs. 17,812,464 (contracts attached). Most of the equipment were to be sourced overseas and the process is now underway with contracts already entered.
 - c) **Mitigating Measures**

The following initiative have been put in place by Management as mitigating measures to enable the project achieve its objectives.

 - Online Teaching / Thesis Defense & Presentation.
 - Accreditation of Courses
 - Procurement of Equipment
 - Management Commitments
 - Sustainability
3. The low absorption of funds was as a result of late procurement due to Covid-19 pandemic interruptions. This also led to changes in the academic calendar necessitated by the government travel restrictions that affected the regional students physical reporting.

10.0. SIGNIFICANT ACCOUNTING POLICIES.

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

10.1. Basis of Preparation

These financial statements have been prepared in accordance with the Cash Basis of Accounting method under the International Public Sector Accounting Standards (IPSAS)

10.2. Statement of compliance and basis of preparation

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

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted will be consistently applied to all the years presented.

10.3. Reporting entity

The financial statements are for the Africa Center of Excellence in Sustainable use of Insects as Food and Feeds under the State Department for University Education under the Ministry of Higher Education, National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012.

10.3.1. Reporting currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Project and all values are rounded to the nearest Kenya Shilling.

10.4 Significant Accounting Policies

a) Recognition of receipts

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

i. Transfers from the Exchequer

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

ii. External Assistance

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

iii. Other Receipts

Other receipts from the various miscellaneous sources are recognized and recorded in accordance with the provisions of the PFM Act and enabling legislations

b) Donations and grants

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

c) Undrawn external assistance

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

d) Other receipts

These include other incomes and relate to receipts such as proceeds from application for admission fees, tuition fees paid by students under the project, grants as a result of proposal writing e.tc that are admissible under the project. These are recognized in the financial statements the time associated cash is received.

e) Recognition of payments

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

i. Compensation of employees

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

ii. Use of goods and services

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. If not paid for during the period where goods/services are consumed, they shall be disclosed as pending bills.

iii. Acquisition of fixed assets

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

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation where needed.

f) In-kind donations

In-kind contributions are donations that are made to the Project in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Project includes such value in the statement of receipts and

payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

For the purposes of these financial statements, cash and cash equivalents also include Bank account balances, short term cash imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year where applicable.

Restriction on cash

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

h) Accounts receivable

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

i) Contingent Liabilities

As at 30 June 2021, there were no events or transactions, real or probable, that was in the knowledge of the project that could result into a future contingent liability.

j) Contingent Assets

As at 30 June 2021, there were no events or transactions, real or probable that was in the knowledge of the project that could result into a future contingent Asset.

k) Budget

The budget is developed on a comparable accounting basis (cash basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year.

l) Third party payments

Included in the receipts and payments, are payments made on its behalf by third parties (Jaramogi Oginga Odinga University (JOOUST)). These payments are reimbursed on a quarterly basis.

m) Exchange rate differences

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

n) Comparative figures

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

o) Subsequent events

There has been an upsurge of COVID 19 during the financial year/period end that significantly impacted on the financial statements for the year ended June 30, 2021.

p) Errors

There were no material prior period errors that necessitated restatement of the opening balances or prior period reports.

11.0. NOTES TO THE FINANCIAL STATEMENTS.

1. Receipts from Government of Kenya

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

	2020-2021 Kshs.	2019-2020 Kshs	Cumulative to-date (From Inception) Kshs.
Counterpart funding through MOEST			
State Department University		-	111,595,000
State Department University	-	8,853,990	48,333,215
State Department University	-	18,316,327	19,631,968
State Department University		38,629,994	38,629,994
State Department University	89,654,925	-	89,654,925
Total	89,654,925	65,800,311	307,845,103

2 Proceeds from Domestic and Foreign Grants

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

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Grants received in kind	Total amount in KShs	
						2020/21	2019/20
			KShs	KShs	KShs	KShs	KShs
Grants Received from Multilateral Donors (International Organizations)							
Kobenhaven University	15.07.2020	31,769	3,176,880	-	-	3,176,880	-
African Center Technology Studies	28.06.2021	22,299	2,229,942	-	-	2,229,942	-
Goteborg University	28.06.2021	6,159	615,904	-	-	615,904	-
National Research Foundation - South Africa	28.06.2021	41,767	4,176,708	-	-	4,176,708	-
University of Southampton	28.06.2021	39,233	3,923,272	-	-	3,923,272	-
World Health Organization	30.06.2021	33,078	3,307,815	-	-	3,307,815	-
World Health Organization	30.06.2021	27,239	2,723,850	-	-	2,723,850	-

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Grants Received from Local Individuals and organizations.							
National Research Fund	03.12.2019						33,556,000
Jooost (University Research)	30.06.2021	34,391	3,439,113	-	-	2,723,850	-
Total		235,935	23,593,484	-	-	23,593,484	33,556,000

3 Miscellaneous Receipts

	2020/21			2019/2020	Cumulative to- date (from inception)
	Receipts controlled by the entity in Cash	Receipts controlled by third parties	Total Receipts	Total Receipts	
	Kshs	Kshs	Kshs	Kshs	Kshs
Sale of goods and services	9,600	-	9,600	13,500	45,950
Receipts from Administrative Fees and Charges	-	-	-	-	2,154,603
Other Receipts Not Classified Elsewhere	575,461	-	575,461	100,305	935,116
Other Tuition Fees Charges	353,910	-	353,910	44,000	646,105
Application fees	108,651	-	108,651	171,987	531,240
Total	1,047,622	-	1,047,622	329,792	4,313,014

These represent finances generated internally in the normal course of operations

4 Compensation of Employees Cost

	2020/2021			2019/2020	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	KShs
Basic salaries of permanent employees	11,815,962	-	11,815,962	11,494,374	42,424,248
Basic wages of temporary employees	436,575	-	436,575	772,038	1,993,451
Compulsory national social security schemes	42,000	-	42,000	32,400	104,800
Total	12,294,537	-	12,294,537	12,298,812	44,522,499

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Purchase of Goods and Services

	2020/2021			2019/2020	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	
Utilities, supplies and services	483,465	-	483,465	391,452	986,969
Domestic travel and DSA	11,352,384	-	11,352,384	6,441,941	34,115,066
Foreign travel and subsistence	5,860,549	-	5,860,549	2,848,517	20,822,931
Printing, advertising & information supplies	1,009,844	-	1,009,844	1,093,634	2,363,804
Training expenses	2,730,462	-	2,730,462	3,465,354	11,647,198
Exhibition Expenses	190,142	-	190,142	253,400	1,963,700
Finance Cost	49,243	-	49,243	37,728	149,662
Specialized materials and services	4,467,239	-	4,467,239	2,091,837	10,698,694
Field Trips	416,200	-	416,200	836,400	2,222,010
Other operating expenses	588,708	-	588,708	1,857,681	4,111,997
Research Expenses	3,462,438	-	3,462,438	-	4,005,738
Student Stipend	11,152,500	-	11,152,500	10,059,000	25,217,500
Routine maintenance –assets	1,772,427	-	1,772,427	2,013,216	7,052,853
Tuition fees	14,837,000	-	14,837,000	10,751,600	35,393,600
Research Funds Expenses	4,259,141	-	4,259,141	44,700	4,303,841
Internet Expenses	1,200,000	-	1,200,000	2,898,840	4,098,840
Total	63,831,742	-	63,831,742	45,085,300	169,154,403

6 Acquisition of Non-Financial Assets

	2020/21			2019/20	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	
Purchase of Motor Vehicles	-	-	-	-	4,995,000
Purchase of Computers	98,000	-	98,000	860,000	5,301,905
Purchase of Equipment	17,467,564	-	17,467,564	1,090,000	26,956,012
Purchase of Furniture	330,000	-	330,000	2,993,200	5,060,670
Inventories	330,500	-	330,500	1,207,030	3,398,339
Purchase of Textbooks	-	-	-	1,256,901	1,256,901
Purchase of Software	3,000,000	-	3,000,000	-	3,000,000
Total	21,226,064	-	21,226,064	7,407,131	49,968,827

7 Cash & Cash Equivalents

Project Bank Accounts	2020-2021	2019-2020
Local Currency Account	Kshs	Kshs
Equity Bank Account No. 0750271748376	107,954,145	91,010,457
	107,954,145	91,010,457

8 Funds Balance brought forward

	2020-2021	2019-2020
	Kshs	Kshs
Bank accounts	107,954,145	91,010,457
Total	107,954,145	91,010,457

9 Pending Bills

The project did not have any pending bills as at 30 June 2021.

12.0. OTHER IMPORTANT DISCLOSURES.

12.1. Government Counterpart funding.

According to financing agreement, the Counterpart contribution of up to 5% of the credit amount. The amount is used by the National Steering Committee (NSC) for oversight purposes of the project. This amount is reported on the Ministry financial statements as it involves all the three ACE's in the country.

12.2. Eligible Expenditure Programme (EEP).

In 2020-2021 financial year, the University spent Kshs. 12,294,537. On employee costs.

13.0. PROGRESS ON FOLLOW UP OF PRIOR YEAR'S AUDITOR'S RECOMMENDATION.

This is the third year of the operations of the project. The Project did not have any issues for auditor's attention from the previous audit.

Prof. Stephen G. Agong'
Vice Chancellor

Prof. Darius O. Andika
Project Coordinator

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14.0. ANNEXTURES

ANNEXT 1.0. AFRICA CENTRE OF EXCELLENCE DISBURSEMENT LINKED RESULTS

Category	Total Amount (USD)	Overall Target (Results)	Cumulative Results verified as at June 30,2020	Verified Amount as at 30.06.2021 USD	Amount applied as at 12.07.2021
DLR# 1.1 Completion of Effectiveness Conditions	600,000	Set up institutional framework for commencement of INSEFOODS		600,000	
DLR# 1.2 Development of the Project Implementation Plan	500,000	Develop Project Implementation Plan and Budgets		500,000	
DLR #2.2: Newly enrolled students in the ACE of which at least 20% must be regional (African) students.	1,500,000	Short Course National Male	8	753,302	563,400
DLR#2.3: Accreditation of quality of education programs.	600,000	<input type="checkbox"/> 14 National Accredited Programs <input type="checkbox"/> 2 Regionally Accredited and programs <input type="checkbox"/> 2 Internationally Accredited Programs	2 Nationally Accredited Programs	150,000	
DLR#2.4: Partnerships for collaboration in applied research and training.	200,000	Establish 17 partnerships for collaboration in applied research and training	Six (6) Partnerships submitted for verification and only one (1) verified	190,000	0

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DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with national, regional or international co-authors.	500,000	Publish 75 journal papers or peer reviewed conference papers collaboratively with national, regional and international co-authors	Seven (7) Journal papers and peer reviewed conference papers verified	500,000	200,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching collaborations	500,000	26 Faculty Members and PhD students participate in exchange program to promote regional research and teaching	Eight (8) Faculty members and students have participated in exchange program	48,000	38,000
DLR#2.7: External revenue generation	900,000	420,000 USD of externally generated revenue deposited into the Center Account	USD 16,095 externally generated funds from outside the country	417,005	353,005
DLR#2.8: Institution participating in benchmarking exercise	100,000	Participate in PASET benchmarking activities	Nil	Nil	
DLR#3.1: Timely Withdrawal applications supported by interim unaudited financial reports for each ACE	75,000	Submit timely a total of Five (5) withdrawal applications complete with the required information regarding each of the results achieved and the required information regarding the Eligible Expenditure Program	One (1)	30,000	15,000
DLR#3.2: Functioning audit committee under each Eastern and Southern African Higher Education Institutions.	75,000	A functional audit committee is in place which meets on a quarterly basis. The audit committee was discusses internal audit issues related to ACE Project	3 financial years of functional audit committee reports verified	45,000	15,000

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DLR#3.3: Functioning internal audit unit for each Eastern and Southern African Higher Education Institution	75,000	A functional internal audit unit is in place which meets on a quarterly basis. The audit committee was discusses internal audit issues related to ACE Project	3 financial years of functional internal audit unit reports verified	45,000	15,000
DLR#3.4: Transparency of financial management (audit reports, interim unaudited financial reports, budgets and Annual Work Programs are all web accessible)	75,000	A link to the Center's website where the following project reports are publicly available: <ul style="list-style-type: none"> All external audit reports for the project, all interim financial reports, the past year's and the current budget, as well as the current annual work-plan. The trail of webpages (breadcrumb trail) from the institutional home page to the page with the above reports 	Information for 3 financial Years is present on the website	45,000	15,000
DLR# 4.1 Timely procurement audit report for each ACE	150,000	Conduct Annual procurement audit during the project lifetime	1 Procurement Audit conducted with report available	30,000	0
DLR#4.2: Timely and satisfactory procurement progress report for each ACE	150,000	Avail satisfactory procurement progress report annual	1 Satisfactory procurement progress report availed	30,000	0
Total	6,000,000			3,383,307	1,214,405

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ANNEXT 2.0. YEARLY DETAILS OF OPERATION FIGURES:

1. Transfer from Government Entities

	Date received	2020-2021 Kshs.	2019-2020 Kshs	2018-2019 Kshs	2017-2018 Kshs	Cumulative to-date Kshs.
State Department	04.04.19	-	-	-	-	111,595,000
State Department	15.04.19	-	8,853,990	39,220,058	-	48,333,215
State Department		-	18,316,327	1,315,641	-	19,631,968
State Department			38,629,994	-	-	38,629,994
State Department	18.02.21	89,654,925	-	-	-	89,654,925
Total		89,654,925	65,800,311	40,535,699		307,845,103

2 Proceeds from Domestic and Foreign Grants

Name of Donor	Date received	2020-2021 Kshs.	2019-2020 Kshs	2018-2019 Kshs	2017-2018 Kshs	Cumulative to- date Kshs.
DANIDA Fellowship Centre	29.11.2018	-	-	-	1,609,594	1,609,594
Gottfried Wilhelm	29.11.2018	-	-	543,338	-	543,338
Gottfried Wilhelm	11.02.2019	-	-	82,480	-	82,480
Jooust	03.12.2019	-	33,556,000	-	-	33,556,000
Kobenhaven University	15.07.2020	3,176,880	-	-	-	3,176,880
Jooust	19.03.2021	3,439,113	-	-	-	3,439,113
Jooust	28.06.2021	14,253,641	-	-	-	14,253,641
Jooust Research	30.06.2021	2,723,850	-	-	-	2,723,850
Total		23,593,484	33,556,000	625,818	1,609,594	

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3. Miscellaneous Receipts

	2020-2021	2019-2020	2018-2019	2017-2018	Cumulative
	Kshs	Kshs	Kshs	Kshs	Kshs
Sale of goods and services	9,600	13,500	22,850	-	45,950
Receipts from Administrative Fees and Charges	-	-	14,000	2,140,603	2,154,603
Other Receipts Not Classified Elsewhere	575,461	100,305	237,250	22,100	935,116
Other Tuition Fees Charges	353,910	44,000	248,195	-	646,105
Application fees	108,651	171,987	250,602	-	531,240
Total	1,047,622	329,792	772,897	2,162,703	4,313,014

4. Compensation of Employees Cost

	2020-2021	2019-2020	2018-2019	2017-	Cumulative date
	Kshs	Kshs	Kshs	Kshs	Kshs
Basic salaries of permanent employees	11,815,962	11,494,374	10,855,483	8,258,429	42,424,248
Basic wages of temporary employees	436,575	772,038	521,149	263,689	1,993,451
Compulsory national social security schemes	42,000	32,400	14,400	16,000	104,800
Total	12,294,537	12,298,812	11,391,032	8,538,118	44,522,499

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5. Purchase of Goods and Services

	2020-2021	2019-2020	2018-2019	2017-2018	Cumulative to-date
	Kshs	Kshs	Kshs	Kshs	Kshs
Utilities, supplies and services	483,465	391,452	112,052	-	986,969
Domestic travel and subsistence	11,352,384	6,441,941	8,304,907	8,015,834	34,115,066
Foreign travel and subsistence	5,860,549	2,848,517	5,925,084	6,188,781	20,822,931
Printing, advertising, and information supplies & services	1,009,844	1,093,634	87,848	172,478	2,363,804
Training expenses	2,730,462	3,465,354	4,550,720	900,662	11,647,198
Exhibition Expenses	190,142	253,400	1,520,158	-	1,963,700
Finance Cost	49,243	37,728	42,934	19,757	149,662
Specialized materials and services	4,467,239	2,091,837	2,349,060	1,790,558	10,698,694
Field Trips	416,200	836,400	969,410	-	2,222,010
Other operating expenses	588,708	1,857,681	1,127,858	537,750	4,111,997
Research Expenses	3,462,438	-	543,300	-	4,005,738
Student Stipend	11,152,500	10,059,000	4,006,000	-	25,217,500
Routine maintenance – other assets	1,772,427	2,013,216	2,369,470	897,740	7,052,853
Tuition fees	14,837,000	10,751,600	9,805,000	-	35,393,600
Research Funds Expenses	4,259,141	44,700	-	-	4,303,841
Internet Expenses	1,200,000	2,898,840	-	-	4,098,840
Total	63,831,742	45,085,300	41,713,801	18,523,560	169,154,403

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6. Acquisition of Non-Financial Assets

	2020-2021	2019-2020	2018-2019	2017-2018	Cumulative to-date
	Kshs	Kshs	Kshs	Kshs	Kshs
Purchase of Motor Vehicles	-	-	-	4,995,000	4,995,000
Purchase of Computers	98,000	860,000	3,818,905	525,000	5,301,905
Purchase of Equipment	17,467,564	1,090,000	6,055,248	2,343,200	26,956,012
Purchase of Furniture	330,000	2,993,200	1,350,970	386,500	5,060,670
Inventories	330,500	1,207,030	1,860,809	-	3,398,339
Purchase of Textbooks	-	1,256,901	-	-	1,256,901
Purchase of Software	3,000,000	-	-	-	3,000,000
Total	21,226,064	7,407,131	13,085,932	8,249,700	49,968,827

7. Bank Account

	2020-2021	2019-2020	2018-2019	2017-2018
	Kshs	Kshs	Kshs	Kshs
Project Bank Accounts				
<u>Local Currency Account</u>				
Equity Bank Account No. 0750271748376	107,954,145	91,010,457	56,115,596	80,315,084
Total bank account balances	107,954,145	91,010,457	56,115,596	80,315,084

8 Funds Balance brought forward

	2020-2021	2019-2020	2018-2019	2017-2018
	Kshs	Kshs	Kshs	Kshs
Bank accounts	107,954,145	91,010,457	56,115,596	80,315,084
Total	107,954,145	91,010,457	56,115,596	80,315,084

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ANNEXT 3.0. DETAILS OF OTHER DONOR FUNDS:

Name of Donor	Date received	Foreign Currency Unit	Exchange Rate	Conversion in Foreign Currency	Equivalent in Dollars	2020-2021	2019-2020	2018-2019	2017-2018	Cumulative to-date
						Kshs.	Kshs	Kshs	Kshs	Kshs.
DANIDA Fellowship Centre	29.11.2018	DKK-Danish Krone	17	94,682	16,096	-	-	-	1,609,594	1,609,594
Gottfried Wilhelm	29.11.2018	Euro	120	4,528	5,433	-	543,338	-	-	543,338
Gottfried Wilhelm	11.02.2019	Euro	120	687	825	-	-	82,480	-	82,480
Kobenhaven University	15.07.2020	DKK-Danish Krone	17	186,875	31,769	3,176,880	-	-	-	3,176,880
Goteborg University	28.06.2021	SEK-Sweden Krone	12	51,325	6,159	615,904	-	-	-	615,904
National Research Foundation-South Africa	28.06.2021	South African Rands	8	522,089	41,767	4,176,708	-	-	-	4,176,708
University of Southampton	28.06.2021	Sterling Pound	150	26,155	39,233	3,923,272	-	-	-	3,923,272
World Health Organization	30.06.2021	USD	100	33,078	33,078	3,307,815	-	-	-	3,307,815
World Health Organization	30.06.2021	USD	100	27,239	27,239	2,723,850	-	-	-	2,723,850
National Research Funds	03.12.2019	Kshs			335,560	-	33,556,000	-	-	33,556,000
National Research Funds	19.03.2021	Kshs			34,391	3,439,113	-	-	-	3,439,113
African Center Technology Studies	28.06.2021	Kshs			22,299	2,229,942	-	-	-	2,229,942
Total					593,849	23,593,484	33,556,000	625,818	1,609,594	59,384,896