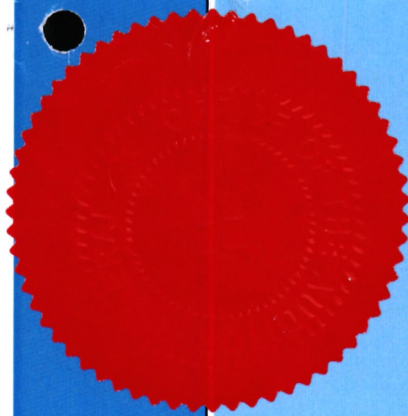
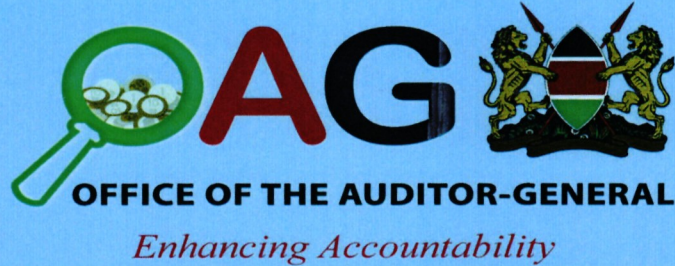


REPUBLIC OF KENYA



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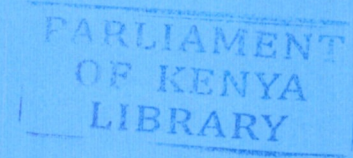
DATE: 09 FEB 2022

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CLERK-AT THE TABLE:	S. Kalawa

DAY: Wed

REPORT

OF



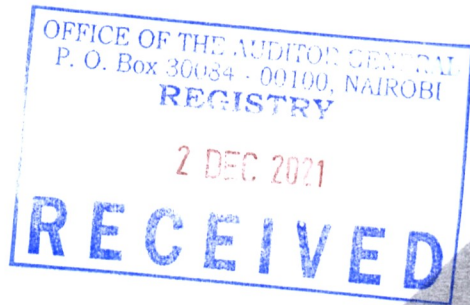
THE AUDITOR-GENERAL

ON

**NATIONAL URBAN TRANSPORT
IMPROVEMENT PROJECT CREDIT
NO. IDA 5140-KE (KRC COMPONENT)**

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

KENYA RAILWAYS CORPORATION



KENYA RAILWAYS
right on track

NATIONAL URBAN TRANSPORT IMPROVEMENT PROJECT (NUTRIP)

KENYA RAILWAYS CORPORATION

PROJECT GRANT/CREDIT NUMBER: IDA 5140 -KE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2021

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

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PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.2 Project Information

Project Start Date:	The project start date is 26.12.2012
Project End Date:	The project end date is 31.12.2018
Project Manager:	The project manager is Eng. Mucemi Gakuru
Project Sponsor:	The project sponsor is World Bank

1.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Transport and Infrastructure, Housing and Urban Development -MoTI-HUD.
Project number	PI26321
Strategic goals of the project	The strategic goals of the project are as follows: <ul style="list-style-type: none"> (i) Improve efficiency of the road transport along northern corridor (ii) Improve the institutional capacity and arrangements in the urban transport sub- sector (iii) Promote private sector participation in the operation, financing and management of transport systems
Achievement of strategic goals	The project management aims to achieve the goals through the following means: <ul style="list-style-type: none"> (i) Carrying out feasibility studies and detailed designs; and preparing the necessary bidding documents for construction of selected commuter rail systems in Nairobi and other major towns through provision of technical advisory services required for that purpose. (ii) Preparing bidding and contract documents for the selection of private sector operators providing commuter rail operations and associated services; through provision of advisory services required for that purpose.

1. PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and registered office

Name

The project's official name is National Urban Transport Improvement Project.

Objective

The key objective of the project is

- a. Improve the efficiency of the road transport along northern corridor
- b. Improve the institutional capacity and arrangements in urban transport sub-sector
- c. Promote public sector participation in the operation, financing and management of transport system

Address

The project headquarters offices are in Nairobi, Nairobi County, Kenya.

The address of its registered office is:

Kenya Railways Headquarters
LR No. 209/11954/2
Haile Selassie Avenue/Workshop Road
P. O. BOX 30121-00100

Contacts: The following are the project contacts

Telephone: (254) 020-2221211
Website: www.krc.co.ke

	<p>(iii) Supplying and installing information systems (IT) and building the capacity of KRC in IT, management of private sector involvement, planning, management of contracts including for concessionaires; and other oversight functions; all through provision of goods, training and services required for that purpose.</p>
<p>Current situation that the project was formed to intervene</p>	<p>The project was formed to intervene in the following areas:</p> <ul style="list-style-type: none">(i) Have feasibility and detailed engineering design and studies for commuter rail in Nairobi, Mombasa and Kisumu cities(ii) Have technical assistance and advisory services related to the services of Nairobi, Mombasa and Kisumu Commuter rail.(iii) Have capacity building by Training of Staff.
<p>Project duration</p>	<p>The project started on 26. 12 .2012 and is expected to run until 31. 12. 2018</p>

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.4 Bankers

The following are the bankers for the current year:

i. Special Account:

NCBA Bank Kenya
NUTRIP- Project E-(KRC)-MAIN
ACCOUNT NO. 6968530013

ii. Principal Bankers:

NCBA BANK KENYA
USD A/C NO.1001004057
KSH A/C NO.2178860056
Masaba Road Branch, Upper hill
P.O. Box 44599, 00100
NAIROBI

1.5 Auditor

The project is audited by the Office of the Auditor General.

Auditor General
Office of the Auditor General
Anniversary Towers
P.O. Box 30084-00100
NAIROBI

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.6 Roles and Responsibilities

The team responsible of the project management and coordination functions are as tabulated below:

Names	Title designation	Key qualification	Responsibilities
<i>Eng. Mucemi Gakuru</i>	<i>Program Coordinator</i>	<i>BSC (Electrical Eng.) PhD(Electrical Eng.) Registered Eng.(EBK)</i>	<i>-Overall management and monitoring of all projects -Undertake contract negotiations -Ensure reports are prepared and submitted on time -Liaise with bank on project activities Attend POC and PITL briefings and meetings - Publication of awards and reports in WB client connection</i>
<i>Peter Kamakia</i>	<i>Finance Management Expert</i>	<i>BBM (Finance Option) MBA (Strategic Management) CPA(K)</i>	<i>-Preparation of project Financial reports, budgets and monitoring -Ensure timely payment -Ensure financial audits are carried out</i>

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.7 Funding summary

The Project was for duration of six years from 2012 to 2018 with an approved budget of US\$ 11,930,000/- equivalent to Ksh 1,071,552,600 as highlighted in the table below:

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment-		Amount received to date – (30/06/2021)		Undrawn balance to date (30/06/2021)	
	<i>Donor currency</i>	<i>KShs</i>	<i>Donor currency</i>	<i>KShs</i>	<i>Donor currency</i>	<i>KShs</i>
	<i>(A)</i>	<i>(A')</i>	<i>(B)</i>	<i>(B')</i>	<i>(A)-(B)</i>	<i>(A')-(B')</i>
(i) Grant						
IDA	11,930,000	1,071,552,600	1,311,660	117,813,333	10,618,340	953,739,267
Total	11,930,000	1,071,552,600	1,311,660	117,813,333	10,618,340	953,739,267

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2021)		Cumulative Amount paid to date – (30 th June 2021)	Unutilised balance to date (30 th June 2021)	
	<i>Donor currency</i>	<i>Kshs</i>		<i>Donor currency</i>	<i>Kshs</i>
	<i>(A)</i>	<i>(A')</i>		<i>(A)-(B)</i>	<i>(A')-(B')</i>
(i) Grant					
IDA	1,311,660	117,813,333	117,813,333	0	0
Total	1,311,660	117,813,333	117,813,333	0	0

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.8 Summary of Overall Project Performance:

- i) The Project did not receive any disbursement from World Bank during the year. Through a letter from World Bank dated 11th September 2020 and in reference to cancellation letter dated 27th December 2020 the credit account is closed.
- ii) The overall budget absorption rate is 11% of the project donor commitment. The NUTRIP KRC component is majorly comprised of consultancy work/studies on the Nairobi and Mombasa Commuter Master Plan and procurement of a track recording car which were still ongoing by the time of the project closure. It was expected that the project will be extended owing to the fact that the KR components took more time to start than envisaged. This could have taken up over 50% of the overall budget of the project.

1.9 Summary of Project Compliance:

The Program has ensured that all its activities carried out are within the laws of the Republic of Kenya and that all regulations and procedures have been followed. The project financial reporting has also complied with the International Public Sector Accounting Standards of Accounting (IPSAS) cash basis.

In cases of inconsistency between the GOK Regulations and those of the donors, the latter have been applied.

2. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETRMINED OBJECTIVES

Introduction

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

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

- a) Improve the efficiency of the road transport along northern corridor
- b) Improve the institutional capacity and arrangements in urban transport sub-sector
- c) Promote public sector participation in the operation, financing and management of transport system

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes.

Nutrip project was closed on 31st December 2018 hence no activities took place within the period

3. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Throughout the project implementation period, it endeavoured to entrench corporate social responsibility. This mainly entails seeking opportunities to both improve the environment and actively contribute to the well-being of the communities in which the project has been engaged aimed at promoting the welfare of the society.

4. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

The Managing Director, Kenya Railways and the Project Coordinator for NUTRIP project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year ended on June 30, 2021.

This responsibility includes

- (i) Maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud
- (iv) safeguarding the assets of the project
- (v) Selecting and applying appropriate accounting policies
- (v) Making accounting estimates that are reasonable in the circumstances.

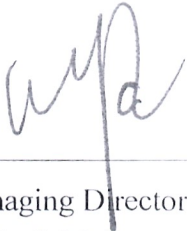
The Managing Director, and the Project Coordinator for **NUTRIP project** accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Managing Director and the Project Coordinator for **NUTRIP project** are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year ended June 30, 2021, and of the Project's financial position as at that date. The Managing Director and the Project Coordinator for **NUTRIP project** further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The Managing Director and the Project Coordinator for **NUTRIP project** confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year 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 Managing Director and the Project Coordinator for **NUTRIP project** on 29th NOV 2021 and signed by them.



Managing Director
Philip J. Mainga



Project Coordinator
Dr. Mucemi Gakuru



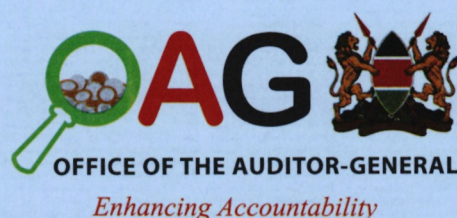
Project Accountant:
Peter Kamakia
ICPAK Member Number: 9926

*National Urban Improvement Project (NUTRIP)
Reports and Financial Statements
For the financial year ended June 30, 2021*

5. REPORT OF THE INDEPENDENT AUDITOR ON THE NUTRIP PROJECT

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL URBAN TRANSPORT IMPROVEMENT PROJECT CREDIT NO. IDA 5140-KE (KRC COMPONENT) FOR THE YEAR ENDED 30 JUNE, 2021 – KENYA RAILWAYS CORPORATION

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, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Urban Transport Improvement Project Credit No.IDA 5140-KE (KRC Component) set out on pages 1 to 21 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 National Urban Transport Improvement 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 dated 26 September, 2012 between the Republic of Kenya and the International Development Association (IDA) and Public Finance Management Act, 2012.

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

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Urban Transport Improvement 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

1. Pending Bills

Annex 3 to the financial statements reflects pending bills amounting to Kshs.3,900,000 as at 30 June, 2021. Although this is a commendable improvement from the 2019/2020 balance of Kshs.40,804,058, the Project is at risk of incurring additional interest costs and penalties with the continued delay in settling payments.

2. Low Absorption of Project Funds

As previously reported, sections 1.2 and 1.7 of the annual report under Project information and overall performance, indicates that the Project was to be implemented within a duration of six (6) years from 2012 to 2018, with a total expected Donor's credit of Kshs.1,071,552,600 equivalent to US\$11,930,000. However, only Kshs.117,813,333 or 11% of the expected credit had been received from the Donor as at 30 June, 2021, leaving a balance of Kshs.953,739,267 or 89% undrawn. Similarly, out of the expected receipts of Kshs.332,324,000 from the Government of Kenya, only a sum of Kshs.109,337,077 has been received leaving a balance of Kshs.222,996,923 or 67% undrawn by 31 December, 2019 when the Project formally closed.

Under the circumstances, the Project's strategic goals may not be achieved within the expected timelines.

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.

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 governance.

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

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

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

Those charged with governance are responsible for overseeing the 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 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 review 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 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 anagement'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 Project's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 December, 2021

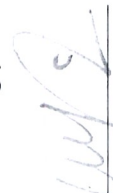
6. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021.

Note	2020/2021		2019/2020		Cumulative to-date (From inception)
	Receipts and payments controlled by the entity KShs	Payments made by third parties KShs	Receipts and payment controlled by the entity KShs	Payments made by third parties KShs	
RECEIPTS					
Transfer from Government entities - GOK	-	-	87,000,000	-	87,000,000
Transfer from Government entities - KR	38,459,036	-	22,337,077	-	60,796,113
Loan from external development partners	-	-	-	-	117,813,333
Miscellaneous receipts	1,735	-	1,361	-	3,055,735
TOTAL RECEIPTS	38,460,771	-	109,338,438	-	268,665,181
PAYMENTS					
Compensation of employees	-	-	-	-	-
Purchase of goods and services	(38,459,036)	-	-	-	(247,729,085)
Social security benefits	-	-	-	-	-
Acquisition of non-financial assets	-	-	-	-	(20,805,688)
Transfers to other government entities	-	-	-	-	-
Miscellaneous Payments	(2,788)	-	(2,788)	-	(2,788)


National Urban Improvement Project (NUTRIP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021

	Note	2020/2021			2019/2020			Cumulative to-date (From inception)
		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	
Other grants and transfers and payments	10	-	-	-	-	-	-	-
TOTAL PAYMENTS		(38,461,824)	-	(38,461,824)	(109,339,477)	-	(109,339,477)	(268,537,561)
SURPLUS/ (DEFICIT)		(1,053)	-	(1,053)	(1,039)	-	(1,039)	127,621

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


 Managing Director.
 Philip J. Mainga


 Project Coordinator
 Di. Mucemi Gakuru


 Project Accountant
 Peter Kamakia
 ICPAK Member Number: 9926

National Urban Improvement Project (NUKIP)


Reports and Financial Statements


For the financial year ended June 30, 2021


7. STATEMENT OF FINANCIAL ASSETS AS AT 30TH JUNE 2021

	Note	2020-2021 KShs	2019-2020 KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	11.A	127,621	128,674
Cash Balances	11.B	-	-
Cash Equivalents (short-term deposits)	11.C	-	-
Total Cash and Cash Equivalents		127,621	128,674
Accounts Receivables	12	-	-
TOTAL FINANCIAL ASSETS		127,621	128,674
FINANCIAL LIABILITIES			
Payables- Deposits and Retentions	13	-	-
NET ASSETS		127,621	128,674
REPRESENTED BY			
Fund balance b/fwd	14	128,674	129,712
Prior year adjustments	15	-	-
Surplus/(Deficit) for the year		(1,053)	(1,038)
NET FINANCIAL POSITION		127,621	128,674

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


 Managing Director,
 Philip J. Mainga


 Project Coordinator
 Dr. Mucemi Gakuru

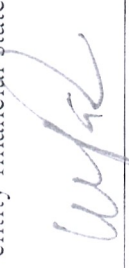

 Project Accountant
 Peter Kamakia
 ICPAK Member Number: 992

National Urban Improvement Project (NUTRIP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021


8. STATEMENT OF CASHFLOW FOR THE PERIOD 30TH JUNE 2021

	Note	2020-2021 KShs	2019-2020 KShs
CASHFLOW FROM OPERATING ACTIVITIES			
Receipts from operating activities			
Transfer from Government entities - GOK	1	-	87,000,000
Transfer from Government entities - KR	2	38,459,036	22,337,077
Miscellaneous receipts	4	1,735	1,361
Payments from operating activities			
Compensation of employees	5	-	-
Purchase of goods and services	6	(38,459,036)	(109,339,477)
Social security benefits	7	-	-
Transfers to other government entities	9	-	-
Other grants and transfers	10	-	-
Miscellaneous Payment		(2,788)	-
Adjustments during the year			
Prior Year Adjustments	15	-	-
Decrease/(Increase) in Accounts Receivable	16	-	-
Increase/(Decrease) in Accounts Payable:	17	-	-
Net cash flow from operating activities		(1,053)	(1,039)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Foreign Borrowings	3	-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		(1,053)	(1,038)
Cash and cash equivalent at BEGINNING of the year	11	128,674	129,712
Cash and cash equivalent at END of the year	11	127,621	128,674


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 29th Nov, 2021 and signed by:



Managing Director,
Philip J. Mainga



Project Coordinator
Dr. Mucemi Gakuru



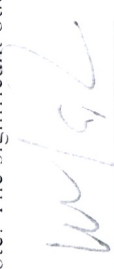
Project Accountant
Peter Kamakia
ICPAK Member Number: 9926

National Urban Improvement Project (NUTRIP)
Reports and Financial Statements
For the financial year ended June 30, 2021


9. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Receipts/Payments Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	Ksh	Ksh	Ksh	Ksh	Ksh	
Receipts						
Transfer from Government entities - GOK	-	-	-	-	-	-
Transfer from Government entities - KR	40,000,000	-	40,000,000	38,459,036	1,540,964	3%
Proceeds from borrowings	-	-	-	-	-	-
Miscellaneous receipts	-	-	-	1,735	1,735	n.a
Total Receipts	40,000,000	-	40,000,000	38,460,771	1,539,229	3%
Payments						
Compensation of employees	-	-	-	-	-	-
Purchase of goods and services	(40,000,000)	-	(40,000,000)	(38,459,036)	(1,540,964)	3%
Social security benefits	-	-	-	-	-	-
Acquisition of non-financial assets	-	-	-	-	-	-
Transfers to other government entities	-	-	-	-	-	-
Other grants and transfers	-	-	-	-	-	-
Miscellaneous Payments	-	-	-	(2,788)	(2,788)	n.a
Total Payments	(40,000,000)	-	(40,000,000)	(38,461,824)	(1,543,752)	3%

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


Managing Director,
Philip J. Mainga


Project Coordinator
Dr. Mucemi Gakuru


Project Accountant
Peter Kamakia
ICPAK Member Number: 9926

10. SIGNIFICANT ACCOUNTING POLICIES

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

10.1 Basis of Preparation

10.2 Statement of compliance and basis of preparation

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

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

10.3 Reporting entity

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

10.3.1 Reporting currency

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

10.4 Significant Accounting Policies

a) Recognition of receipts

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

i) Transfers from the Exchequer

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

ii) External Assistance

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

iii) Other receipts

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

b) Donations and grants

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

Significant Accounting Policies (Continued)

c) Proceeds from borrowing

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

d) Undrawn external assistance

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

e) Recognition of payments

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

i) Compensation of employees

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

ii) Use of goods and services

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

Significant Accounting Policies (Continued)

iii) Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

iv) Repayment of borrowing (principal amount)

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

v) Acquisition of fixed assets

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

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

f) In-kind donations

In-kind contributions are donations that are made to the Project in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Project includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

Significant Accounting Policies (Continued)

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank

account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

Restriction on cash

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

h) Accounts receivable

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

Significant Accounting Policies (Continued)

i) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities, Letters of comfort/ support, insurance, Public Private Partnerships.

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. **Annex 5** of this financial statement is a register of the contingent liabilities in the year.

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

j) Contingent Assets

The Entity does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

Significant Accounting Policies (Continued)

k) Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Project at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

l) Budget

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation.

A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

m) Third party payments

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties' column in the statement of receipts and payments.

During the year no loan disbursements were received in form of direct payments from third parties.

Significant Accounting Policies (Continued)

n) Exchange rate differences

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

o) Comparative figures

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

p) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2021.

q) Errors

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

11. NOTES TO THE FINANCIAL STATEMENTS

1. RECEIPTS FROM GOVERNMENT OF KENYA

The project has not received any counterpart funding from Government of Kenya during the financial period 2020/2021

2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

During the 12 months to 30 June 2021 the project did not receive grants from donors.

3. LOAN FROM EXTERNAL DEVELOPMENT PARTNERS

During the 12 months to 30 June 2021 the project did not receive funding from development partners.

4. 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
Other receipts not classified elsewhere	-	1,735	-	1,361	3,055,735
Total	=	1,735	=	1,361	3,055,735

5. COMPENSATION OF EMPLOYEES

There was no employee cost paid out of the project

6. 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	KShs
Communication, supplies and services	38,459,036	-	38,459,036	109,339,477	173,334,809
Training payments	-	-	-	-	39,167,035
Other operating payments	2,788	-	2,788	-	12,892,952
Total	=	=	=	=	225,394,796

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. SOCIAL SECURITY BENEFITS

There were no Social Security Benefits paid from the project

8. 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	KShs
Acquisition of other intangible assets	-	-	-	-	20,805,688
Total	=	=	=	=	<u>20,805,688</u>

9. TRANSFERS TO OTHER GOVERNMENT ENTITIES

During the 12 months to 30 June 2021, no transfers were made to government entities

10. OTHER GRANTS AND TRANSFERS AND PAYMENTS

During the 12 months to June 2021, no other grants and transfers and payments.

11. CASH AND CASH EQUIVALENTS

	2020/21	2019/20
	KShs	KShs
Bank accounts (Note 8.13A)	127,621	128,674
Cash in hand (Note 8. 13B)	-	-
Cash equivalents (short-term deposits) (Note 8.13C)	-	-
Total	127,621	128,674

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. A Bank Accounts

Project Bank Accounts

	2020/21	2019/20
	KShs	KShs
<u>Foreign Currency Accounts</u>		
NCBA Bank [A/c No. 1001004057]	NIL	NIL
Total Foreign Currency balances	<u>NIL</u>	<u>NIL</u>
<u>Local Currency Accounts</u>		
NCBA Bank [A/c No 2178860056]	127,621	128,673
Total local currency balances	127,621	128,673
Total bank account balances	127,621	128,673

The NCBA USD Account was opened for foreign currency related transactions but has not had any transaction since inception.

Special Deposit Accounts

The balances in the Project's Special Deposit Account as at 30th June 2021 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Special Deposit Accounts Movement Schedule

	2020/21	2019/20
	KShs	KShs
(i) Central Bank of Kenya [A/c No 6968530013]		
Opening balance	-	-
Total amount deposited in the account	-	-
Total amount withdrawn (as per Statement of Receipts & Payments)	=	=
Closing balance (as per SDA bank account reconciliation attached)	=	=

The Special Deposit Account reconciliation statement has been attached as support these closing balances. After the project was closed the balances on the accounts was withdrawn and returned to World Bank hence zero balance

11 B Cash In Hand

No cash in hand was held as at 30th June 2021

11 C Cash equivalents (short-term deposits)

No short term deposits were held as at 30th June 2021

12. ACCOUNTS RECEIVABLES

No accounts receivables as at 30th June 2021

12B: BREAKDOWN OF IMPRESTS AND ADVANCES

No Imprests were outstanding as at 30th June 2021

13. ACCOUNTS PAYABLES

There was pending bills of Ksh 3,900,000 as at 30th June 2021

14. FUND BALANCE BROUGHT FORWARD

	2020/21	2019/20
	KShs	KShs
Bank accounts	127,621	128,674
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
Outstanding imprests and advances	-	-
Total	127,621	128,674

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. PRIOR YEAR ADJUSTMENT

There were no prior year adjustments

16. CHANGES IN RECEIVABLE

There were changes in receivable

17. CHANGES IN ACCOUNTS PAYABLE

There were changes in accounts payable

12. OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 3A)

	2020/21	2019/20
Description	KShs	KShs
Supply of services	3,900,000	40,804,058
	3,900,000	40,804,058

2. PENDING STAFF PAYABLES (See Annex 3B)

There were no pending staff bills as at 30th June 2021

3. OTHER PENDING PAYABLES (See Annex 3C)

There were no other pending bills as at 30th June 2021

4. EXTERNAL ASSISTANCE

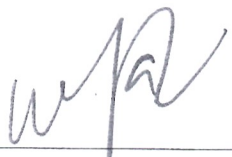
There was no external assistance for the year ending as at 30th June 2021

*National Urban Improvement Project (NUTRIP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021*


13. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

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



Managing Director



Project Coordinator

29/11/2021

Date

29/11/2021

Date

*National Urban Improvement Project (NUTRIP)
Reports and Financial Statements
For the financial year ended June 30, 2021*

14. ANNEXES

ANNEXI - VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance (below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
Receipts					
Transfer from Government entities - GOK	Ksh	Ksh	Ksh		
Transfer from Government entities – KR	-	-	-	-	
Proceeds from borrowings	40,000,000	38,459,036	1,540,964	96%	
Miscellaneous receipts	-	-	-	-	
	-	1,735	(1,735)	n/a	
Total Receipts	40,000,000	38,460,771	1,539,229	96%	
Payments					
Compensation of employees	-	-	-	-	
Purchase of goods and services	(40,000,000)	(38,459,036)	(1,540,964)	96%	
Social security benefits	-	-	-	-	
Acquisition of non-financial assets	-	-	-	-	
Transfers to other government entities	-	-	-	-	
Miscellaneous Payments	-	(2,788)	2,788	n/a	
Total payments	(40,000,000)	(38,461,824)	(1,540,964)	96%	

*National Urban Improvement Project (NUTRIP)
Reports and Financial Statements
For the financial year ended June 30, 2021*

ANNEX 3A - ANALYSIS OF PENDING BILLS

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
	a	b	c			
Supply of services						
1. Team Leader Consultancy Fee	27,354,840	01/12/2018	23,454,840	3,900,000	3,900,000	Payable from GOK and KR Internal Funds
3. Consultancy Fee – Commuter Rail Master plan	146,241,135	11/09/2018	146,241,135	-	36,904,058	
Sub-Total	173,595,975			3,900,000	40,804,058	
Grand Total	173,595,975			3,900,000	40,804,058	

*National Urban Improvement Project (NUTRIP)
Reports and Financial Statements
For the financial year ended June 30, 2021*

Schedule of amounts as at 30th June 2020

Supplier of Goods or Services	Original Amount 2020/2021	Original Amount 2019/2020	Amounts 2019/2021 Billed
	2020/2021		2019/2020
Supply of services			
1. Team Leader Consultancy Fee	27,354,840	27,354,840	27,354,840
3. Consultancy Fee – Commuter Rail Master plan	146,241,135	146,241,135	146,241,135
Sub-Total	173,595,975	173,595,975	173,595,975
Grand Total	173,595,975	173,595,975	173,595,975

ANNEX 4 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Opening Cost (KShs) 2020/21 (a)	Donations in form of assets (KShs) 2020/21 (b)	*Purchases/ Additions in the Year (KShs) 2020/21 (c)	* Disposals in the Year (KShs) 2020/21 (d)	Transfers in/(out) Ksh 2020/21 (d)	Closing Cost (KShs) 2020/21 (e) = (a) + (b) + (c) - (d) + (-) d
ICT Equipment, Software and Other ICT Assets	20,805,688	-	-	-	-	20,805,688
Total	20,805,688	-	-	-	-	20,805,688

*Notes * There was no disposals or Purchases of assets in the FY 2020/2021*

*National Urban Improvement Project (NUTRIP)
Reports and Financial Statements
For the financial year ended June 30, 2021*

APPENDICES

- i. Bank Confirmation Certificate
- ii. Bank Reconciliations statement as at 30th June 2021
- iii. Special Deposit Account(s) reconciliation statement(s)
- iv. Client Connection
- v. IDA 5140-KE Cancellation Letter

BANK ACCOUNT RECONCILIATION REPORT
Kenya Railways Corporation

1 July 2021
Page 1
jmutisya

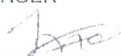
Bank Code 205
Bank Account No: 1001004049
Bank Name: NIC BANK NUTRIP-KES A/C

Reconciliation as at: 30/06/21
Bank Account balance as per Cash Book: 127,620.96
Balance on Bank Statement: 127,620.96
Difference to be Explained: 0.00

Document No.	Cheque No.	Date	Description	Amount	Difference	Reconcile
--------------	------------	------	-------------	--------	------------	-----------

Prepared by:  Date: 1/7/21

ACCOUNTANT
Reviewed by:  Date: 8/7/21

TREASURY MANAGER
Approved by:  Date: 01/7/21

GENERAL MANAGER FINANCE



27th September 2021

KENYA RAILWAYS CORPORATION,
P.O. BOX 30121-00100,
NAIROBI.

Dear Sir/Madam,

RE: CERTIFICATE OF BALANCE FOR KENYA RAILWAYS CORPORATION

We refer to your correspondence requesting us to furnish you with information regarding the state of affairs of your account.

In response we wish to confirm the account and its respective balance with us, as at close of business on 30th June 2021.

Account balances

Account No	Acct Name	Ccy	Account Balance
2178860014	KENYA RAILWAYS CORPORATION	USD	NIL
2178860056	KENYA RAILWAYS CORPORATION	KES	127,620.96 CR

Signatories

JACQUILINE M'MBOGAH
WILBERFORCE ASAVA KADIMA
DAVID NJOGU KIBUI
JEMIMAH WANJIRU MATU

We trust that this meets your requirements.

Yours faithfully,

Isaac Maina
Authorized Signatory

Elizabeth Muraguri
Authorized Signatory

NCBA Centre
Mara and Ragati Road, Upper Hill
P. O. Box 44599-00100, Nairobi, Kenya
Tel: +254 20 2884444
Mobile: +254 711 056444/+254 732 156444
Email: contact@ncbagroup.com

**NATIONAL URBAN TRANSPORT IMPROVEMENT PROJECT (KRC)
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2021**

Credit No.: IDA LOAN NO. CREDIT NO.5140-KE (DA-E)

Bank Account No.: 6968530013 Held with COMMERCIAL BANK OF AFRICA NAIROBI

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by IDA		1,225,075.51
	Less:		
2	Total amount documented		1,225,075.51
3	Outstanding amount to be documented		-
	Represented by:		
4	Ending Special account Balance as at 30 June 2021		-
5	Amounts claimed but not credited as at 30 June 2021		-
6	Amounts withdrawn and not claimed		-
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2021		-

Discrepancy between total appearing on line 3 and 9

-

Notes:

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

The amount appearing on line 6 is eligible for financing by World Bank and shall be documented in subsequent IFRs

Amitina
AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY

DATE: 30-07-2021

SPECIAL ACCOUNT STATEMENT

For period ending	30TH JUNE, 2021
Account No.	6968530013
Depository Bank	CBA BANK-NBI
Address	MARA/RAGATI RDS, UPPER HILL, MAIROBI.
Related Loan	CBA-NUTRIP-E (KRC) NOSTRO
Credit Agreement	5140-KE
Currency	USD

Account Activity

Beginning balance of 1st July, 2020 as per C.B.K. Ledger Account	0.00
Add:	
Total Amount deposited by World Bank	-
Total Interest earnings if deposited in account	-
Total amount refunded to cover ineligible expenditure	-
Deduct:	
Total amount withdrawn	0.00
Total service charges if not included above in amount withdrawn	-
Ending balance on 30th June, 2021	-

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE:

DATE

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE:

DATE

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2021 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 1 of 1

Run Date: Run Time:
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

STATEMENT OF ACCOUNT PAGE NO

ACCOUNT NUMBER :

ACCOUNT TITLE : -

STATEMENT PERIOD:From 01/07/2020 To

30/06/2021

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
-----	------	--------------	---------	-------	----------------

OPENING BAL : 0.00

NO.	Value	Date	Refernce.No	Details	Debit	Credit	Balance
-----	-------	------	-------------	---------	-------	--------	---------

CLOSING BALANCE : 0

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT

[Write Options](#)

[Clear Selection](#)

Find

Account	equals	▼	1000179058
Booking Date	equals	▼	20200701
Statement From	equals	▼	20200701
Statement To	equals	▼	20210630

TAM.E.STMT.OF.ACCT

Loan: IDA 51400 (IDA - IDA Credit) | Status: Fully Disbursed | Country: Kenya |

Project: P126321 - KENYA: NATIONAL URBAN TRANSPORT IMPROVEMENT PROJECT

[Loan Overview](#) |
 [Disbursements](#) |
 [History](#) |
 [Repayments](#) |
 [Amortization Schedule](#) |
 [Audit Submission](#)

[Applications](#) |
 [eSignatorie\(s\)](#) |
 [Contracts](#) |
 [Designated/UN Accounts](#) |
 [Category Schedule](#)

Designated Account Detail- DA-E

Account Details

Account Holder	CBK/GOK NATIONAL URBAN TRANSPORT	DA Currency	USD
Account Holder's Bank	NCBA BANK KENYA PLC NCBA CENTRE MARA AND RAGATI ROAD, 11 NAIROBI Swift: CBAKENXXXX	Current Authorized Allocation	650,000.00
Account Number	XXXXXXXX13	Associated Categories	2 - B - (GDS, WKS & CS for KRC (Part 2 b)) 4-C - (TRAINING - KRC (Part 2 b))
Intermediary Bank	AMERICAN EXPRESS BANK LTD THREE WORLD FINANCIAL CTR, 200, VE'S NEW YORK	Other Financing Sources	

Transaction Details

Currency (USD) [View Transaction List](#)

Total Deposits Less Refunds	1,225,075.51
Documented	1,225,075.51
Outstanding Balance	0.00
Waived Documentation Amount	0.00
Transaction in Process	0.00

Loan: IDA 51400 (IDA - IDA Credit) | Status: Fully Disbursed | Country: Kenya

Project: P126321 - KENYA: NATIONAL URBAN TRANSPORT IMPROVEMENT PROJECT

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

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Withdrawal Applications

Disbursement Milestone

Loan Approval Date 02-Aug-2012	Loan Signing Date 26-Sep-2012	Loan Made Effective 24-Dec-2012	Authorized Signatories Submitted to WB 21-Jul-2021	Authorized Signatories Approved 21-Jul-2021	Loan Is Ready for Disbursing Online
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Transaction List

Showing results 1 - 50 of 237 entries

Filter by DA-D

Documented C

Value Date

Search

Borrower Reference	Application				Category Summary	Paid					
	Type	Status	Ccy	Amount		Ccy	Amount	Date received	Value Date	Logged by	Last Updated
KURA WA 83	DA-D	Completed	USD	672,521.10	4-B	USD	4,177.81	07-May-2019	07-May-2019	Borrower	07-May-2019
KURA WA 83	DA-D	Completed	USD	672,521.10	2-A	USD	668,343.29	07-May-2019	07-May-2019	Borrower	07-May-2019
KURA WA 82	DA-D	Completed	USD	6,893.72	4-B	USD	6,893.72	25-Feb-2019	26-Feb-2019	Borrower	26 Feb-2019
KURA WA 80	DA-D	Completed	USD	0.01	4-B	USD	0.01	21-Dec-2018	21-Dec-2018	Borrower	21-Dec-2018
KURA/WA/76	DA-D	Completed	USD	3.88	4-B	USD	3.88	04-Sep-2018	05-Sep-2018	Borrower	05-Sep-2018
KURA/WA/66	DA-D	Completed	USD	0.01	2-A	USD	0.01	13-Feb-2018	15-Feb-2018	Borrower	15-Feb-2018
KURA/WA/60	DA-D	Completed	USD	16,266.21	4-B	USD	16,266.21	22-Nov-2017	24-Nov-2017	Borrower	24-Nov-2017
KURA/WA/54	DA-D	Completed	USD	57,200.15	4-B	USD	52,285.88	14-Sep-2017	14-Sep-2017	Borrower	14-Sep-2017
KURA/WA/54	DA-D	Completed	USD	57,200.15	2-A	USD	4,914.27	14-Sep-2017	14-Sep-2017	Borrower	14-Sep-2017
KURA/WA/45	DA-D	Completed	USD	70,958.08	4-B	USD	23,878.37	02-Jun-2017	06-Jun-2017	Borrower	06-Jun-2017
KURA/WA/45	DA-D	Completed	USD	70,958.08	2-A	USD	47,079.71	02-Jun-2017	06-Jun-2017	Borrower	06-Jun-2017
KURA/WA/37	DA-D	Completed	USD	228,991.91	4-B	USD	11,026.42	15-May-2017	18-May-2017	Borrower	18-May-2017
KURA/WA/37	DA-D	Completed	USD	228,991.91	2-A	USD	217,965.49	15-May-2017	18-May-2017	Borrower	18-May-2017
KURA/WA/34	DA-D	Completed	USD	190,699.03	4-B	USD	190,699.03	07-Feb-2017	09-Feb-2017	Borrower	09 Feb-2017
KURA/WA/29	DA-D	Completed	USD	126,264.72	4-B	USD	1,879.04	10-Nov-2016	17-Nov-2016	Borrower	17-Nov-2016
KURA/WA/29	DA-D	Completed	USD	126,264.72	2-A	USD	124,385.68	10 Nov-2016	17-Nov-2016	Borrower	17-Nov-2016

8/2/2021

eBusiness

Application						Paid					
KURA/WA/11	DA-D	Completed	USD	222,645.24	4-B	USD	86,923.21	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/11	DA-D	Completed	USD	222,645.24	2-A	USD	135,722.03	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/20	DA-D	Completed	USD	31,079.40	2-A	USD	31,079.40	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/21	DA-D	Completed	USD	202,432.88	2-A	USD	202,432.88	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/22	DA-D	Completed	USD	133,546.56	2-A	USD	133,546.56	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/08	DA-D	Completed	USD	72,048.00	4-B	USD	72,048.00	10-Aug-2015	10-Aug-2015	Borrower	10-Aug-2015
KURA/WA/09	DA-D	Completed	USD	55,913.00	4-B	USD	55,913.00	10-Aug-2015	10-Aug-2015	Borrower	10-Aug-2015
NUTRIFF/ KURA WA 05	DA-D	Completed	USD	21,568.96	4-B	USD	21,568.96	20-Feb-2015	20-Feb-2015	Borrower	20-Feb-2015
WA/KURA/02	DA-D	Completed	USD	162,436.00	4-B	USD	162,436.00	03-Jul-2014	11-Jul-2014	Borrower	11-Jul-2014

Loan: IDA 51400 (IDA - IDA Credit) | Status: Fully Disbursed | Country: Kenya |

Project: P126321 - KENYA: NATIONAL URBAN TRANSPORT IMPROVEMENT PROJECT

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Withdrawal Applications

Disbursement Milestone

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View Withdrawal Applications

Transaction List

Showing results 1 - 50 of 224 entries

Filter by DA-D

Paid Summary

Value Date

Search

Application						Paid					
Borrower Reference	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated
KURA WA 83	DA-D	Completed	USD	0.00	Multiple	USD	0.00	07-May-2019	07-May-2019	Borrower	07-May-2019
KURA WA 82	DA-D	Completed	USD	0.00	4-B	USD	0.00	25-Feb-2019	26-Feb-2019	Borrower	26-Feb-2019
KURA WA 80	DA-D	Completed	USD	0.00	4-B	USD	0.00	21-Dec-2018	21-Dec-2018	Borrower	21-Dec-2018
KURA/WA/76	DA-D	Completed	USD	0.00	4-B	USD	0.00	04-Sep-2018	05-Sep-2018	Borrower	05-Sep-2018
KURA/WA/66	DA-D	Completed	USD	0.00	2 - A	USD	0.00	13-Feb-2018	15-Feb-2018	Borrower	15-Feb-2018
KURA/WA/60	DA-D	Completed	USD	0.00	4-B	USD	0.00	22-Nov-2017	24-Nov-2017	Borrower	24-Nov-2017
KURA/WA/54	DA-D	Completed	USD	0.00	Multiple	USD	0.00	14-Sep-2017	14-Sep-2017	Borrower	14-Sep-2017
KURA/WA/45	DA-D	Completed	USD	0.00	Multiple	USD	0.00	02-Jun-2017	06-Jun-2017	Borrower	06-Jun-2017
KURA/WA/37	DA-D	Completed	USD	0.00	Multiple	USD	0.00	15-May-2017	18-May-2017	Borrower	18-May-2017
KURA/WA/34	DA-D	Completed	USD	0.00	4-B	USD	0.00	07-Feb-2017	09-Feb-2017	Borrower	09-Feb-2017
KURA/WA/29	DA-D	Completed	USD	0.00	Multiple	USD	0.00	10-Nov-2016	17-Nov-2016	Borrower	17-Nov-2016
KURA/WA/20	DA-D	Completed	USD	0.00	2 - A	USD	0.00	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/21	DA-D	Completed	USD	0.00	2 - A	USD	0.00	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/22	DA-D	Completed	USD	0.00	2 - A	USD	0.00	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/11	DA-D	Completed	USD	0.00	Multiple	USD	0.00	02-Jun-2016	04-Jun-2016	Borrower	04-Jun-2016
KURA/WA/08	DA-D	Completed	USD	0.00	4-B	USD	0.00	10-Aug-2015	10-Aug-2015	Borrower	10-Aug-2015

8/2/2021

eBusiness

Application						Paid					
KURA/WA/09	DA D	Completed	USD	0.00	4 B	USD	0.00	10-Aug-2015	10-Aug-2015	Borrower	10 Aug 2015
NUTRIP/ KURA WA 05	DA D	Completed	USD	21,568.96	4 B	USD	21,568.96	20-Feb-2015	20-Feb-2015	Borrower	20 Feb 2015
WA/KURA/02	DA D	Completed	USD	0.00	4 B	USD	0.00	03-Jul-2014	11-Jul-2014	Borrower	11 Jul 2014
WA/KURA/01	DA D	Completed	USD	2,250,000.00	DA D	USD	2,250,000.00	02-Apr-2013	04-Apr-2013	World Bank	04 Apr 2013

→ AM

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

Country office
Delta Center, Menengai Road
P. O. Box 30577 00100
Nairobi, Kenya

Tel.: (254-20) 2936000
Fax: (254-20) 2936382

September 11, 2020

Dr. Julius Muia, CBS
Principal Secretary
National Treasury
Treasury Building, Nairobi



Dear Dr. Muia,

*National Urban Transport Improvement Project (NUTRIP)
IDA Financing 5140-KE
Closure and Cancellation of the Credit Account*

We refer to the Financing Agreement (the Agreement) dated September 26, 2012, between the Republic of Kenya ("the Recipient"), and the International Development Association ("the Association") for the above referenced credit, and to the Cancellation dated December 27, 2018. The credit closing date was December 31, 2018 with a final disbursement deadline date of April 30, 2019. With the final disbursement processed on August 6, 2020 and cancellation of the undisbursed amount of XDR 801,998.76 the above Credit Account has been closed.

The final disbursement status by category under the said Credit is as follows:

Category	Description	Amount Disbursed (SDR)
1	Goods, works and consultant services for KeNHA under Part 1 of the Project	21,953,249.39
2	Goods, works and consultant services for: (a) KURA under Part 2 (a) of the Project except for Part (v) (b) KRC under Part 2 (b) of the Project	13,998,028.17 610,607.25
3	Goods, works and consultant services for: (a) SDoT under Part 3 (a) of the Project (b) SDoI under Part 3 (b) of the Project	4,704,404.28 791,984.80
4	Training for: (a) KeNHA under Part 1 of the Project (b) KURA under Part 2 (a) of the Project (c) KRC under Part 2 (b) of the Project (d) SDoT under Part 3 (a) of the Project (e) SDoI under Part 3 (b) of the Project	680,145.20 357,283.29 245,606.20 238,631.43 175,083.75

GMF
FYI
AD
16/9/20.

Category	Description	Amount Disbursed (SDR)
5	Unallocated for:	
	(a) KeNHA under Part 1 of the Project	0.00
	(b) KURA under Part 2 (a) of the Project	0.00
	(c) KRC under Part 2 (b) of the Project	0.00
	(d) SDoT under Part 3 (a) of the Project	0.00
	(e) SDoI under Part 3 (b) of the Project	0.00
	Designated Account A	(391,929.26)
	Designated Account B	(13,197.14)
	Designated Account C	(42,493.14)
	Designated Account D	(105,455.03)
	Designated Account E	(44,901.67)
	Cancelled effective December 21, 2018	149,540,953.72
	Cancelled	801,998.76
	Original amount	193,500,000.00

The Designated Accounts for the Project were fully documented in the currency of the Designated Accounts. The exchange rate adjustment represents the exchange rate between SDR and the currency of the Designated Accounts from the time the advances were granted to the accounts to the time they were fully documented.

We would be grateful if you could acknowledge to us receipt of this letter.

Sincerely,



Camille Nuamah
Acting Head office Kenya
Eastern and Southern Africa Region



Cc: Prof. Arch. Paul M. Maringa (PhD), CBS
Principal Secretary
State Department of Infrastructure
Ministry of Transport, Infrastructure, Housing,
Urban Development and Public Works
Works Building, Nairobi

Dr. Julius Muia, CBS

- 3 -

September 11, 2020

Mr. Solomon Kitungu, CBS
Principal Secretary
State Department of Transport
Ministry of Transport, Infrastructure, Housing
Urban Development and Public Works
Transcom Building, Nairobi

Mr. Moses Kanagi
Ag. Director
Resource Mobilization Department
The National Treasury
Treasury Building, Harambee Avenue, Nairobi

Eng. James Kungu
Chief Engineer, Roads
State Department of Infrastructure
Ministry of Transport, Infrastructure, Housing,
Urban Development & Public Works
Transcom House, Nairobi

Eng. Peter Mundinia
Director General
Kenya National Highways Authority
Barabara Plaza, JKIA, Nairobi

Mr. Philip Mainga
Managing Director
Kenya Railways Cooperation
Workshop Road, Off Haile Selassie Avenue, Nairobi

Eng. Philemon K. Kandie
Ag. Director General
Kenya Rural Roads Authority
Barabara Plaza, JKIA, Nairobi

Eng. Silas Kinoti
Director General
Kenya Urban Roads Authority
Barabara Plaza, JKIA, Nairobi

Eng. David Muchilwa
Director (Development)
Kenya National Highways Authority
Barabara Plaza, JKIA, Nairobi



KENYA RAILWAYS	
RECEIVED IN MD'S OFFICE	
Received by.....	Kenya
Date.....	15/09/2020
Action by.....	
CC.....	
Bring up Date.....	
Initiated.....	Date.....

Gmid
Please
Dear
MD
MR
18/9/2020

Dr. Julius Muia, CBS

- 4 -

September 11, 2020

Mr. George Wanjau
Deputy Chief Economist
State Department of Transport
Ministry of Transport, Infrastructure Housing,
Urban Development and Public Works
Transcom House, Nairobi

Eng. James Theuri
Project Coordinator, PMO
Ministry of Transport, Infrastructure, Housing,
Urban Development and Public Works
Transcom House, Nairobi

Ms. Judith Kerich
Deputy Project Coordinator, PMO
Ministry of Transport, Infrastructure, Housing,
Urban Development and Public Works
Transcom House, Nairobi