

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 03 DEC 2024	DAY: Tuesday
TABLED BY: Majority Whip	
CLERK-AT-THE-TABLE: Hon. Silvanus Ogoro	
	Irene Nduku

THE AUDITOR-GENERAL

ON

**INFRASTRUCTURE FINANCE AND PUBLIC
PRIVATE PARTNERSHIPS PROJECT –
ADDITIONAL FINANCING
(IDA CREDIT NO. 6121-KE)**

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

THE NATIONAL TREASURY

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**PROJECT NAME: INFRASTRUCTURE FINANCE PUBLIC
PRIVATE PARTNERSHIPS – ADDITIONAL FINANCING
(IFPPP-AF)**

**IMPLEMENTING ENTITY: THE NATIONAL TREASURY AND ECONOMIC
PLANNING**

PROJECT GRANT/CREDIT NUMBER: 6121 - KE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2024

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

***Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF) Project
Annual Report and Financial Statements for the financial year ended June 30th, 2024***

Table Contents	Page
1. Acronyms and Definition of Terms	ii
2. Project Information and Overall Performance	iii
3. Statement of Performance against Project’s Predetermined Objectives	xxiv
4. Environmental and Sustainability Reporting	xxvi
5. Statement of Project Management Responsibilities.....	xxix
6. Report of the Independent Auditor on Financial Statements for IFPPP-AF	xxxi
7. Statement of Receipts and Payments for the Year Ended 30th June 2024.....	1
8. Statement of Financial Assets and Liabilities as at 30 th June 2024.....	3
9. Statement of Cash flows for the year ended 30 th June 2024	4
10. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 th June 2024	5
11. Significant Accounting Policies.....	6
12. Notes to the Financial Statements	11
13. Annexes.....	19

1. Acronyms and Definition of Terms

CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
WB	World Bank
Comparative FY	Financial year preceding the current financial year.

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is **Infrastructure Finance Public Private Partnerships – Additional Financing (IFPPP-AF)**

Overall Objective - To increase private investment in the Kenyan infrastructure market across sectors and to sustain this participation over an extended period of time.

Specific Objective- The project aims to support institutional strengthening as well as project preparation, procurement and management.

Address

The project headquarters offices are at:

Reinsurance Plaza,6th Floor,

Taifa Road Nairobi

KENYA

The address of its registered office is:

P.O BOX 30007-00100

NAIROBI

Tel:020-2732080

Email:info@pppunit.go.ke

Contacts: The following are the project contacts

Telephone: (254) 020-2732080

E-mail: info@pppunit.go.ke

Website: www.pppu.go.ke

Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	The project start date is 21 st December, 2017
Project End Date:	The Project end date is 30 th September, 2024.
Project Coordinator:	The Project Coordinator is Director General/PPPD
Project Sponsor:	The project sponsor is the International Development Association (IDA)

2.3 Project Overview

Line Ministry and State/ County Department	The project is under the supervision of the National Treasury and Economic Planning
Project number	6121 –KE
Strategic goals of the project	Overall Objective- to increase private investment in the Kenyan infrastructure market across sectors and to sustain this participation over an extended period of time.
Summary of Project Strategies for achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Support to institutional strengthening <ul style="list-style-type: none"> • Upstream support to PPP institutions • Support to capacity building activities (ii) Support to Project preparation and procurement (iii) Support for project management
Other important background information of the project	<p>The IFPPP-Additional Financing (IFPPP-AF) was signed on 7th August, 2017 and the project became effective from 21st December, 2017. The project was scheduled to end in October 2022, was extended to September 2024.</p> <p>The IFPPP-AF benefits from the sound legal and regulatory reform and well-established institutional capacity that has been accomplished under the parent project (IFPPP), helping foster private sector investment in a more efficient and sustainable manner and thus bridging the country's infrastructure gap. IFPPP- AF aims to build on the parent project to bring at least 3 PPP projects to financial close and mobilize at least</p>

	<p>USD 1.25 billion private capital by the project close date.</p> <p>The AF, in its current project structure, directly supports the first two of the four windows of the Project Facilitation Fund (PFF). The four windows of the PFF are:</p> <p>(i) support to CAs in the preparation, appraisal and tendering phase of their projects</p> <p>(ii) support the activities of the PPPD in delivery of its mandate</p> <p>(iii) extend viability gap financing to projects.</p> <p>(iv) provide a source of liquidity to meet any contingent liabilities arising from a PPP project</p>
<p>Areas that the project was formed to intervene</p>	<p><i>The project was formed to intervene in the following areas:</i></p> <p>COMPONENT 1: Support to Institutional Strengthening</p> <p>Subcomponent 1A – Upstream Support to PPP Institutions</p> <ul style="list-style-type: none"> • The focus of this sub-component is to provide support for sustainable functioning of the PFF, the PPPD, the PPP Committee, the Petitions Committee and the CAs at both national and county levels. It specifically supports activities focusing on: • Further dialogue and design of strategies and policies relating to specific sectors. This also includes preparation of standard procurement documentation, for sectors where there is strong potential pipeline such as energy, transport, education, health. • Enhancing the ability of these entities to support project preparation, procurement, implementation, including policy, planning and analysis through embedded advisory (including through resident advisors) and consultancy services. • Creation of complete spectrum of PPP expertise at both County and National levels, review of current national law, regulations and frameworks to support drafting of practice notes and guidelines on application of and processes at county level. <p>Subcomponent 1B – Support to Capacity Building Activities</p> <p>The objective of this sub-component is to support capacity building of Government officials including development of a PPF training curriculum. It aims at having at least 50 Government Officials with PPP certification from recognized institutions. In</p>

	<p>addition, the component aims to support PPP public campaigns and investment conferences.</p>
	<p>COMPONENT 2: PPP PIPELINE PREPARATION</p> <ul style="list-style-type: none"> The objective of this component is to assist the Government of Kenya, at national level as well as county level, to prepare well- structured and bankable PPP projects with optimal risk allocation, building on the experience in the development of the first-mover PPPs under IFPPP. Further, funds under this component are used for undertaking feasibility assessments, preparation of bid documents and hand-holding during bid-negotiations and other processes leading to commercial and financial close. This includes financing safeguards assessments. <p>COMPONENT 3: SUPPORT FOR PROGRAM MANAGEMENT</p> <p>A PPF Secretariat was established within the PPP Directorate to provide the fiduciary safeguards, monitoring and evaluation (M&E) expertise required for the implementation of the Project</p>
<p>Project duration</p>	<p>The project duration is 7 years. It commenced on 21st December 2017 and, the project closure date was extended from 30th June 2024 to 30th September 2024</p>

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the project:

(i) Special Deposit Account

DA-BB for Part 1& 2-EEP

IDA Credit No.6121-KE-Central Bank of Kenya, Account No.1000374427

DA-AA for Part 3

IDA Credit No.6121-KE-Central Bank of Kenya, Account No.1000368403

(ii) Local Project Account

DA -BB for Part 1 & 2-EEP

IDA Credit No.6121-KE-Central Bank of Kenya, Account No.1000409018

DA-AA for Part 3

IDA Credit No.6121-KE-Central Bank of Kenya, Account No.1000368632

2.5 Independent Auditor

The project is audited by:

The Auditor General

Anniversary Towers

University Way/Monrovia Street

NAIROBI

2.6 Roles and Responsibilities

Project Governance

The Project's governance framework requires the stakeholders to uphold the highest professional, ethical, moral and legal standards. This is achieved through effective segregation of duties with clear checks and balances as articulated in the Project Loan/Credit Agreement, the PFM Project Design Implementation Manual and the Finance and Procurement Manuals.

The Public Private Partnerships Committee (PPPC)

This Committee is responsible for overseeing the origination, approval and implementation of the Project in line with its mandate in the PPP Act 2021 and PPF Regulations 2017 which includes, approving the annual work plan and budget, and ensuring that the activities are in compliance with the donor and government policies. It is the top policy organ of the directorate.

International Development Association (IDA)

IDA under the World Bank is the project sponsor. They are responsible for reviewing and approving the project's withdrawal applications, expenditure justifications, no objection requests, reviewing and approving the annual work plan and budget, expenditure category reallocation request, and participating in implementation support missions.

The National Treasury and Economic Planning

The National Treasury and Economic Planning as the parent ministry ensures that the Project's budget is captured in its development projects and disbursement of exchequer transfers. The Ministry reviews and tracks the Project's annual work plan and budget against the set targets and makes the approvals. The parent ministry also oversees the execution of the project coordinating team.

The Auditor





The Supreme Audit Institution in Kenya, that is, the Office of the Auditor General, is mandated by the Constitution of Kenya Chapter 12, Part 6, Article 229 which establishes the Office of the Auditor General. Chapter 15, Article 248, Section 3 and Article 249, Section 2 (a) and (b) and section 10 of the Public Audit Act, 2015 provide for the independence of the Office of the Auditor General. The Auditor General is mandated to audit all national government entities, which include government development projects and present these statutory financial statements to the Parliament. This facilitates the submission of the audited report to the project's sponsors by 31st December each year.

Public Private Partnerships Directorate





This is responsible for the project management and coordination functions. The PPPD comprises of the Project Coordinator and a team of Technical Officers. It is also supported by other administrative staff.

These key staff, who form the project coordinating team that is involved in the day-to-day management of the project and its implementation are:

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF) Project
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

Names	Title designation	Key qualification	Responsibilities
 Mr. Christopher Kirigua, MBS	Director General, PPP	<ul style="list-style-type: none"> • Bachelor of Science BS Accounting and Finance • Harvard Kennedy School Senior Executive Learning Program on PPPs and Project Finance 	Provides Overall Leadership for the Kenya Public Private Partnership Program and support to the project implementation.
 Mr. Samwel O. Onyango	Head of Finance & Admin.	<ul style="list-style-type: none"> • MBA Finance • BCom Finance • CPA (K) 	Oversee all the PPPD Financial Management Matters.
 Mr. Wycliffe Paul Ondieki	Monitoring and Evaluation Expert	<ul style="list-style-type: none"> • Master of Education (Educational Psychology) • Bachelor of Education (Mathematics & B. Studies) 	Establish & oversee implementation of the Monitoring & Evaluation Function & System for the Project.
 Mr. Kennedy Onyonyi	Head of Capacity Development	<ul style="list-style-type: none"> • Masters in International Relations. • Postgraduate Diploma in Public Relations. • B-COM 	In charge of PPPD Capacity Building.
 Mr. Edwin Ombaka	Principal Internal Auditor	<ul style="list-style-type: none"> • MBA Finance • BCOM Accounting • CPA(K) • CISA • ISACA • IIA 	Oversee Internal Audit Functions.

*Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF) Project
Annual Report and Financial Statements for the financial year ended June 30th, 2024*

 Mr. Edgar Kamara	Financial Modeler	<ul style="list-style-type: none"> • Bachelor of Economics • Masters in Finance and Investment 	In Charge of project origination, structuring and financial modeling.
 Mr. Paul J. Oyier	Communication Expert	<ul style="list-style-type: none"> • Masters of Art in Communication • Bachelor of Arts in Journalism. 	In charge of communication within PPP Directorate.
 Ms. Neala Wanjala	Head of Legal	<ul style="list-style-type: none"> • Bachelor of Laws 	In Charge of Legal Matters at PPP Directorate.
 Ms. Christine Ng'ang'a	Director, Origination and Structuring	<ul style="list-style-type: none"> • B.A. in Economics and Political Studies • MPA in Policy and Finance • Post Graduate Diploma in Ecommerce and Internet Technologies 	In charge of Project origination and structuring unit
 Ms. Monicah Mwangi	Procurement Expert	<ul style="list-style-type: none"> • Master of Science in Procurement and Contract Management, • Bachelor of Commerce- Purchasing and Supplies, Mt. Kenya University • Diploma in Purchasing and Supplies Management (ICM), • Certified Public Private Partnership – CP3P 	In charge of procurement function.

2.7 Funding summary

The Project is for a duration of 7 years from 2017 to 2024 with an approved budget of Euro 46.9 Million equivalent to Kshs 5.5 Billion as highlighted in the table below:

Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment-		Amount received to date – (30 th June, 2024)		Undrawn balance todate (30 th June, 2024)	
	EUR	Kshs.	Donor currency (EUR)	Kshs.	EUR	Kshs.
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
Loan						
International Development Association- IDA	46.9 Million	5.5 Billion	42,027,690	6,029,577,468.21 Billion	4.87 Million	0.58 Billion
Total	46.9 Million	5.5 Billion	42,027,690	6,029,577,468.21 Billion	4.87 Million	0.58 Billion

Project information and overall performance (continued)

B. Application of Funds

Source of funds	Amount received to date – (30 th June, 2024)		Cumulative amount paid to date – (30 th June, 2024)	Unutilized balance to date (30 th June,2024)	
	<i>EUR</i>	<i>Kshs.</i>	<i>Kshs.</i>	<i>EUR</i>	<i>Kshs.</i>
	<i>(A)</i>	<i>(A')</i>	<i>(B')</i>	<i>(A)-(B)</i>	<i>(A')-(B')</i>
(i) Loan					
International Development Association-IDA	42,027,690	6,029,577,468.21	929,332,417.00	4.87 million	11,425,051.21
Transfer to PPP-PFF account			5,088,820,000.00		
Total	42,027,690	6,029,577,468.21	6,018,152,417.00	4.87 million	

Kindly note that the EUR 42,027,690 (Ksh 6,029,577,468.21) above is the actual amount received by the project since inception through the exchequer account cumulatively.

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

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

F/Y	BUDGET	EXPENDITURE	PERCENTAGE ABSORPTION
2023/2024	6,273,000,000.00	5,324,193,433.90	85%
2022/2023	593,000,000.00	253,409,045.00	43%
2021/2022	529,053,924.00	205,539,546.00	39%
2020/2021	317,000,000.00	150,512,680.00	47%

NB: For the FY 2023/2024, Kshs 5,088,820,000 out of the total expenditure of Ksh 5,324,193,433 a transfer to PPP-PFF account/capitalization as per the Project's Financial Agreement.

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

The physical progress of the IFPPP-AF project is detailed in Table 2 below and in subsequent section

Table 2: Physical Progress of the IFPPP Project as at June 2024

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

Project	Indicator	Performance (Outcomes)																						
Infrastructure Finance Public Private Partnerships – Additional Financing (IFPPP-AF)	<p>(i) Indicator 1- Private Capital Mobilized Year 5 Target - USD \$1.25 Billion</p>	<p>Performance for Indicator 1: USD \$1,226.52 million mobilized from the following: the Lot 33 of Road Annuity Programme, the Nairobi Expressway, Lot 15 of Road Annuity Programme, Lot 18 of Road Annuity Programme, the 35 MW Sosian Menengai Geothermal Power Plant, the 35 MW Quantum Menengai Geothermal Power Plant, the Lot 32 of Road Annuity Programme, the Galana-Kulalu Food Security Project and the Tana Delta Integrated Project.</p> <table border="0" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Project</th> <th style="text-align: right;">Project Cost (USD Million)</th> </tr> </thead> <tbody> <tr> <td>Nairobi Expressway</td> <td style="text-align: right;">667.8</td> </tr> <tr> <td>Road Annuity Lot 15</td> <td style="text-align: right;">73.065</td> </tr> <tr> <td>Road Annuity Lot 18</td> <td style="text-align: right;">59.2</td> </tr> <tr> <td>Road Annuity Lot 33</td> <td style="text-align: right;">98.83</td> </tr> <tr> <td>Road Annuity Lot 32</td> <td style="text-align: right;">56.45</td> </tr> <tr> <td>35 MW Sosian Menengai Geothermal Power Plant</td> <td style="text-align: right;">79.15</td> </tr> <tr> <td>35 MW Quantum Menengai Geothermal Power Plant</td> <td style="text-align: right;">90</td> </tr> <tr> <td>Galana-Kulalu Food Security Project</td> <td style="text-align: right;">42.86</td> </tr> <tr> <td>Tana Delta Integrated Project</td> <td style="text-align: right;">59.17</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">1,226.52</td> </tr> </tbody> </table>	Project	Project Cost (USD Million)	Nairobi Expressway	667.8	Road Annuity Lot 15	73.065	Road Annuity Lot 18	59.2	Road Annuity Lot 33	98.83	Road Annuity Lot 32	56.45	35 MW Sosian Menengai Geothermal Power Plant	79.15	35 MW Quantum Menengai Geothermal Power Plant	90	Galana-Kulalu Food Security Project	42.86	Tana Delta Integrated Project	59.17	TOTAL	1,226.52
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Tana Delta Integrated Project	59.17																							
TOTAL	1,226.52																							
	<p>(ii) Indicator 2- No. of PPP projects that reached Financial Close Year 5 Target - 3</p>	<p>Performance for Indicator 2: Five projects have reached Financial Close. The five are; (i) Lot 33 of Road Annuity Programme, (ii) Nairobi Expressway, (iii) Lot 15 of Road Annuity Programme, (iv) Lot 18 of Road Annuity Programme, (v) 35 MW Sosian Menengai Geothermal Power Plant</p>																						

Project	Indicator	Performance
	<p>COMPONENT 1: Support to Institutional Strengthening</p> <p><i>(i) Indicator 1- PPP Training Curriculum Developed and Implemented</i></p> <p><i>Year 5 Target- Implementation commenced.</i></p> <p><i>(ii) Indicator 2-Number. of Government officials with PPP certification from recognized institutions. (PPP Directorate will define [under WB supervision] the type of recognized PPP Certification and Institutions that meet the requirement).</i></p> <p><i>Year 5 Target - 50</i></p>	<p>COMPONENT 1: Support to Institutional Strengthening</p> <p><i>Performance for indicator 1:</i> There are a number of PPP training curricula that have been developed, including the curriculum for the World Bank APMG PPP certification course. Thus, the need for a standard curriculum has since been addressed. The target development of a curriculum was dropped in the 2nd restructuring of the IFPPP-AF which was concluded in FY 2022/23.</p> <p><i>Performance for indicator 2:</i> Since the commencement of IFPPP-AF, over 80 Government officials have been supported to undertake various PPP certification courses. Therefore, the target has been achieved.</p>
	<p>COMPONENT 2: PPP Pipeline Preparation</p> <p><i>(i) Indicator 1- No. of Feasibility Studies¹ approved by the PPP Committee</i></p> <p><i>Year 5 Target – 25</i></p>	<p>COMPONENT 2: PPP Pipeline Preparation</p> <p><i>Performance for indicator 1:</i> Feasibility Studies for twenty-four projects (24 No) have been approved and they are; 2nd Nyali Bridge, Moi University Student Hostels, South Eastern Kenya University Student Hostels, University of Embu Student Hostels, Egerton University Student Hostels, Kenya Technical Trainers College Student Hostels, Lamu -Garissa- Isiolo Highway PIIP, Nanyuki Bulk Water Supply, KCB Usalama Police Housing Project Nairobi Expressway, 140 MW Olkaria PPP Project, 300 B Private Hospital, O&M of Shimoni Industrial Fishing Port Naivasha Special Economic Zone and Kenya Defence Forces Accommodation Project, University of Nairobi Cancer Centre Teaching and Research Hospital, Nairobi Expressway, Power Transmission Lines sponsored by Africa 50 Sponsored, Galana Kulalu Food Security Project, Tana Delta Integrated Project Power Transmission Lines sponsored by Adani Energy Solutions, Stoni Athi Affordable Housing Units, Equipment</p>

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

	<p>(ii) Indicator 2- No. of EOIs/RFQs/RFPs issued to prospective PPP private partners</p> <p><i>Year 5 Target - 20</i> EOIs/RFQs/RFPs issued to prospective private investors</p> <p>Indicator 3- Report drafted on stakeholder engagement</p> <p>(iii) <i>Year 5 Target - Yes</i></p>	<p>Operation and Maintenance of Lamu Port Berths 1, 2, 3 and Lamu SEZ, Development and Expansion of JKIA</p> <p>Performance for indicator 2- 17 EOIs/RFQs/RFPs have been issued;</p> <ul style="list-style-type: none"> • 12 RFQs issued - 2nd Nyali Bridge, Nairobi - Nakuru Road, Moi University Student Hostels, South Eastern Kenya University Student Hostels, University of Embu Student Hostels, 300 Bed Private Hospital, 140MW Olkaria PPP Project, Kenya Defence Forces Accommodation Project, Lamu Container Terminal Berths 1-3, Mombasa & Lamu Ports Projects (Lamu Special Economic Zone, Mombasa Port Berths 11-14, Mombasa Port Container Terminal 1) • 5 RFPs issued - Nairobi – Nakuru - Mau Summit Highway, Moi University Student Hostels, South Eastern Kenya University Student Hostels, University of Embu Student Hostels and Kenya Defense Forces Accommodation Project. <p>Performance for indicator 3: The first Financial Close to be achieved was for Lot 33 of the Road Annuity Program in February 2018. The stakeholder consultations were however undertaken for projects in the Lot 18 of the Road Annuity programme [32km roads to augment select urban roads in 4 Counties: Kakamega (12.5km), Vihiga (3km), Bungoma (12.5km) and Busia (4km)]. This exercise was undertaken in Q4, FY 2022/23 and report was submitted to the Bank, reviewed, feedback was provided and the report is being finalized.</p>
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There are activities that are planned for implementation under the IFPPP-AF Project in FY 2023/24. The activities are organized/presented around the six objectives of the PPP Directorate. Progress on the physical implementation of these activities is highlighted in the table below;

Objective 1: To increase private investments in PPP Projects for the provision of public goods to Kenyans

1.1 Projects with ongoing Transaction Advisory

- (i) Pwani University Teaching and Referral Hospital – Feasibility Study was finalized in Q1. Review of the report was finalized in Q2. Progress of the project is subject to the concurrence of the health sector with regard to policy recommendations in the Feasibility Study report.

1.2 Projects in advanced stages of procurement of Transaction Advisor

- (i) Nakuru Integrated Solid Waste Management project- Evaluation of EOI was finalized. The CA is no longer keen on progressing the procurement and thus the procurement was cancelled
- (ii) Meru Teaching and Referral Hospital- Cancer Center- During the year, the evaluation and negotiations were finalized , contract was awarded and subsequently signed in June 2024. Implementation of the assignment is ongoing.
- (iii) Development of the Ultra-Modern Teaching Complex- During the year, the evaluation and negotiations were finalized , contract was awarded and subsequently signed in May 2024. Implementation of the assignment is ongoing.

1.3 Projects in early stages of procurement of Transaction Advisor

- (i) Transmission Expansion Programme (5 Transmission Lines) – EOI was issued and closed. In the course of the year, the Contracting Authority received Privately Initiated Proposals (PIPs) for some of the Transmission Lines that were in this project resulting in a reduction of the scope of work that had been planned for the project. Consequently, in view of this, the procurement of the TA was put on hold, pending revision of the scope of the TOR.
- (ii) TA for New projects - Aviation sector- the CA procured the TA using their funds
- (iii) TA for New projects – Port- the CA procured the TA using their funds
- (iv) Water Sector TA- Contract award is pending conclusion on internal consultations touching on the assignment.

1.4 Workshops for preparation of projects

A number of project preparation-related workshops were held and they included;

- (i) PPP Training of on National Level Contracting Authorities on climate resilience and infrastructure held 25th – 29th March 2024, in Nairobi. A total of 40 (24 Female, 26 Male) technical officers participated
- (ii) PPP Training of 30 (9 Female, 21 Male) technical staff from Lake Victoria Waterworks Development Authority done 6th – 8th February 2024, in Nairobi.
- (iii) PPP Training on PPPs and County Aggregation and Industrial Parks (CAIPs) held 10th -12th June and 13th - 15th June 2024. The trainings were held in Naivasha and a total of 100 technical officers from County Governments were trained
- (iv) Workshop on guidelines for review PIPs for Transmission Line PPP projects where 35 technical staff from KETRACO 5 technical staff from the PPPD participated. The workshop was held in April 2024.

Other trainings

1.5 Consultancies for Legal Services

- (i) Consultants hired to support Due Diligence (DD) for prospective Private Parties in PPPs- TOR was finalized and approved. Consultancy EOI was issued to the market and closed on 13th December 2023. EOI evaluation was finalized, evaluation report was approved. RFP was non-responsive and was subsequently re-issued in June 2024 and will close in July 2024.

- (ii) External Legal Counsel Consultant hired- the EOI was issued in June and will close in July 2024.

1.6 PPP Program Strategy/Policy Documents developed

- (i) Development of a National Infrastructure Plan (NIP)- RFP was issued and closed in October 2023. Only one bid was received, and thus the RFP had to be re-issued. It closed and evaluation is ongoing.
- (ii) Development of PPP contract management framework - TOR was finalized and approved. Activity is being funded under PPIAF. Recruitment of the consultant is underway.
- (iii) Sustainability Criteria (PPP-SC) and Climate-Related Risk Disclosure Protocol (CRRDP) for PPP Projects developed- The development of the ESIA and Climate Resilience Screening Checklist has been finalized. Both the **PPP-SC** and **CRRDP** aspects are incorporated in this tool
- (iv) PPP Directorate Strategic Plan developed and implemented- activity is to be dropped since the strategies and targets for PPP are being incorporated in the new Strategic Plan for the National Treasury and Economic Planning, whose development was finalized towards the end of the Financial Year.
- (v) Development of templates for PPP Transaction documents (Water, Health and Toll Roads- Pending recruitment of consultant by the Africa Legal Support Facility (ALSF). The consultant was recruited and development of the templates is underway.

1.7 Conferences

There were no conferences supported under the IFPPP-AF during the financial year.

Objective 2: To provide ongoing internal PPP advisory and capacity building in the various stages of the PPP project cycle

2.1 Capacity Building of various Teams (PPPD, CAs)

- (i) PPP Training of CA officers on PPPs, held on 22nd – 25th January 2024, in Nairobi. The training was done in collaboration with Strathmore University.
- (ii) Training of 16 PPP Committee members on PPP Fundamentals, Governance and Management facilitated by Crowne Agents and held 12th – 16th June 2024, in London UK
- (iii) Training of 2 PPPD staff on Acceleration / Promotion of Geothermal Energy Investment, held 20th – 29th August 2023, in Yokohama, Japan
- (iv) Training on Viability Gap Funding held on 13th May 2024, where 18 staff from CAs and PPPD were trained. The training was held virtually.

- (v) Sensitization on PPPs for Board and Senior Management of the Kenya Airports Authority (KAA), held on 3rd April 2024. A total of 20 officers participated.

Other Trainings

- (vi) Training on Ethics, Integrity and Governance facilitated by the Kenya School of Government and held in Machakos;
22nd – 26th April 2024, and 19 PPPD staff were trained
6th – 10th May 2024, and 18 PPPD staff were trained
6th – 17th May 2024, and 18 staff were trained
20th – 31st May 2024, and 19 staff were trained
- (vii) Four PPPD staff participated in Sensitization on Closing Procedures and transition from Cash Based System to Accrual based System of reporting, which was held in Naivasha from 27th to 31st May 2024, and was facilitated by the National Treasury
- (viii) Four PPPD staff participated in a training in Data Protection in Records Management. The training was held from 10th – 14th June 2024 and was facilitated by the Kenya Association of Records Management
- (ix) PPPD administrative staff were trained on Healthy Life skills Development. The trainings were held 8th – 19th January 2024, and 12th – 23rd February 2024. A total of 53 staff were trained.

Objective 3: To promote program monitoring and learning practices for improved delivery of PPP services

3.1 *Preparation of contractual reports of projects supporting the PPP program finalized-* FY 2022/23 Annual Report and Financial Statements for IFPPP-AF were finalized and submitted. FY 2023/24 Q1, Q2 and Q3 reports were also submitted.

3.2 *Preparation of statutory PPP reports finalized-* The following reports were prepared and submitted;

- PPP Directorate Performance contract report for FY 2023/24 Q1, Q2, Q3 and Q4 were prepared and submitted
- IFPPP-AF FY 2023/24 Q1, Q2, Q3 and Q4 Reports on Externally Funded Projects
- The Annual PPP Report was finalized and submitted to the PPP Committee and Parliament in September 2023

3.3 *Monitoring of PPP projects*

- The PPP Directorate did not participate in the field project monitoring activities that were held during the year
- The Directorate organized the 1st PPP Projects Performance Review session which was held on 13th June 2024. The participants included representatives from the PPP Directorate, Contracting Authorities, Service Providers, and Independent Engineers. The session focused on assessing the results achieved by the projects, challenges, and lessons learned.

- The Project is scheduled to close on 30th June 2024. During Q4, the Directorate provided inputs to the Project Completion Report (PCR), whose preparation was being led by the World Bank team.

3.4 Program Performance Reviews

Various program performance reviews were held during the quarter. This included biweekly review of status of projects by the Origination Team, periodical program reviews by the Senior Management Team and staff retreat which was held in March 2024.

3.5 Program Information Management

- Procurement of equipment and supplies for the PPPD Library/Resource Centre. The equipment was procured and delivered in Q2.
- Procurement of equipment and supplies for the PPPD Registry. The equipment were procured and delivered in Q2.

Objective 4: To increase and sustain resources for the PPP program

4.1 Development/Revision of key PFF Documents, Templates, Tools completed

Internal review of the PFF manual was finalized. The revised manual was approved by the PPP Committee in June 2024.

4.2 Meetings/Workshops with development partners held

There were no meetings held during the period under review.

Objective 5: To enhance visibility of the PPP Program

5.1 *Annual PPP Forum/Conference-* The activity has been put on hold, pending further directions from Management.

5.2 *Projects Investor Roadshows and Market Sounding Events Conducted-* The activity was not implemented

5.3 Communications Audio/Video Products Developed

Awareness creation videos for Lot 15 and 18 were prepared and finalized in October 2023- as at end of FY, they pending approval and subsequent dissemination.

5.4 *Public Awareness Campaigns on PPPs-* Awareness campaign has been developed. However, it was not implemented as it was pending re-alignment with internal program priorities, prior to implementation.
Separately,

5.5 *Media Engagement & Training Forums Held* – The trainings were not held. However, there were a few engagements with the media that took place.

5.6 *High-Level Interviews & Features in International Media-* these were not held.

- 5.7 *Exhibitions at Strategic International PPP Events & Conferences*- The calendar and TORs for the events were developed and are pending approval.
- 5.8 *PPP Post & Digital/Social Media Publications* – The editorial planning commenced.
- 5.9 *Consultancy on PPP Marketing Communications and Stakeholder Engagement*

The World Bank, under the Trust Fund, retained the services of *Engage Communications Ltd* on 5th May, 2023. The Consultant officially concluded the assignment on 31st January, 2024, whereupon the following key deliverables were executed:

- a) A new website for the PPP Directorate

A draft website was delivered – however, a post-assignment review by the Directorate staff identified a number of areas which are being addressed by the ICT Authority and the Directorate before the website is activated within the month of August 2024.

- b) The Marketing Communications Strategy

A new strategy is in place pending final approval by the Directorate.

- c) Branding and Visual Guidelines

Final versions of both the corporate and brand guidelines were delivered and approved by the Directorate

- d) Digital/Social Media Content Management Plan

This was finalized and its report approved by the Directorate

- e) Investor Analytics Report

The report was delivered awaiting final approval by the Directorate

- f) Marketing Collaterals

These were presented in templated formats and are awaiting the Directorate's approval

- iii) *Indicate the absorption rate for each year since the commencement of the project*

F/Y	BUDGET	EXPENDITURE	PERCENTAGE ABSORPTION
2023/2024	6,273,000,000.00	5,324,193,433.90	85%
2022/2023	593,000,000.00	253,409,045.00	43%
2021/2022	529,053,924.00	205,539,546.00	39%
2020/2021	317,000,000.00	150,512,680.00	47%

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

(a) **Challenge** - There are some inadequacies in the public investment policy framework that are a hindrance to comprehensive guidance with regard to the implementation of all commercially viable infrastructure projects under PPP arrangements. This has led to lack of full buy-in by Contracting Authorities into the PPP arrangements to improve project delivery. This situation affected the fund absorption under the IFPPP-AF project, whereby some of the projects that had been proposed for CAs and enlisted for transaction advisory (TA) support under the IFPPP-AF project, did not progress and therefore the funds allocated for the TA support were not absorbed.

Proposed Solution-

- A harmonized public investment policy is being developed by the National Treasury coordinated by the Public Investment and Portfolio Management Directorate and the PPP Directorate to address existing gaps.
- The National Treasury is in the process of developing a 10-year National Infrastructure Plan (NIP). The NIP will provide a comprehensive approach to infrastructure development, in both the relatively short-term and the long-term by providing a basis for planning, prioritization, and delivery. A consultant is being procured to support the development of the NIP. The procurement process is targeted to be completed in August 2024, and the assignment will commence soon after.

2.9 *Summary of Project Compliance:*

There were no cases of non-compliance with the applicable laws and regulations eg, Treasury circulars on project investment management, PFM Act 2012, PPP Act 2021, Kenya vision 2030 flagship projects and essential financing agreements/covenants.

3. Statement of Performance against Project's Predetermined Objectives

Introduction

Section 81(2)(f) /Section 164 (2)(f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national/county government entity's performance against predetermined objectives at the end of each financial year.

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

- a) To increase private investment in the Kenyan infrastructure market across sectors and to sustain this participation over an extended period of time

Progress on the attainment of strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurement.

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

Below, we provide the progress on attaining the stated objectives:

Project	Objective	Indicator	Performance																			
Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)	To increase private investment in the Kenyan infrastructure market across sectors and to sustain this participation over an extended period of time	(i) Indicator 1- Private Capital Mobilized Year 5 <i>Target</i> – USD \$1.25 Billion	Performance for Indicator 1: USD \$1,226.52 million mobilized from the following: the Lot 33 of Road Annuity Programme, the Nairobi Expressway, Lot 15 of Road Annuity Programme, Lot 18 of Road Annuity Programme, the 35 MW Sosian Menengai Geothermal Power Plant, the 35 MW Quantum Menengai Geothermal Power Plant, the Lot 32 of Road Annuity Programme, the Galana-Kulalu Food Security Project and the Tana Delta Integrated Project.																			
			<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Project Million)</th> <th style="text-align: right;">Project Cost (USD)</th> </tr> </thead> <tbody> <tr> <td>Nairobi Expressway</td> <td style="text-align: right;">667.8</td> </tr> <tr> <td>Road Annuity Lot 15</td> <td style="text-align: right;">73.065</td> </tr> <tr> <td>Road Annuity Lot 18</td> <td style="text-align: right;">59.2</td> </tr> <tr> <td>Road Annuity Lot 33</td> <td style="text-align: right;">98.83</td> </tr> <tr> <td>Road Annuity Lot 32</td> <td style="text-align: right;">56.45</td> </tr> <tr> <td>35 MW Sosian Menengai Geothermal Power Plant</td> <td style="text-align: right;">79.15</td> </tr> <tr> <td>35 MW Quantum Menengai Geothermal Power Plant</td> <td style="text-align: right;">90</td> </tr> <tr> <td>Galana-Kulalu Food Security Project</td> <td style="text-align: right;">42.86</td> </tr> <tr> <td>Tana Delta Integrated Project</td> <td style="text-align: right;">59.17</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">1,226.52</td> </tr> </tbody> </table>	Project Million)	Project Cost (USD)	Nairobi Expressway	667.8	Road Annuity Lot 15	73.065	Road Annuity Lot 18	59.2	Road Annuity Lot 33	98.83	Road Annuity Lot 32	56.45	35 MW Sosian Menengai Geothermal Power Plant	79.15	35 MW Quantum Menengai Geothermal Power Plant	90	Galana-Kulalu Food Security Project	42.86	Tana Delta Integrated Project
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TOTAL	1,226.52																					
		(ii) Indicator 2- No. of PPP projects that reached Financial Close Year 5 <i>Target</i> - 3	Performance for Indicator 2: Five projects have reached Financial Close. The five projects are; (i) Lot 33 of Road Annuity Programme, (ii) Nairobi Expressway, (iii) Road Annuity Lot 15 of Road Annuity Programme, (iv) Lot 18 of Road Annuity Programme, (v) 35 MW Sosian Menengai Geothermal Power Plant																			

4. Environmental and Sustainability Reporting

The main mandate of the IFPPP-AF project is to increase private sector investments in Kenyan infrastructure market across sectors and to sustain this participation over an extended period of time.

i. Sustainability strategy and profile

The IFPPP-AF benefits from the sound legal and regulatory reform and well-established institutional capacity, helping foster private sector investment in a more efficient and sustainable manner and thus bridging the country's infrastructure gap.

Currently, a big proportion of PPP program work is supported with funding of an IDA credit under the IFPPP and IFPPP-AF. The two projects are closing in September 2024. The two projects were restructured within FY 2023/24, wherein the project funding balances for the non-operations components of the projects will be disbursed to the Project Facilitation Fund (PFF), thus facilitating use of the balances for the PPP program, beyond the project closure date.

Further, the PFF is fully operational thus allowing the PPP Directorate to crowd in additional resources from the budget of National Treasury, other Development Partners, success fees from successful bidders, tariffs, levies, appraisals fees for Privately Initiated Proposals, etc. The Directorate continues to engage with a number of strategic partners to explore opportunities for strategic and technical assistance for the program and also complementary synergies in PPP program work. These engagements have yielded positive results, highlights which are listed below;

Strategic Partner	PPP Program Activities Supported
1. Public – Private Infrastructure Advisory Facility (PPIAF)	<ul style="list-style-type: none"> ○ Development of PPP Regulations ○ Development of PPP Directorate Staffing and Remuneration Structure. ○ Development of PPPD Communications and Stakeholder Engagement Strategy and PPP Marketing Communications Strategy
2. Climate Resilience & Environmental Sustainability Technical (CREST) advisory	<ul style="list-style-type: none"> ○ Development of Framework for Facilitating Low Carbon and Climate Resilient Infrastructure PPPs in Kenya
3. Private Infrastructure Development Group (PIDG)	<ul style="list-style-type: none"> ○ Transaction Advisory for Smart Street Lighting Project ○ Transaction Advisory University Of Nairobi Purpose Built Student Accommodation Project
4. United States International Development Agency (USAID)	<ul style="list-style-type: none"> ○ Transaction Advisory for Meru and Greater KORA Conservation Project
5. Africa Legal Support Facility (ALSF)	<ul style="list-style-type: none"> ○ Supplementary Technical Advisory for 2nd Nyali Project ○ Capacity building on development of Special Economic Zone (SEZ) projects
6. National Treasury, Public Finance Management Reforms (PFMR) program	<ul style="list-style-type: none"> ○ Sensitization on PPP Legal and Institutional Framework ○ Development of PPP Guidelines and practise notes

ii.Environmental performance

All PPP projects are subjected to environmental and social assessments, prior to implementation. This ensures that appropriate environmental impact mitigation measures are integrated during the implementation phase of the project. Further, the Directorate is currently developing a Framework for facilitating Low Carbon and Climate Resilient Infrastructure PPPs in Kenya.

iii.Employee welfare

The Staff establishment and recruitment is as per the Project Appraisal Document and the Project Implementation Manual. (Ref: component 3: Support for Program Management in non-financials section).

iv.Marketplace practices-

a) Responsible Supply chain and supplier relations-

PPP Directorate- IFPPP-AF, sources goods and services from across the country and around the world to meet the requirements of the Directorate. As such, we aim in our procurement to be transparent, accountable and fair, and to provide value for money in meeting the Directorate needs. Suppliers are welcome to bid for any contracts that they believe are suitable; the contact person is advertised in each case.

PPP Directorate-IFPPP-AF, is an equal opportunity organization and promotes equal opportunity throughout the unit. All tenders are open to suitably qualified parties.

All procurement entities as well as bidders and service providers, i.e., suppliers, contractors, and consultants have to observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with paragraphs 1.16 and 1.17 of the Procurement Guidelines and paragraph 1.23 and 1.24 of the Consultants Guidelines, in addition to the relevant Articles of the Kenya Public Procurement Laws which refer to corrupt practices.

b) Responsible ethical practices

All complaints and reports on corruption or alleged corrupt dealings must be reported to the Ethics and Anti-Corruption Commission (EACC) in accordance with the Anti-Corruption and Economics Crimes Act, 2003 and the Ethics and Anti-Corruption Commission Act, 2011. Information can be provided to EACC in writing, by telephone or by presenting it personally to the Commission's Report Centre at Integrity Centre. Alternatively, information can also be relayed to the World Bank Integrity Vice Presidency office (INT) which is responsible for the investigation of internal and external allegations of misconduct and fraud. The department is also expected to design preventive measures that can protect Bank Group resources - which are, for the most part, public funds – from corruption and abuse.

Procurement complaints are handled in accordance with the procedures prescribed in the World Bank Procurement and Consulting Services Guidelines (2011 or as amended). For complaints arising from contracts procured using the Public Procurement and Assets Disposal Act (PPDA), 2015, they would be handled in accordance with the provisions stipulated in the PPDA. Public procurement in Kenya is governed by an Act of parliament and public procurement regulations that lay down rules and regulations to be followed by all those involved in it.

The Law and the Regulations are: -

- The Public Procurement and Assets Disposal Act (PPDA), 2015.
- The Public Procurement and Assets Disposal Regulations, 2020. The Regulations are meant to assist in the application and implementation of the PPDA.

c) Regulatory impact assessment

In order to get the broadest possible interest from eligible bidders and consultants, a General Procurement Notice (GPN) are prepared by the project and published in United Nations Development Business online (UNDB online), on the Bank's external website and in at least 1 national newspaper, and a technical or financial magazine of wide international circulation (as the case may be if bidding is required from International parties), as well as a widely used electronic portal with free national and international access; after the project is approved by the Bank Board, and/or before Project effectiveness. The borrower and PPP Directorate-IFPPP keep a list of received answers from potential bidders interested in the contracts.

Specific Procurement Notices for all goods and works to be procured under International Competitive Bidding (ICB) and Expressions of Interest for all consulting services to cost the equivalent of US\$200,000 and above are also published in the United Nations Development Business online (UNDB online), on the Bank's external website, as well as a widely used electronic portal with free national and international access; and a technical or financial magazine of wide international circulation in addition to the widely circulated national newspapers. For works /goods using National Competitive Bidding (NCB), the Specific Procurement Notice (SPN) is published in widely circulated national newspapers in the country.

The National Competitive Bidding (NCB) and other post review contracts are published in a widely used website or electronic portal with free national and international access within two weeks of the award decision and in the same format as in the preceding paragraph.

d. Community Engagements

The Project Company for the 35 MW Sosian-Mengai Geothermal Power Plant PPP Project has undertaken various CSR initiatives in Bahati and Rongai sub-counties, including distributing 200,000 litres of clean drinking water to 18 schools, donating furniture and stationery to Machiaro Primary School, and providing waste wood for cooking in 18 schools around Menengai crater. In addition, the company deployed heavy machinery, including motor graders, dump trucks, and backhoes, to clear blocked tunnels and prevent flooding at the Wanyororo Bahati trading center. Besides the company donated reusable sanitary pads to 1,300 schoolgirls across six Caldera schools and provided food supplies worth 500,000 shillings to 1,000 of the most vulnerable individuals in the community, including the elderly, single parents, orphans, and people with disabilities.

5. Statement of Project Management Responsibilities

The Principal Secretary for the National Treasury and the Project Coordinator for Infrastructure Finance and Public Private Partnerships – Additional Financing (IFPPP-AF) are responsible for the preparation and presentation of the Project’s financial statements, which give a true and fair view of the state of affairs of the Project for the financial year ended on June 30th, 2024.

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

The Principal Secretary for the National Treasury and the Project Coordinator for Infrastructure Finance and Public Private Partnerships – Additional Financing (IFPPP-AF) 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 Principal Secretary for the National Treasury and the Project Coordinator for Infrastructure Finance and Public Private Partnerships – Additional Financing (IFPPP-AF) Project are of the opinion that the Project’s financial statements give a true and fair view of the state of the Project’s transactions during the financial year ended June 30, 2024, and of the Project’s financial position as at that date. The Principal Secretary for the National Treasury and the Project Coordinator for Infrastructure Finance and Public Private Partnerships – Additional Financing (IFPPP-AF) further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control.

The Principal Secretary for the National Treasury and the Project Coordinator for Infrastructure Finance and Public Private Partnerships – Additional Financing (IFPPP-AF) 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 Principal Secretary for the National Treasury and the Project Coordinator for Infrastructure Finance and Public Private Partnerships – Additional Financing (IFPPP-AF) on 25/09/ 2024 and signed by:



.....
**Dr. Chris Kiptoo, CBS
Principal Secretary/NT**



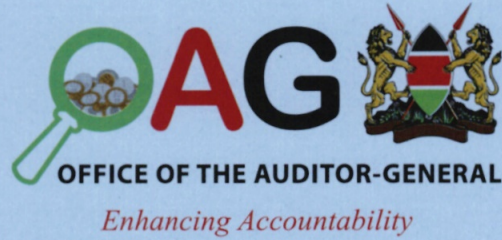
.....
**Christopher Kirigua, MBS
Project Coordinator
Director General/PPPD**



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**CPA Samwel O. Onyango
Head of Finance & Admin.
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REPORT OF THE AUDITOR-GENERAL ON INFRASTRUCTURE FINANCE AND PUBLIC PRIVATE PARTNERSHIPS PROJECT - ADDITIONAL FINANCING (IDA CREDIT NO:6121-KE) FOR THE YEAR ENDED 30 JUNE, 2024 - THE NATIONAL TREASURY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on 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.

The Unmodified Opinion on the report on the Financial Statements should be read together with the report on the Lawfulness and Effectiveness in the Use of Public Resources, and the report on the Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Infrastructure Finance and Public Private Partnerships Project-Additional Financing set out on pages 1 to 19, which

Report of the Auditor-General on Infrastructure Finance and Public Private Partnerships Project-Additional Financing (IDA Credit No.6121-KE) for the year ended 30 June, 2024 – The National Treasury

comprise of the statement of financial assets and liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows and statement comparison of budget 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 statement position of the Infrastructure Finance and Public Private Partnerships Project-Additional Financing as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Financing Agreement No.6121-KE dated 07 August, 2017 between the International Development Association (IDA) and the Republic of Kenya and the Public Finance Management Act, 2012.

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

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Infrastructure Finance and Public Private Partnership Project - Additional Financing 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.6,273,000,000 and Kshs.4,507,493,979 respectively, resulting to an under-funding of Kshs.1,765,506,021 or 28 % of the budget. Similarly, Management spent an amount of Kshs.5,324,193,434 against actual receipts of Kshs.4,507,493,979 respectively resulting in over-expenditure of Kshs.816,699,455 or 18% of actual receipts.

In the circumstances, the under-funding may have affected the planned activities and impacted negatively on service delivery to the public. Further, reasons for the over-expenditure were not provided.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Years Audit Matters

In the audit of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance which have remained unresolved as at 30 June, 2024.

Other Information

Conclusion

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

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

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, except for the effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Partial Achievement of the Project Objectives

The Project duration was seven (7) years from 21 December, 2017 to 30 June, 2024 with a three months extension to end on 30 September, 2024. However, as at 30 June, 2024, the Project had not achieved all its objectives as enumerated below.

i. To Increase Private Investment in PPP Projects for Provision of Public Goods to Kenyans

The Project objective one was to increase private investment in Public Private Partnerships (PPP) Projects for provision of public goods to Kenyans through; Capacity Building of Public Private Partnerships Directorate and Contracting Authorities, develop Program strategy/Policy documents and hold conferences among others. Review of physical progress of the IFPPP Project as at June, 2024 revealed the following unachieved objectives;

- a) The annual report and financial statements in page (xix) indicate that a national infrastructure plan request for proposal was issued and closed in October, 2023. However, only one bid was received and the request for proposal had to be re-issued and it closed and the evaluation is ongoing. Therefore, the process has not been completed while the Project end date was 30 September, 2024 indicating non-achievement of this objective.
- b) The annual report and financial statements in page (xxi) indicate that the objective of enhancing visibility of the Public Private Partnership Program through annual Public Private Partnership forum or conference was not achieved since there were no conferences supported during the year under review and that the activity was put on hold pending further directions from Management. However, the Project end date was 30 September, 2024 while it had unutilized balance of Kshs.11,425,051 as per Project information and overall performance at page (xiii).

ii. Promote Program Monitoring and Learning Practices for Improved Delivery of PPP Services

Physical progress of the IFPPP Project as at June, 2024 in page (xx) of the annual report and financial statements indicate that the third objective of the Project which included Monitoring of PPP Projects by the Directorate. The Management explained that the Directorate participated in the field Project monitoring activities held during the year under review of road Projects in Six (6) counties of Nyeri, Kirinyaga, Muranga, Embu, Tharaka Nithi, and Laikipia. However, documents to show that the Directorate participated in the field Project monitoring activities were not provided for review. Therefore, it was not possible to confirm whether the objective was achieved.

iii. To Increase and Sustain Resources for the PPP Program

Physical progress of the IFPPP Project as at June, 2024 in page (xxi) of the annual report and financial statements indicate that the fourth objective of the Project was to increase and sustain resources for the PPP Program through holding meetings and workshops with development partners which was not achieved since the Directorate did not hold meetings and workshops with the development partners during year under review.

iv. To Enhance Visibility of the PPP Program

Physical progress of the IFPPP Project as at June, 2024 in page (xxi and xxii) of the annual report and financial statements indicate that the fifth objective of the Project was to enhance Visibility of the PPP Program through; annual PPP Forum/Conference, Project Investor Road shows and market sounding events, communications audios/video products development, public awareness campaigns on PPPs media engagement and training forums to be held, high level interviews and features in international media, exhibitions at strategic international PPP events and conferences post and digital/social media publications and consultancy on PPP marketing communications and stakeholder engagement. However, most of these activities were not implemented. Supporting documents in respect of the few activities indicated as having been implemented were not provided for audit review. Therefore, it was not possible to confirm whether the objectives were achieved.

In the circumstances, value for money could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 THE 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 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 OF 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 financing Agreement.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

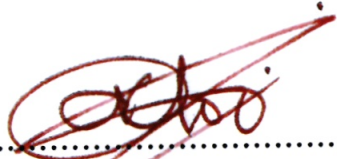
11 November, 2024

7. Statement of Receipts and Payments for the Year Ended 30th June 2024.

Description	Notes	2023/2024			2022/2023			Cumulative to date(From inception)
		Receipts and payments controlled by the project	Payments made by third parties	Total	Receipts and payments controlled by the Project	Payments made by third parties	Total	
		Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	
RECEIPTS								
Loan from external development partners	1	4,503,693,862		4,503,693,862	276,227,200		6,029,577,468	
Miscellaneous receipts	2	3,800,117		3,800,117			3,811,117	
TOTAL RECEIPTS		4,507,493,979		4,507,493,979	276,227,200		6,033,388,585	
PAYMENTS								
Compensation of employees	3	78,068,965		78,068,965	114,126,449		403,916,588	
Purchase of goods and Services	4	51,147,477		51,147,477	139,282,536		391,542,151	
Acquisition of non-financial assets	5	106,156,992		106,156,992			133,836,713	
Transfer to PFF Account	13	5,088,820,000		5,088,820,000			5,088,820,000	
TOTAL PAYMENTS		5,324,193,434		5,324,193,434	253,408,985		6,018,115,452	
SURPLUS/(DEFICIT) FOR THE YEAR		(816,699,455)		(816,699,455)	22,818,215		15,273,133	

*Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024*

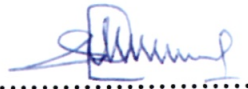
The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



.....
Dr. Chris Kiptoo, CBS
Principal Secretary/NT



.....
Christopher Kirigua, MBS
Project Coordinator
Director General/PPPD




.....
CPA Samwel O. Onyango
Head of Finance & Admin/PPPD
ICPAK Member No:4629

*Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024*


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

Description	Notes	2023/2024	2022/2023
		KSh.	Ksh.
FINANCIAL ASSETS			
Cash and Cash Equivalents	6	15,273,133	831,826,588
Imprest and Advances	7		146,000
TOTAL FINANCIAL ASSETS		15,273,133	831,972,588
REPRESENTED BY:			
Fund balance b/fwd	8	831,972,588	809,154,373
Surplus/(Deficit) for the year		(816,699,455)	22,818,215
NET FINANCIAL ASSETS		15,273,133	831,972,588

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 25/09/2024 and signed by:


.....
Dr. Chris Kiptoo, CBS
Principal Secretary/NT


.....
Christopher Kirigua, MBS
Project Coordinator
Director General/PPPD


.....
CPA Samwel O. Onyango
Head of Finance & Admin.
ICPAK Member No: 4629

*Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024*

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

Description	Note	2023/2024	2022/2023
		KSh.	KSh.
Receipts			
Miscellaneous receipts	2	3,800,117	
Total receipts		3,800,117	0
Payments			
Compensation of employees	3	(78,068,965)	-114,126,449
Purchase of goods and services	4	(51,147,477)	-139,282,536
Total payments		(129,216,442)	(253,408,985)
Net receipts /(payments)		(125,416,325)	(253,408,985)
Adjustments during the year			
Decrease/ (Increase) in Receivables	9	146,000	2,260,259
		146,000	2,260,259
Net cash flow from operating activities		(125,270,325)	(251,148,726)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Non - Financial Assets	5	(106,156,992)	
Net cash flows from Investing Activities		(106,156,992)	
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Foreign Borrowings	1	4,503,693,862	276,227,200
Transfer to PFF Account	13	(5,088,820,000)	
Net cashflow from financing activities		(585,126,138)	276,227,200
NET INCREASE IN CASH AND CASH EQUIVALENT		(816,553,455)	25,078,474
Cash and Cash Equivalent at the BEGINNING of the year		831,826,588	806,748,114
Cash and Cash Equivalent at the END of the year		15,273,133	831,826,588

10. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2024

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c%
	KSh.	KSh.	KSh.	KSh.	Ksh.	%
RECEIPTS						
IDA Loan	2,093,530,000	4,179,470,000	6,273,000,000	4,503,693,862	1,769,306,138	72%
Miscellaneous receipts	-	-	-	3,800,117	(3,800,117)	
TOTAL RECEIPTS	2,093,530,000	4,179,470,000	6,273,000,000	4,507,493,979	1,765,506,021	72%
PAYMENTS						
Compensation of employees	305,024,306	(208,930,306)	96,094,000	78,068,965	18,025,035	81%
Purchase of goods & services	315,855,671	(62,711,831)	253,143,840	51,147,477	201,996,363	20%
Acquisition of non-financial assets	1,472,650,023	(1,103,976,332)	368,673,691	106,156,992	262,516,699	29%
Transfer to PFF Account	-	5,555,088,469	5,555,088,469	5,088,820,000	466,268,469	92%
TOTAL PAYMENTS	2,093,530,000	4,179,470,000	6,273,000,000	5,324,193,434	948,806,566	85%
SURPLUS/(DEFICIT) FOR THE YEAR			-	(816,699,455)		

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

11. Significant Accounting Policies

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

a) Statement of compliance and basis of preparation

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

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

b) Reporting entity

The financial statements are for IFPPP-AF under The National Treasury. The financial statements are for the reporting entity IFPPP-AF as required by Section 81/ Section 164 of the PFM Act, 2012.

c) Reporting currency

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

d) Recognition of receipts

IFPPP-AF recognizes all receipts from various sources when an event occurs, and the related cash is received.

i) Transfers from the Exchequer

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

Significant Accounting Policies (continued)

ii) External Assistance

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

iii) Other receipts

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

iv) Undrawn external assistance

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

e) Recognition of payments

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

i) Compensation to employees

Salaries, wages, Allowances, and Statutory Contributions for employees are recognized when the compensation is paid.

ii) Use of goods and services

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

Significant Accounting Policies (continued)

iii) Acquisition of fixed assets

The payment on the acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items, respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as a receipt and as a payment. A fixed asset register is maintained by each public entity, and a summary is provided for consolidation purposes. This summary is disclosed as an annexure to the consolidated financial statements.

f) Transfers to other Government Entities.

IFPPP-AF was restructured during its implementation to replace the disbursement linked indicators (DLIs) approach to disbursement to performance based conditions (PBCs). This restructuring which was done by both GoK and World Bank indicated that any loan balance (either with World Bank in their loan account or GoK project account balances) will be transferred to Project Facilitation Fund, (See note 13). These transfers to PFF are to support in advancing the IFPPP-AF objectives among others as per PPP Act 2021.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

h) Imprests and Advances

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year 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, IFPPP-AF 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.

j) Contingent Assets

IFPPP-AF 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 IFPPP-AF 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.

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 are recorded as 'memorandum' or 'off-balance.' When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

Significant Accounting Policies (continued)

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.

m) Exchange rate differences

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

n) Comparative figures

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

o) 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, 2024.

12. Notes to the Financial Statements

1. Loan from External Development Partners

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

Description	2023/2024				2022/2023	Cumulative to date		
	Name of Donor	Date received	Amount in loan currency	Loans received in actual amount	Loans received as direct payment		Total amount in KSh.	Total amount in KSh.
		Euro.	KSh.			KSh.	KSh.	
Loans Received from Multilateral Donors (International Organizations)								
International Development Association (IDA)	14.02.2023	8,433,735.00	1,403,920,853			1,403,920,853.4	276,227,200.00	6,029,577,468.21
	14.12.2023	1,380,000.00	238,731,996			238,731,996.00		
	18.03.2024	7,286,260	1,067,596,659			1,067,596,659.05		
	03.05.2024	4,799,995.00	684,626,646			684,626,646.81		
	28.06.2024	7,999,995.00	1,108,817,706			1,108,817,706.95		
Total		27,413,720.00	-	-	-	4,503,693,862.21	276,227,200.00	6,029,577,468.21

Notes to the Financial Statements (Continued)

2. Miscellaneous receipts

Description	2023/2024	2022/202
	KSh.	KSh.
Name		
GoK Miscellaneous receipt	3,800,117.00	
Total	3,800,117.00	

3. Compensation to Employees

Description	2023/2024			2022/2023	Cumulative to-dat
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KSh.	KSh.	KSh.	Ksh.	
Basic Salary for Contracted Staff	78,068,965		78,068,965	114,126,449	403,916,58
Totals	78,068,965		78,068,965	114,126,449	403,916,58

Notes to the Financial Statements (Continued)

4. Purchase of Goods and Services

Description	2023/2024			2022/2023	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KSh.	KSh.	KSh.	KSh.	
Utilities, supplies and services					
Training and workshop expenses	33,067,338.00		33,067,338.00	74,537,624.00	391,542,150.83
Conference facility and Other operating expenses	18,080,138.83		18,080,138.83	64,744,912.00	
TOTALS	51,147,476.83		51,147,476.83	139,282,536	391,542,150.83

5. Acquisition of Non-Financial Assets

Description	2023/2024			2022/2023	Cumulative to-date
	Payments made by the Project in Cash	Payments made by third parties	Total Payments	Total Payments	
	KSh.	KSh.	KSh.	KSh.	
Purchase of Office furniture & General Equipment					
Research , Studies , project preparation, design & supervision	106,156,992		106,156,992		133,836,713
Civil Works on Office Building					
Total	106,156,992		106,156,992		133,836,713

Notes to the Financial Statements (Continued)

6. Cash And Cash equivalents

Description	2023/2024	2022/2023
	KSH.	KSH.
Outstanding imprests and advances		146,000
CBK Account No 1000368632	2,743.95	279,616,440
CBK Bank Account No. 1000409018	15,270,389.10	552,210,148
Total Cash & Cash Equivalents	15,273,133.05	831,972,588

IFPPP-AF has 2 number of project accounts spread within the project implementation area and 2 number of foreign currency designated accounts managed by the National Treasury as listed below:

6. A Bank Accounts

Project Bank Accounts

Description	2023/2024	2022/2023
	KSh.	KSh.
CBK Bank Account No. 1000368632	2,743.95	279,616,440.0
CBK Bank Account No. 1000409018	15,270,389.10	552,210,148.0
Total Local currency balances	15,273,133.05	831,826,588.0

Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as of 30th June 2024 are not included in the Statement of Financial Assets since the line items are yet to be drawn into the Exchequer Account as a voted provision.

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

Notes to the Financial Statements (Continued)

Special Deposit Accounts Movement Schedule

Description	2023/2024	2022/2023
	EUR.	EUR.
A/C Name (IFPPP DA -AA Ac No.1000368403)		
Opening Balance	19.03	19.03
Total Amount deposited in the account		
Total Amount withdrawn (as per Statement of Receipts & Payments)		
Closing balance as per SDA bank account reconciliation attached	19.03	19.03
A/C Name (IFPPP DA -B, EEP Ac No.1000374427)		
Opening Balance of 1st July 2023	17,099,995.00	
Total Amount deposited in the account	12,799,990.00	
Total Amount withdrawn (as per Statement of Receipts & Payments)	21,899,990.00	
Closing balance as per SDA bank account reconciliation attached as at 30th 2024	7,999,995.00	

(The Special Deposit Account(s) reconciliation statement(s) has (have) been attached as Appendix 9c support the closing balance.

*Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024*

Notes to the Financial Statements (Continued)

7. Imprests and Advances

Description	2023/2024	2022/2023
	KSh.	KSh.
Government Imprests	0	146,000
Advances		-
Totals		146,000

7A: Breakdown of Imprests and Advances

Name of Officer or Institution	Amount Taken	Due Date of Surrender	Amount Surrendered	Balance 2023/2024	Balance 2022/2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Rose Wangeci Rukwaro c/o PPPU	66,000	31/12/2021	66,000.00	-	66,000
Stanley M. Kagera c/o PPPU	80,000	31/12/2021	80,000.00	-	80,000
Total	<u>146,000</u>	-	<u>146,000.00</u>	=	<u>146,000</u>

8. Fund Balance Brought Forward

Description	2023/2024	2022/2023
	KSh.	KSh.
Outstanding imprests and advances	-	146,000.00
Bank Accounts	15,273,133.05	831,826,588.00
Total	15,273,133.50	831,972,588.00

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

Notes to the Financial Statements (Continued)

9. Changes in Accounts Receivables (Imprests and Advances)

Description	2023/2024	2022/2023
	Kshs	Kshs
Opening Receivables as at 1 st July 2023	146,000.00	2,260,259.00
Closing account receivables as at 30 th June 2024	0.00	146,000.00
Change in Imprests and advances	146,000.00	2,406,259.00

10. Pending Accounts Payable

Description	Balance b/f from 2022/2023	Additions for the year	Paid during the year	Balance c/f For 2023/2024
	Kshs	Kshs	Kshs	Kshs
African Touch S afaris	799,300.00	-	799,300.00	-
Oline Retread Limited	196,000.00	-	196,000.00	-
Total	995,300.00	-	995,300.00	-

11. External Assistance

Description	2023/2024	2022/2023
	Kshs	Kshs
External assistance received as Loans	4,503,693,862.21	276,227,200.00
Total	4,503,693,862.21	276,227,200.00

a). Undrawn external assistance

Description	Purpose for which the undrawn external assistance may be used	2023/2024	2022/2023
		Kshs	Kshs
Undrawn external assistance - loans	To achieve IFPPP objective	0.58 Billion	17.7 Billion
Total		0.58 Billion	17.7 Billion

Other Important Disclosures (Continued)

b) Classes of providers of external assistance

Description	2023/2024	2022/2023
	Kshs	Kshs
Multilateral donor - IDA	5.5 Billion	5.5 Billion
Total	5.5 Billion	5.5 Billion

12. Related Party Disclosures

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS. The comprise of related parties to the Project.

- i) Key management personnel, including the program director/manager
- ii) The implementing entity/ministry/ County department
- iii) Other Ministries and Departments.
- iv) The National /County Treasury

13. Transfer to PPP-PFF Account 1000349538

Description	Total
From: CBK Bank Account No. 1000368632	261,420,000.00
From: CBK Bank Account No. 1000409018	4,827,400,000.00
Total	5,088,820,000.00

13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe:
1	Irregular Recruitment of an advisor in year 2022/2023	The issue has been resolved by the Management.	Resolved by Management pending PAC Clearance.	Estimated to be cleared during FY2024/2025
2	Budgetary Control and Performance	The Directorate is continually monitoring the underfunding and the under-expenditure of its budget	Continuous Process.	It's an ongoing process

.....
Dr. Chris Kiptoo, CBS
Principal Secretary/TNT

.....
Christopher Kirigua. MBS
Project Coordinator/DG

Samuel O. Onyango
Head of Finance &
Administration
PPP Directorate

Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024

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


	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance (below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
Receipts					
IDA Loan	6,273,000,000.00	4,503,693,862.21	1,769,306,138	71.80%	Change in the exchange rate from planning to actual (Ksh.162 - Ksh140) per EUR. Part of the PBC was met and disbursed late to Project DA
Miscellaneous receipts	-	3,800,117	(3,800,117.00)		
Total Receipts	6,273,000,000.00	4,507,493,979.21	1,765,506,020.79	71.80%	
Payments					
Compensation of employees	96,094,000	78,068,965	18,025,035.00	81.24%	Due to delayed recruitment process which led to the recruited officers reporting in Jan 2024
Purchase of goods and services	253,143,840	51,147,477	201,996,363.17	20.22%	Amount allocated to monitoring and evaluation of projects could not be spent due to delays in procuring of TAs hence the low absorption.
Acquisition of non-financial assets	368,673,691	106,156,992	262,516,698.93	28.80%	Due to delays in procuring of Transaction Advisors/ Contracting Services leading to the low absorption.
Transfer to PFF Account	5,555,088,469	5,088,820,000	466,268,469.00	91.61%	
Total payments	6,273,000,000	5,324,193,434	948,806,566.10	84.88%	

Annex 3: Reconciliation of inter-entity transfers

	Project Name:IFPPP-AF		
	Break down of transfers from The National Treasury		
A.	Others		
		Bank Statement Date	Kshs
			FY 2023/2024
		04.12.2023	1,403,920,853.40
		14.02.2024	238,731,996.00
		03.04.2024	1,067,596,659.05
		03.05.2024	684,626,646.81
		05.07.2024	1,108,817,706.95
		Total	4,503,693,862.21


The above amounts have been communicated to and reconciled with the Parent Ministry/ State Department

Christopher Kirigua, MBS
Project Coordinator/Director General
IFPPP-AF

Sign 

CPA George Gichuru
Director, Accounting Services/Head of Accounting Unit
The National Treasury
ICPAK No. 9262

Sign 

CPA SAMUEL O. OYAM
HEAD OF FINANCE
& ADMINISTRATION
PPP DIRECTORATE
ICPAK NO. 4629


*Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024*

Annex 4: Cumulative Expenditure for Project Life Since Inception To-Date

Description	Prior year Cumulative		Current Period		Total Cumulative
	Receipts and payments controlled by the project	Payments made by third parties	Receipts and payments controlled by the project	Payments made by third parties	
RECEIPTS					
Loan from external development partners(IDA)	1,525,883,606.00		4,503,693,862.21		6,029,577,468.21
Miscellaneous Receipts	11,000.00		3,800,117.00		3,811,117.00
Total Receipts	1,525,894,606.00		4,507,493,979.21		6,033,388,585.21
PAYMENTS					
Compensation of employees	325,847,623.00		78,068,965.00		403,916,588.00
Purchase of goods & services	340,394,674.00		51,147,476.83		391,542,150.83
Acquisition of non-financial assets	27,679,721.00		106,156,992.07		133,836,713.07
Transfer to PPP-PFF Account			5,088,820,000.00		5,088,820,000.00
Total Payments	693,922,018.00		5,324,193,433.90		6,018,115,451.90
Surplus/(Deficit) for the year	831,972,588.00		(816,699,454.69)		15,273,133.31

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

Annex 5: Summary of Fixed Assets Register

Asset class	Opening Cost		*Purchases/ Additions in the Year		Transfers in/(out)	Closing Cost (KShs) 2024
	(KShs)	Donations in form of assets	(KShs)	**Disposals in the Year (KShs) 2023/24	Kshs 2023/24	
	2023/24	(KShs)	2023/24			
		2023/24				
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+(b)+c)-(d)+(-)d
ICT Equipment,	26,080,160	0	0	0	0	26,080,160.00
Intangible assets						
Total	26,080,160	0	0	0	0	26,080,160.00

Annex 6: Contingent Liabilities Register

	Nature of contingent liability	Remarks
	IFPPP-AF had no contingent liability in the FY 2023/2024	

Annex 7: Reporting of Climate Relevant Expenditures

IFPPP	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementer
				Q1	Q2	Q3	Q4		
				IFPPP-AF had no activity on climate relevant expenditure					

Annex 8: Reporting Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
			No expenditure relating to Disaster Management			

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

Annex 9: Other Support Documents

a. Bank Reconciliations statement as at 30th June 2024

REPUBLIC OF KENYA
BANK RECONCILIATION
Station: IFPPP-AF

AS AT 30.06.2024
CIBK ACCOUNT NO. 1000409013

							Ksh	
Balance as per Bank Statement							1,135,082,040.15	
Less-								
1 Payments in Cash Book not yet recorded in Bank Statement (Unpresented Cheques)							2,228,637,806.00	
2 Receipts in Bank Statement not yet recorded in Cash Book								
Add								
3 Payments in Bank Statement not yet recorded in Cash Book							8,448.00	
Bank Charges								
4 Receipts in Cash Book not yet recorded in Bank Statement							1,108,817,796.95	
Bank Balance as per Cash Book							15,270,389.10	
1 PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)								
CHEQUE		PAYEE		AMOUNT	CHEQUE		PAYEE	AMOUNT
No.	Date			Shs.	No.	Date		Shs.
2	10.06.2024	Cindy Shigoli		42,000.00				
3	10.06.2024	Edgar Kamara		63,000.00				
4	10.06.2024	Moses Cherono		42,000.00				
5	10.06.2024	Joan Chesoni		52,500.00				
6	10.06.2024	Gevas Korir		42,000.00				
7	10.06.2024	Boniface Mulama		63,000.00				
8	10.06.2024	Simeon Baraka		42,000.00				
9	10.06.2024	Moses Cherono		22,400.00				
10	10.06.2024	Simeon Nderitu		22,400.00				
11	10.06.2024	Walter Oselu		63,000.00				
12	10.06.2024	Rose Nyakwang		52,500.00				
13	10.06.2024	John Mwangi		133,200.00				
14	10.06.2024	Vincent Ngetich		69,300.00				
15	10.06.2024	Gideon Magara		133,200.00				
17	10.06.2024	Cecilia Njigi		123,200.00				
16	16.06.2024	Government Advertising Agency		292,106.00				
	28.06.2024	Transfer to PFF Account		2,227,400,000.00				
		TOTAL		2,228,637,806.00				

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

2 PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK							
CHEQUE		PAYEE	AMOUNT	CHEQUE		PAYEE	AMOUNT
No.	Date		Shs.	No.	Date		Shs.
1	22.02.2024	KRA- Withholding tax for Empoibs	8,448.00				
		TOTAL	8,448.00				
3 RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK							
CHEQUE		PAYEE	AMOUNT	CHEQUE		PAYEE	AMOUNT
No.	Date		Shs.	No.	Date		Shs.
		TOTAL					
4 RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT							
CHEQUE		PAYEE	AMOUNT	CHEQUE		PAYEE	AMOUNT
No.	Date		Shs.	No.	Date		Shs.
1	28.06.2024	Exchequer disbursement/receipt	1,108,817,706.95				
		TOTAL	1,108,817,706.95				

PREPARED BY : Emma Gikehe/PA

CERTIFIED BY : Violet Wanyama/PA



04/06/24

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

REPUBLIC OF KENYA
BANK RECONCILIATION

AS AT 30.06.2024

Station: IFPPP-AF

CBK ACCOUNT NO. 1000368632

							Ksh
Balance as per Bank Statement							2,743.95
Less-							
		1	Payments in Cash Book not yet recorded in Bank Statement (Unpresented Cheques)				
		2	Receipts in Bank Statement not yet recorded in Cash Book				
Add							
		3	Payments in Bank Statement not yet recorded in Cash Book				
			Bank Charges				
		4	Receipts in Cash Book not yet recorded in Bank Statement				
Bank Balance as per Cash Book							2,743.95
1 PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)							
CHEQUE		PAYEE		AMOUNT	CHEQUE		PAYEE AMOUNT
No.	Date			Shs.	No.	Date	Shs.
TOTAL				0			
2 RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK							
CHEQUE		PAYEE		AMOUNT	CHEQUE		PAYEE AMOUNT
No.	Date			Shs.	No.	Date	Shs.
TOTAL				-			
3 PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK							
CHEQUE		PAYEE		AMOUNT	CHEQUE		PAYEE AMOUNT
No.	Date			Shs.	No.	Date	Shs.
TOTAL							
4 RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT							
CHEQUE		PAYEE		AMOUNT	CHEQUE		PAYEE AMOUNT
No.	Date			Shs.	No.	Date	Shs.
TOTAL				-			

PREPARED BY : Emma Gikebe/PA

EW 28/06/24

CERTIFIED BY : Violet Wanyama/PA

[Signature] 28/06/24

Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024

b. Board of Survey Report

31st June 2024

52

PAYMENTS

F.O. 26 (Small)

To Whom Paid	Description of Payment	Allocation	Voucher No.	Cheque No.	Sh.	cts.	Sh.	cts.	Sh.	cts.
Government Bank	Payment of									
to Robert Ogwang	retaining services	311407	220	CWT	5036	=				
				MEL	257070	=			2921	06
Chirly Oduani	D&A		221						4200	00
Ediga Karamba	"	"	222						6300	00
Musa Chirani	"	"	223						4200	00
John Chirani			224						5250	00
Gadi Kiri			225						4200	00
Bonice Karamba			226						6300	00
Suman Bwila			227						4200	00
Musa Chirani			228						2240	00
Gadi Kiri			229						2240	00
Walter Oduani			230						6300	00
Rex Atukwong			231						5250	00
John Mwangi			232						1232	00
Vincent Ogwang			233						6930	00
Gadi Kiri			234						1232	00
Cecilia Mugi			235						1232	00
Chris Kariuki	Interest		236	C	91988	=				
Cecilia Mugi	Interest		237	C	22400	=				
									12378	064
									272993	82875
									373116	963475
2bb	Transfer to PF Account								260000	000000
2bb	Transfer to PF Account								72374	000000
2bb	Balance PF								482740	000000
									15270	35910
		30.06.25							2842670	38910
Prepared by	Bonice Karamba									
Checked by	Yulet Wangari									
BOARD OF SURVEY										
Chairman	Charles O. Atuyoria									
Members:	Bonice Karamba									
	Beatrice Wangari									

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

REPUBLIC OF KENYA

F.o. 51

Date:

Report of the Board of Survey on the Cash and Bank Balances ofIF PPP 2.....
..... as at the close of business on 30/06/2024.....

The Board consisting of - (Names and official titles)

CHAIRMAN:.....Mr. CHARLES KUNYORIA.....
MEMBER:Mr. BONIFACE KAMAU.....
MEMBER :.....M/S BEATRICE WAMUYU.....

Assembled at the office ofCHIEF FINANCE OFFICER.....

At (Time) on the 2.00 P.M. (time) on the5th July 2024.....

And the following cash was produced: -

Notes Sh Nil
Silver Sh Nil
Copper Sh Nil
Cheques (as per details on reverse) Sh Nil
It was observed that cheques amounting to Sh Nil Cts Nil

Had been on hand for more than 14 days prior to the date of the survey.

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

The Cash Book reflected the following balances as at the close of business on the30th JUNE 2024.....

Cash Book Balance of Sh ...2,743.95.....

Bank Balance Sh2,743.95.....

Sh.....2,743.95.....

The bank certificate of Balance showed a sum of Kshs. 2,743.95..... (Sh Nil Cts)

Standing to the credit of the account on30th JUNE 2024

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

Date5th July 2024.....

Mr. Charles Kunyoria

Mr. Boniface Kamau

M/S Beatrice Wamuyu



Chairman



Members of the Board
GPK (L)

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

REPUBLIC OF KENYA

F.o. 51

Date:

Report of the Board of Survey on the Cash and Bank Balances of IFPPP - AF
..... as at the close of business on 30/06/2024

The Board consisting of - (Names and official titles)

CHAIRMAN: Mr. CHARLES KUNYORIA

MEMBER: Mr. BONIFACE KAMAU

MEMBER : M/S BEATRICE WAMUYU

Assembled at the office of CHIEF FINANCE OFFICER

At (Time) on the 2:00 P.M. (time) on the 5TH July 2024

And the following cash was produced: -

Notes Sh. Nil

Silver Sh. Nil

Copper Sh. Nil

Cheques (as per details on reverse) Sh. Nil

It was observed that cheques amounting to Sh Nil Cts Nil

Had been on hand for more than 14 days prior to the date of the survey.

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

The Cash Book reflected the following balances as at the close of business on the 30TH JUNE 2024

Cash Book Balance of Sh ... 15,270,389.10

Bank Balance Sh 1,135,082,040.15

Sh 1,135,082,040.15

The bank certificate of Balance showed a sum of Kshs. 1,135,082,040.15 (Sh Nil Cts)

Standing to the credit of the account on 30TH JUNE 2024

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation

Statement (F.O. 30) attached.

Date 5TH July 2024

Mr. Charles Kunyoria

Chairman

Mr. Boniface Kamau

M/S Beatrice Wamuyu

Members of the Board
GPK (L)

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

Handwritten: 24/7/24

BANKI
KURUYA
KENYA



CENTRAL
BANK OF
KENYA

July 24, 2024

Unité Sclausse Avenue
P.O. Box 30000 00200 Nairobi, Kenya
Telephone: 2540000, Fax: 2540192

CERTIFICATE OF BALANCES

Customer : 100094
Balance Date: 30-Jun-24

MINISTRY OF FINANCE

Account No	Account Name	Currency	Balance
1000000977	TREASURY BILLS ACCOUNT	KES	0
1000000988	TREASURY BONDS ACCOUNT	KES	1,806,019.65
1000000996	REVENUE DEPOSIT ACCOUNT	KES	15,690,520,642.34
1000004053	TREASURY BONDS REDEMPTION	KES	90,500,000.00
1000004061	TREASURY BONDS INTEREST	KES	30.78
1000004077	GOVERNMENT TREASURY BILLS SUSP	KES	0.00
1000004088	TREASURY BILLS REDEMPTION SUSP	KES	0.00
1000182528	CBK 165-THE NATIONAL TREASURY	KES	0.00
1000181467	REC-THE NATIONAL TREASURY	KES	351,559,730.22
1000181664	DEV-THE NATIONAL TREASURY	KES	1,417,718,073.20
1000182137	DEP-THE NATIONAL TREASURY	KES	422,207,297.15
1000187506	MICRO FINANCE SEC SUP CR-CAP BLDG	KES	90,491,999.30
1000201924	VOLUNTARY PAY CUT	KES	0.00
1000268743	AFRICAN INSTITUTE FOR REMITTANCES	KES	17,127,569.60
1000204378	REC-PUBLIC DEBT	KES	35,133,625.26
1000204419	REC-SALARIES ALLOWA MISC AND NSSSEC	KES	196,218,625.60
1000205024	PETROLEUM DEVELOPMENT LEVY FUND	KES	2,857,767,799.80
1000209518	NATIONAL TREASURY REVENUE COLL	KES	0.00
1000409018	INFRAST FINANCE AND PPP-CAT. DEEP	KES	1,135,082,040.15
1000368632	INFRASTRUCTURE FIN AND PUB PART PRJ	KES	2,741.95
1000447575	KEN FINANCING LOCALLY LED CLIMATE	KES	166,050,874.40
1000484675	FINANCIN LOCAL-LED CLIMATE ACTION B	KES	2,328,846.30
1000331747	GREEN GROWTH AND EMPLOY CREATION PR	KES	5,000,000.00
1000516534	GREEN CLIMATE FUND READINESS PROJ	KES	7,400,396.00
1000693096	SUPPORTING ACCESS TO FIN & ENT RECO	KES	50,648,542.70
1000709596	SUPP ACCESS TO FIN ENTERP RECOV A	KES	21,093,167.95
1000709907	SUPP ACCESS TO FIN ENTERP RECOV B	KES	0.00
1000476858	CREDIT GUARANTEE SCHEME ACCOUNT	KES	261,296,920.00
1000473851	PUBLIC DEBT MANAGEMENT SUPPORT PROJ	KES	463,504.20
1000741236	ADB - AFRICA CLIMATE SUMMIT	KES	4,917,765.00
1000662794	KFW FINANCING LOCAL LED CLIMATE ACT	KES	21,045,683.50
1000528885	AFFORDABLE HOUSING FINANCE PROJ	KES	13,027,739.25
1000528893	ADB-NATIONAL TREASURY CAPACITY STRE	KES	678,286.00
1000539135	EU KENYA COOPERATION AND PARTNERSHI	KES	0.00
1000122501	GOVERNMENT OVERDRAFT ACCOUNT	KES	61,020,669,176.79-
1000537876	STATE OFF AND PUB OFF CAR LOAN SCH	KES	67,784,106.00
1000323876	A U OTHER INTERNAT. ORG SUBSC FUND	KES	2,651,455,086.66
1000349538	PPP PROJECT FACILITATION FUND ACC.	KES	3,373,152,666.75

Priscilla Keitany (Mrs)
Authorised Signatory
Banking Services Division

Micah Nabori
Authorised Signatory
Banking Services Division

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

c. Special Deposit Account(s) reconciliation statement(s)

36

SPECIAL ACCOUNT STATEMENT		
For period ending	30TH JUNE, 2024	
Account No.	1000368403	
Depository Bank	CENTRAL BANK OF KENYA	
Address	CBK	
Related Loan	INFRASTRUCTURE FIN.PUB.PRIV.PTNSHIP	
Credit Agreement	6121-KE	
Currency	EUR	
Part A - Account Activity		
Beginning balance of 1st July, 2023 as per C.B.K. Ledger Account		19.03
Add:		
Total Amount deposited by World Bank		0.00
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, 2024		19.03
AUTHORISED REPRESENTATIVE CENTRAL BANK OF KENYA	SIGNATURE:	<i>[Signature]</i>
	DATE	01-08-2024
AUTHORISED REPRESENTATIVE EXTERNAL RESOURCES DEPARTMENT-TREASURY	SIGNATURE:	<i>[Signature]</i>
	DATE	02-08-2024

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2024 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

Results 1 - 1 of 1

Rua Date: **01/07/2023** Nam Titaw: **30/06/2024**
CENTRAL BANK OF KENYA
BANKI KUU YA KENYA
P.O.BOX 60096-0200
NAIROBI

STATEMENT OF ACCOUNT

PAGE NO: 1

ACCOUNT NUMBER :

ACCOUNT TITLE : INFRASTRUCTURE FIN.PUB.PRIV.PTNSHIP
30/06/2024

STATEMENT PERIOD: From 01/07/2023 To

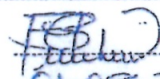
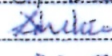
NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
	OPENING BAL :			19.03	
NO.	Value Date	Reference.No	Details	Debit	Credit
1				0.00	0.00
				CLOSING BALANCE : 19.03	

END OF ACCOUNT STATEMENT

Favourites	TAM.E.STMT.OF.ACCT.EPRM	More Options	Find
	Account equals	✓ 1000368403	
	Statement From equals	✓ 20230701	
	Statement To equals	✓ 20240630	
	TAM.E.STMT.OF.ACCT.EPRM		

**Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF)
Annual Report and Financial Statements for the financial year ended June 30th, 2024**

37

SPECIAL ACCOUNT STATEMENT		
	For period ending	30TH JUNE, 2024
	Account No.	1000374427
	Depository Bank	CENTRAL BANK OF KENYA
	Address	CBK
	Related Loan	INFRASTRUCTURE FINANCE-PPP DA-B.EEP
	Credit Agreement	6121-KE
	Currency	EUR
Part A - Account Activity		
Beginning balance of 1st July, 2023 as per C.B.K. Ledger Account		17,099,995.00
Add:		
Total Amount deposited by World Bank		12,799,990.00
Total Interest earnings if deposited in account		-
Total amount refunded to cover ineligible expenditure		-
Deduct:		
Total amount withdrawn		21,899,990.00
Total service charges if not included above in amount withdrawn		-
Ending balance on 30th June,2024		7,999,995.00
AUTHORISED REPRESENTATIVE CENTRAL BANK OF KENYA	SIGNATURE:	
	DATE	01.08.2024
AUTHORISED REPRESENTATIVE EXTERNAL RESOURCES DEPARTMENT-TREASURY	SIGNATURE:	
	DATE	02-08-2024

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2024 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Infrastructure Finance Public Private Partnerships-Additional Financing (IFPPP-AF) Annual Report and Financial Statements for the financial year ended June 30th, 2024

Results 1 - 6 of 6

Run Date: 09/08/2024 Run Time: 10:56:04
CENTRAL BANK OF KENYA
BANKI KUU YA KENYA
P.O.BOX 60000-0100
NAIROBI
STATEMENT PERIOD: From 01/07/2023 To

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000374427

ACCOUNT TITLE : INFRASTRUCTURE FINANCE-PPP DA-B,EEP
30/06/2024

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE	
OPENING BAL :			17,899,995.00			
NO.	Value Date	Reference.No	Details	Debit	Credit	Balance
1	24/11/2023	FT233288Q51P	PA133030	-8,433,735.00	0.00	2666260
2	05/02/2024	FT24036C9GSG	PA 133064	-1,380,000.00	0.00	7286260
3	18/03/2024	FT240788HYT3	PA133091	-7,286,260.00	0.00	0
4	05/04/2024	FT24096619QG	FUNDING	0.00	4,799,995.00	4799995
5	25/04/2024	FT24116PZM2Z	PA 133126	-4,799,995.00	0.00	0
6	25/06/2024	FT24178QS09L	PROJECT FUNDING	0.00	7,999,995.00	7999995
				CLOSING BALANCE : 7999995		

END OF ACCOUNT STATEMENT

Favourites	TAM.E.STMT.OF.ACCT.EPRM	More Options	Find
Account	equals	1000374427	
Statement From	equals	20230701	
Statement To	equals	20240630	
TAM.E.STMT.OF.ACCT.EPRM			

