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REPORT

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THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2020**

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





**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 2020**

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

Contents

1.0	PROJECT INFORMATION AND OVERALL PERFORMANCE	2
1.1	Name and Registered Office	2
1.2	Project Information	2
1.3	Project Overview	3
1.4	Bankers	4
1.5	Auditors	4
1.6	Roles and Responsibilities	5
1.7	Funding Summary	6
1.8	Summary of Overall Project Performance	6
1.9	Summary of Project Compliance	10
2.0	STATEMENT OF PROJECT MANAGAMENT RESPONSIBILITES	11
3.0	STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2020	12
4.0	STATEMENT OF FINANCIAL ASSETS AS AT 30 JUNE 2020	13
5.0	STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30TH JUNE 2020	14
6.0	STATEMENT OF BUDGET Vs ACTUAL COMPARATIVE FOR THE YEAR ENDED 30TH JUNE 2020.	15
7.0	NOTES TO THE FINANCIAL STATEMENTS	17
8.0	PROGRESS ON FOLLOW UP OF AUDITOR'S RECOMMENDATION	24
9.0	AFRICA CENTRE OF EXCELLENCE DISBURSEMENT LINKED RESULTS	25

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 2022
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>

	<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 2017-2022. 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 218,190,177 (Two Hundred and Eighteen million, One Hundred and Ninety Thousand One Hundred and Seventy Seven).</p>
<p>Current situation that the project was formed to intervene</p>	<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; and d) 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
<p>Project duration</p>	<p>The project started on 1st February 2017 and is expected to run until 31st Dec 2022</p>

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

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
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

1.7 Funding Summary

The project **duration** is 5 years (from 2017 to 2022) with an approved total budget of USD 6 Million equivalent of KShs. approx. 600 Million as highlighted in the table below:

Source of funds	Donor commitment		Amount received to date 30.06.2020		Undrawn amount to date 30.06.2020	
	USD.	KShs.	USD.	KShs.	USD.	KShs.
Grant	6,000,000	600,000,000	2,181,901.77	218,190,177	3,818,098.23	381,809,822.60
Others	390,568	39,056,804	390,568	39,056,804	-	-

1.8 Summary of Overall Project Performance

Budget performance

During the year the budget performance against actual amount stood at 31.6% and cumulatively for the two financial years stood at 71.8%

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 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 group successfully defended their proposals virtually on 15th, 16th, 18th and 19th of June 2020 and have been given the nod to develop and submit full proposals for onward forwarding to Ethics Review Committee before data collection.

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

Cohorts 1 and 2 were enrolled in October 2018 and June 2019 respectively (Table 4). The 1st Cohort is currently conducting field research while the 2nd Cohort successfully defended their proposals virtually on 2nd and 3rd June, 2020. 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.

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

Sn.	Programme	National Students		Regional Students		Programme
		Male	Female	Male	Female	
1.	Cohort 1 PhD. FSSA	3	6	2	1.	Cohort 1 PhD. FSSA
2.	Cohort 2 PhD. FSSA	4	2	1	2.	Cohort 2 PhD. FSSA

iv) Cohort three admission for MSC and PhD Food Security and Sustainable Agriculture

Though processing and issuance of admission letters to cohort 3 food security and sustainable agriculture students had been finalized in Quarter 3, the reporting of the students has however been delayed due to Covid -19 pandemic.

PhD students' distribution by gender and country

Country	Kenya	Uganda	South Sudan	Total
Male	2	1	1	4
Female	5	0	0	5
Total	7	1	1	9

MSc. students' distribution by gender and country

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	8	2	54

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

Planned trainings in quarter three and four were indefinitely postponed due to guidelines issued by the government on containment of COVID-19.

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, Jomo Kenyatta University of Agricultural Technology and Sigma Feeds Ltd. and Makerere University, Uganda. MoU with ICIPE and Egerton University has been finalized and signing is planned for as soon as the COVID-19 pandemic subsides.

C. Staff/ Student exchange program

The Center facilitated twenty-five (25) staff/students for exchange activities with other institutions. Three of the exchanges were international including two staff and one student while the remaining were regional with 21 students and one staff. The Center therefore achieved its set target for the year on Faculty and students exchange within the African region as envisaged in the Result framework. Among the outputs from the exchange activities were: - Teaching 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 58 peer-reviewed publications have been published to date by faculty and students affiliated to the Center.

E. Faculty and Staff retooling seminars for capacity enhancement

The center facilitated capacity enhancement for faculty handling INSEFOODS supported students, University management Board and the University Council on cyber security and project activities.

F. New Relevant Programmes for National Accreditation by CUE

The Center facilitated Four (4) new programmes and are in various stages of accreditation, that is; MSc. and PhD. in Agricultural Extension and MSc. And PhD. In Applied Insect Science. All the programmes have been submitted to CUE and response comments have been received and the school is working on them for resubmission.

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,2020		
S/No	Revenue Line	Amount
1	Sale of Goods & Services (Biscuit Incomes)	13,500.00
2	Other Tuition Fees	44,000.00
3	Application Fees from students	171,987.22
4	External Revenue from NRF research grants	33,556,000.00
5	Other Receipts	100,305.00
	Grand Total	33,885,792.22

Further, the Centre has been actively participating in a number of proposal developments to seek more grants. One of the proposals on Farm Insect has been won and the project funded by DANIDA will see INSEFOODS receive a total of Danish Kroner1, 415,500.00 (**KShs; 22,648,000**) beginning 2020 and ending 2023. The project will support one PhD and one Post-Doctoral fellow.

Similarly, to scale up commercialization of biscuits, the Centre is committed to obtain quality standardization mark and certification of the cricket based biscuit products as part of the government legal requirement. However, all these have been delayed by the Covid -19 stalemate. Procurement for barcoding from **GS1 Kenya** is on course.

H. Engagement in IUCEA activities.

The Center has actively participated in a number of activities including Technical Advisory Meeting (TAM) on 18th to 19th November 2019 in Lilongwe Malawi where mid-term review, DLRs and restructuring of the project was proposed to capture the reality experienced in the course of implementation.

Further, the Centre participated in a virtual TAM organized by the IUCEA on June 16-18 2020, in which several issues were discussed including; Impact of Covid-19 on tertiary education in Kenya, responses of ACE Centers to Covid 19 pandemic, project restructuring process, Progress on DLIs and DLRs .The National Steering Committee (NSC) also organized two meetings on 1st to 3rd August 2019 and 10th June 2020 to review progress of the projects and adapt the proposed project restructuring respectively.

I. Financial Audit and Procurement reports

The Center's 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 has not been reviewed due to COVID-19. Procurement audit was conducted by PPRA on 6th and 7th January 2020 and the center is awaiting final report for submission to World Bank for review of DLR 4.0 on timely and satisfactory procurement.

J. OTHER ACTIVITIES

- Participated in a Regional Higher Education Sharing Forum organized by the Ministry of Education (MoE) in collaboration with World Bank (WB) held on 17th and 18th February

2020 at the Villa Rosa Kempinski Hotel, Nairobi, Kenya. The theme was "Improving Higher Education Performance.

- Participated in a scientific workshop held in Cape Town South Africa organized by the International Science Council (ISC) and African Astronomical Society (SAA). The workshop took place as from 29th - 31st, January 2020. At the Seminar, the Center presented a paper on "Prospecting for a Remote Sensing technology for Forecasting Emergence of Edible Insects in Africa as an Early Interventions"
- The Centre participated in the Higher education exhibition and career fair organized by the standard group media at the KICC in Nairobi. The Centre programmes and insect-based products were displayed.
- The Centre has participated in the survey of the desert locust invasion in western Kenya region, provided advise to Western Kenya farmers and gave feedback report on the current status to National DL control office in Nairobi. This was carried out as follows;
 - a) Muhoroni in Kisumu County on 21st of February 2020 and ascertained that there was no Desert locust t invasion despite the media publicity on the same.
 - b) In Bungoma County on 27th of February 2020: Assurance was given to the locals that the sighted insects were not desert locusts.
 - c) In Tans Nzoia County on 27th of February 2020: The locals were assured that the sited insects were not desert locusts.
 - d) In Elgeyo Marakwet County on 27th of February 2020: where small numbers of desert Locust were actually confirmed and locals advised on how to capture and process them into food or feeds.

Implementation Challenges

COVID -19 management guidelines have contributed to non-achievement of most of quarter three and four planned activities including students' admission and short courses trainings, faculty and student's 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 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 projects 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, 2020. 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, 2020, 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.

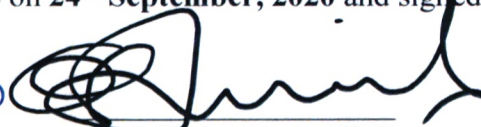
The University Management and the Project Centre Coordinator for **Africa Centre of Excellence in Sustainable Use of Insects as Food and Feeds ACE II-INSEFOODS** confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that 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.

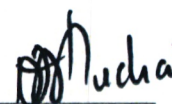
The Project financial statements were approved by The University Management and the Project Centre Coordinator for **Africa Centre of Excellence in Sustainable Use of Insects as Food and Feeds ACE II-INSEFOODS** on 24th September, 2020 and signed by them.



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, 2020 – JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Africa Center of Excellence in Sustainable Use of Insects as Food and Feeds Project (IDA CREDIT NO. 5798-KE) set out on pages 12 to 27, which comprise the statement of financial assets as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and the 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 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, 2020, 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 Grant Agreement No. 5798-KE dated 27 October, 2016 between International Development Association (IDA) and the Government of Kenya and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Africa Centre 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

Budget Performance Analysis

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.204,903,522 and Kshs.155,801,699 respectively resulting to an under-funding of Kshs.49,101,823 or 24% of the budget. Similarly, the Project spent Kshs.64,791,242 against an approved budget of Kshs.204,903,522 resulting to an under-expenditure of Kshs.140,112,280 or 68% of the budget. The underfunding and under-expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, 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 the Project so far as appears from the examination of those records; and,
- iii. The Project's financial statements are in agreement with the accounting records and returns.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Project or 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 Project 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 overall 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 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 overall 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 skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

31 December, 2020

3.0. STATEMENT OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 30 JUNE 2020.

	Note	2019-2020 Kshs.	2018-2019 Kshs.	2017-2018 Kshs.	Cumulative to-date Kshs.
Receipts					
Transfer from Government entities	7.2	65,800,311	40,535,699	111,854,167	218,190,177
Proceeds from domestic and foreign grants	7.3	33,556,000	625,818	1,609,594	35,791,412
Miscellaneous receipts	7.4	329,792	772,897	2,162,703	3,265,392
Total Receipts		99,686,103	41,934,414	115,626,464	257,246,981
Payments					
Compensation of employees	7.5	12,298,812	11,391,032	8,538,118	32,227,962
Purchase of goods and services	7.6	45,085,299	41,713,801	18,523,560	105,322,660
Acquisition of non-financial assets	7.7	7,407,131	13,029,069	8,249,700	28,685,900
Total Payments		64,791,242	66,133,902	35,311,378	166,236,522
Surplus/(Deficit)		34,894,861	(24,199,488)	80,315,086	91,010,459

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

4.0. STATEMENT OF FINANCIAL ASSETS AS AT 30 JUNE 2020

	Note	2019-2020 Kshs	2018-2019 Kshs	2017-2018 Kshs
Financial Assets				
Cash and cash Equivalents				
Bank Balances	7.8	91,010,457	56,115,596	80,315,084
Cash Balances		-	-	
Cash Equivalents (short-term deposits)		-	-	
Total Cash and Cash Equivalents		91,010,457	56,115,596	80,315,084
Account receivables -imprest and Advances		-	-	
Total Financial Assets		91,010,457	56,115,596	80,315,084
Represented By				
Fund balance b/fwd.	7.9	56,115,596	80,315,084	-
Prior year adjustments		-	-	
Surplus/(Deficit) for the year		34,894,861	(24,199,488)	80,315,084
Net Financial Position		91,010,457	56,115,596	80,315,084

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, 2020** and signed by:

Prof. Stephen G. Agong'
Vice Chancellor

Prof. Darius O. Andika
Project Coordinator

CPA Nancy Muchai
Chief Finance Officer
 ICPAK No. 7974

5.0. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30TH JUNE 2020.

	Note	2019-2020 KShs	2018-2019 KShs	2017-2018 KShs
Receipt for operation activities				
Transfer from Government entities	7.2	65,800,311	40,535,699	111,854,167
Proceeds from domestic and foreign grants	7.3	33,556,000	625,818	1,609,594
Miscellaneous receipts	7.4	329,792	772,897	2,162,703
Payments for operating activities				
Compensation of employees	7.5	(12,298,812)	(11,391,032)	(8,538,120)
Purchase of goods and services	7.6	(45,085,299)	(41,713,801)	(18,523,560)
Net cash flow from operating activities		42,301,992	(11,170,419)	88,564,784
Cashflows From Investing Activities				
Acquisition of Assets	7.7	(7,407,131)	(13,029,069)	(8,249,700)
Net cash flows from Investing Activities		(7,407,131)	(13,029,069)	(8,249,700)
Net Increase in Cash and Cash Equivalent				
Cash and cash equivalent at beginning of the year		56,115,596	80,315,084	-
Cash and cash equivalent at end of the year		91,010,457	56,115,596	80,315,084

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, 2020 and signed by:

Prof. Stephen G. Agong'
Vice Chancellor

Prof. Darius O. Andika
Project Coordinator

CPA Nancy Muchai
Chief Finance Officer
ICPAK No. 7974

6.0. STATEMENT OF COMPARATIVE BUDGET Vs ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2020.

	Original Budget	Adjustments	Final Budget	Actual	Budget Utilization	% of Utilization	Explanation
	A	B	C=A+B	D	E=C-D	F=D/C%	
	Kshs.	KShs.	Kshs.	Kshs.	Kshs.	Kshs.	
Receipts							
Transfer from Government Entities	170,847,522	0	170,847,522	121,915,907	48,931,615	71%	Note 1
Proceeds from Domestic & Foreign Grants	0	33,556,000	33,556,000	33,556,000	-	100%	
Miscellaneous receipts	500,000	0	500,000	329,792	170,208	66%	
Total Receipts	171,347,522	33,556,000	204,903,522	155,801,699	49,101,823	76%	
Payments							
Compensation of employees	31,192,972		31,192,972	12,298,812	18,894,160	39%	Note 2
Purchase of goods and services	95,905,000	33,556,000	129,461,000	45,085,299	84,375,701	35%	Note 3
Acquisition of non-financial assets	44,249,550		44,249,550	7,407,131	36,842,419	17%	Note 4
Total Payments	171,347,522	33,556,000	204,903,522	64,791,242	140,112,280	32%	

N/B:

1. The significant budget utilization/ performance differences in the last column are explained in Annex 1 to these financial statements.
2. The figure on actual transfers from foreign entities of KShs. 121,915,907 is the sum of KShs. 56,115,596 brought forward from the previous year and KShs. 65,800,311 transfers during the year. This was the total amount available during the year.

Prof. Stephen G. Agong'
 Vice Chancellor

Prof. Darius O. Andika
 Project Coordinator

CPA Nancy Muchai
 Chief Finance Officer
 ICPAK No. 7974

Annex 1: Variance Explanation

Note 1. Variance in transfer from foreign entities was occasioned by: -

- i) Anticipated verification and disbursement of DLR 2.2 on students' enrollment - KShs. 14,900,000
- ii) Anticipated verification and disbursement of DLR 4.1 on Timely Procurement audit report – KShs. 3,000,000
- iii) Anticipated income from paid students fees and consultancies
- iv) Anticipated verification and disbursement of DLR 4.2 on Timely and satisfactory procurement progress report KShs. 3,000,000

Note 2. Variance in compensation of employees was occasioned by: -

- i) Two (2) proposed technologists not recruited as anticipated
- ii) Salaries and Allowances provided for in the budget were higher than the actual costs used for all members of staff
- iii) Actual team building cost reduced tremendously due to incorporation of council member and Management only.

Note 3 Variance in purchase of goods and services was occasioned by: -

- i) New MSc and PhD curricula developed using University funds
- ii) Accreditation of Four (4) new programmes rolled into year 4 of the project implementation
- iii) Rehabilitation and upgrading of Learning and Research facilities ongoing
- iv) Research funds to Postgraduate students to be awarded after proposal defense process completion
- v) Procurement process ongoing for furnishing of Exchange students and faculty houses
- vi) Short Course trainings facilitated by partners (Makerere University and Chinhoyi University of Technology)
- vii) E-resources content development training done using the University vote
- viii) To broaden students' knowledge and skills through internship at advanced research institutions and industries, the field trips were merged and done within a week
- ix) Development of insect technology incubation and skills transfer hub ongoing, process was longer than anticipated.
- x) Procurement Process in progress for purchase of Management Information System and Grant management Systems
- xi) Partnership for Skills in the Applied Sciences, Engineering and Technology (PASET)- related activities planned for not scheduled by the facilitating Unit.
- xii) Scheduled M&E Meetings were incorporated into the implementation meetings hence savings

Note 4 Variance in acquisition of assets was occasioned by: -

- i) Procurement process for assorted equipment and furniture has been delayed due to Covid-19 pandemic

7.0. NOTES TO THE FINANCIAL STATEMENTS.

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

7.1. Basis of Preparation

7.1.1. 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.

7.1.2. 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.

7.1.3. 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.

7.1.4 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.

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.

External Assistance

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

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.

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.

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.

b) Recognition of payments

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

• Compensation of employees

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

• 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.

• 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.

c) 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.

d) 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.

e) 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.

f) 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.

g) 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.

h) 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.

i) 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.

j) Subsequent events

There has been an outbreak of COVID 19 during the financial year/period end that significantly impacted on the financial statements for the year ended June 30, 2020.

7.2. Transfer from Government Entities

	2019-2020	2018-2019	2017-2018	Cumulative to-date Kshs.
	Kshs.	Kshs	Kshs	
Grants Received from Government				
State Department for University Education	8,853,990	39,220,058	-	48,074,048
State Department for University Education	18,316,327	1,315,641	111,595,000	131,226,968
State Department for University Education	38,629,994	-	259,167	38,889,161
Total	65,800,311	40,535,699	111,854,167	218,190,177

These represent finances transferred from the Government of Kenya

7.3 Proceeds From Domestic And Foreign Grants

Name of Donor	Date received	2019-2020	2018-2019	2017-2018	Cumulative to-date Kshs.
		Kshs.	Kshs	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
(National Research Fund) NRF	03.12.2019	33,556,000	-	-	33,556,000
Total		33,556,000	625,818	1,609,594	35,791,412

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7.4 Miscellaneous Receipts

	2019-2020	2018-2019	2017-2018	Cumulative to-date
	Kshs	Kshs	Kshs	Kshs
Sale of goods and services	13,500	22,850	-	36,350
Other Administrative Income	100,305	251,250	2,162,703	2,514,258
Other Tuition Fees Charges	44,000	248,195	-	292,195
Application fees	171,987	250,602	-	422,589
Total	329,792	772,897	2,162,703	3,265,392

7.5 Employee Compensation

Basic salaries of permanent employees	11,494,374	10,855,483	8,258,429	30,608,286
Basic wages of temporary employees	772,038	521,149	263,689	1,556,876
Compulsory national social security	32,400	14,400	16,000	62,800
Total	12,298,812	11,391,032	8,538,118	32,227,962

7.6 Purchase of Goods & Services

Utilities, supplies and services	391,452	112,052	-	503,504
Domestic travel and subsistence	6,441,941	8,304,907	8,015,834	22,762,682
Foreign travel and subsistence	2,848,517	5,925,084	6,188,781	14,962,382
Printing, advertising and information	1,093,634	87,848	172,478	1,353,960
Training expenses	3,465,354	4,550,720	900,662	8,916,736
Exhibition Expenses	253,400	1,520,158	-	1,773,558
Finance Cost	37,728	42,934	19,757	100,419
Specialized materials and services	2,091,837	2,349,060	1,790,558	6,231,455
Field Trips	836,400	969,410	-	1,805,810
Other operating expenses	1,857,681	1,127,858	537,750	3,523,289
Research Expenses	-	543,300	-	543,300
Student Stipend	10,059,000	4,006,000	-	14,065,000
Routine maintenance – other assets	2,013,216	2,369,470	897,740	5,280,426
Tuition fees	10,751,600	9,805,000	-	20,556,600
Students Research Funds Expenses	44,700	-	-	44,700
Internet Expenses	2,898,840	-	-	2,898,840
Total	45,085,300	41,713,801	18,523,560	105,322,661

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7.7 Acquisition of Non-Financial Assets

	2019-2020	2018-2019	2017-2018	Cumulative to-date
	Kshs	Kshs	Kshs	Kshs
Purchase of Motor Vehicles	-	-	4,995,000	4,995,000
Purchase of Computers	860,000	3,818,905	525,000	5,203,905
Purchase of Equipment	1,090,000	6,055,248	2,343,200	9,488,448
Purchase of Furniture	2,993,200	1,350,970	386,500	4,730,670
Inventories	1,207,030	1,803,396	-	3,010,426
Purchase of Textbooks	1,256,901	-	-	1,256,901
Total	7,407,131	13,029,069	8,249,700	28,685,900

7.8 Bank Account

Project Bank Accounts

	2019-2020	2018-2019	2017-2018
	Kshs	Kshs	Kshs
Local Currency Account			
Equity Bank Account No. 0750271748376	91,010,457.42	56,115,596.00	80,315,084
Total bank account balances	91,010,457.42	56,115,596.00	80,315,084

7.9 Funds Balance Brought Forward

Bank accounts	91,010,457.42	56,115,596.00	80,315,084
Total	91,010,457.42	56,115,596.00	80,315,084

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7.10. Government Counterpart funding.

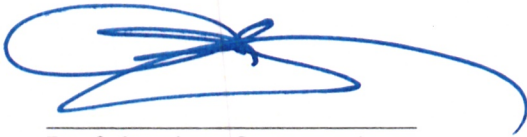
According to financing agreement, the Counterpart contribution of up to 5% of the credit amount. The amount is used by the National Steering Committee (NSC) for oversight purposes of the project. This amount is reported on the Ministry financial statements as it involves all the three ACE's in the country.

7.11. Eligible Expenditure Programme (EEP).

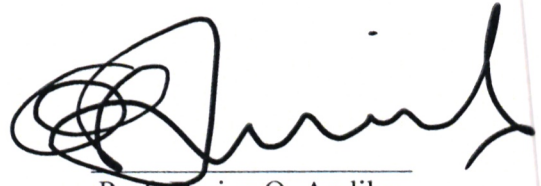
In 2019-2020 financial year, the University spent Kshs. 1,033,042,320 On employee costs.

8.0. 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

9.0. 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 30.06.2020 USD	Amount applied as at 03.09.2020
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	<ul style="list-style-type: none"> • 14 National Accredited Programs • 2 Regionally Accredited and programs • 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

*AFRICA CENTER OF EXCELLENCE IN SUSTAINABLE USE OF INSECTS AS FOOD & FEEDS.
Reports and Financial Statements
For the year ended 30 June 2020*

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	32,000	
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)	15,000	0
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.	2 financial years of functional audit committee reports verified	45,000	0
		The audit committee was discusses internal audit issues related to ACE Project			
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.	2 financial years of functional internal audit unit reports verified	45,000	0

AFRICA CENTER OF EXCELLENCE IN SUSTAINABLE USE OF INSECTS AS FOOD & FEEDS.

Reports and Financial Statements

For the year ended 30 June 2020

		The audit committee was discusses internal audit issues related to ACE Project			
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:	Information for 2 financial Years is present on the website	45,000	0
		• 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			
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			2,983,302	801,400