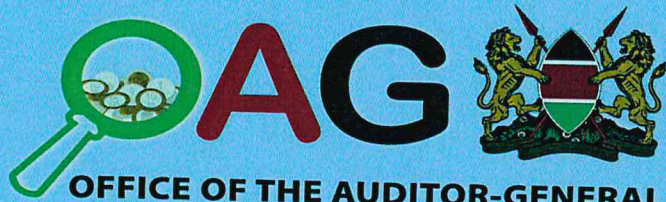



REPUBLIC OF KENYA



*Enhancing Accountability*

## REPORT

 <b>OF</b> <b>THE NATIONAL ASSEMBLY</b> <b>PAPERS LAID</b>	
<b>DATE:</b> 02 JUL 2021	
<b>THE AUDITOR-GENERAL</b>	
<b>TABLED BY:</b>	Majority Whip
<b>CLERK-AT THE-TABLE:</b>	Enlay Munuki <b>ON</b>

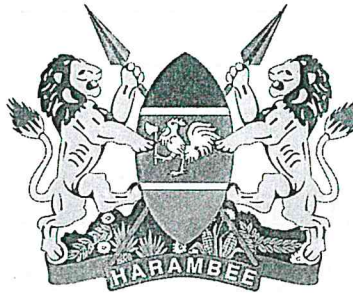
### COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO.6598-KE

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

**MINISTRY OF HEALTH**







**Project Name: COVID-19 EMERGENCY RESPONSE PROJECT**

**Implementing Entity: MINISTRY OF HEALTH**

**PROJECT GRANT/CREDIT NUMBER 6598-KE**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

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

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

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**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

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**1. PROJECT INFORMATION AND OVERALL PERFORMANCE**

**Name and registered office**

**Name:** The project's official name is Covid-19 Emergency Response Project Grant/Credit No. 6598-KE - Ministry of Health

**Objective:** The key objective of the project is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness

**Address:** The project headquarters is at Afya House, Cathedral Road, Nairobi, Kenya.

The address of its registered office is:

Ministry of Health  
Afya House  
Cathedral Road  
P.O Box 30016 - 00100  
Nairobi

**Contacts:** The following are the project contacts

Telephone: (254) -20-2717077

E-mail: ps@health.go.ke

Website: www.health.go.ke

**Project Information**

Project Start Date:	31 <sup>st</sup> March, 2020
Project End Date:	31 <sup>st</sup> March, 2025
Project Manager:	Dr Anne Ng'ang'a
Project Sponsor:	World Bank

**Project Overview**

Line Ministry/State Department of the project	The project is under the supervision of the Health Ministry.
Project number	P173820
Strategic goals of the project	The strategic goals of the project are as follows: (i) To prevent, detect and respond to the threat posed by COVID-19 (ii) To strengthen national systems for public health preparedness

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

**Project Information and Overall Performance (continued)**

Achievement of strategic goals	<p>The project management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> <li>(i) Improve the availability of supplies and equipment needed to respond to COVID-19 and other public health emergencies and</li> <li>(ii) strengthen the capacity of the (Ministry of Health) MoH to provide timely medical diagnosis for COVID-19 patients.</li> <li>(iii) Strengthening response and build capacity of key stakeholders including health workers and communities</li> <li>(iv) Strengthening the health systems capacity to effectively provide Infection Prevention and Control (IPC) and case management of COVID-19 cases.</li> <li>(v) Ensure the safe management of waste generated by laboratory and medical activities.</li> <li>(vi) ensure there is a two- way communication between the Government and the population</li> <li>(vii) Strengthening the capacity of the Kenya National Blood Transfusion Service (KNBTS) to provide safe blood and blood products. Blood is core to all clinical aspects of health systems.</li> <li>(viii) supporting implementation, by covering finance costs associated with the Project coordination, activities for program implementation and monitoring, and to strengthen management capacity</li> <li>(ix) The Project is aligned with World Bank Group (WBG) strategic priorities, particularly the WBG's mission to end extreme poverty and boost shared prosperity. The Project is focused on preparedness and response which are critical to achieving UHC. It is aligned with the World Bank's support for national plans and global commitments to strengthen health security through three key actions under preparedness: (i) improving national preparedness plans including organizational structure of the Government; (ii) promoting adherence to the IHR; and (iii) utilizing international framework for monitoring and evaluation (M&amp;E) of IHR.</li> </ul>
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**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

**Project Information and Overall Performance (continued)**

Other important background information of the project	<p>The Project is aligned with World Bank Group (WBG) strategic priorities, particularly the WBG's mission to end extreme poverty and boost shared prosperity. The Project is focused on preparedness and response, which are critical to achieving UHC. It is aligned with the World Bank's support for national plans and global commitments to strengthen health security through three key actions under preparedness: (i) improving national preparedness plans including organizational structure of the Government; (ii) promoting adherence to the IHR; and (iii) utilizing international framework for monitoring and evaluation (M&amp;E) of IHR.</p> <p>The Project is aligned with the Country Partnership Strategy (CPS) FY 2014-2020 (Report No. 87024-KE). Improved social service delivery for vulnerable groups, particularly women, is a key outcome of Domain Two (Protection and Potential); and better provision of health and sanitation services by counties is a key output of Domain Three. The Project complements the World Bank is ongoing: (i) technical assistance to pandemic preparedness; and (ii) the Transforming Health Systems for Universal Care Project (THS-UCP – P152394) (Report No. PAD1694) which includes a Contingency Emergency Response Component (CERC) (US\$10 million) that was triggered to co-finance the National COVID-19 Contingency Plan. The Project is also aligned to the Kenya Health Sector Strategic and Investment Plan III, which includes disease surveillance and information as a key investment priority.</p> <p><b>Description</b></p> <p>The COVID-19 financing for the Project will be provided through the WBG COVID-19 Fast Track Facility, as part of a Global COVID-19 Multiphase Programmatic Approach (MPA) Program, designed to assist countries to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness. The amount allocated to Kenya under the Fast Track Facility is based on criteria for each country taking into consideration key factors such as population size, GDP per capita, and other selected criteria.</p>
Current situation that the project was formed to intervene	<p>The project was formed to intervene in the following areas:</p> <ul style="list-style-type: none"> <li>(i) Medical Supplies and Equipment</li> <li>(ii) Response, Capacity Building and Training</li> <li>(iii) Quarantine, Isolation and Treatment Centres</li> <li>(iv) Medical Waste Management</li> <li>(v) Community Discussions and Information Outreach</li> <li>(vi) Availability of Safe Blood and Blood Products</li> </ul>
Project duration	<p>The project started on 31 March, 2020 and is expected to run until 31 March, 2025</p>

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

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**Project Information and Overall Performance (continued)**

**Bankers**

The following is the banker for the current year:

Central Bank of Kenya

Haile Selassie Avenue

P. O. Box 60000 – 00200

Nairobi

**Auditors**

The project is audited by the:

Office of the Auditor General

Anniversary Towers

P. O. Box 30084 – 00100

Nairobi

**Roles and Responsibilities**

List the different people who will be working on the project. This list would include the project manager and all the key stakeholders who will be involved with the project. Also, record their role, their positions, and their contact information.

Names	Title designation	Key qualification	Responsibilities
Dr. Anne Ng'ang'a	Dental Specialist	MSc. Health Systems Management, BDS	Project Lead
Dr. Jamlick Karumbi	Assistant Chief Pharmacist	MSc Epidemiology; BPharm	Monitoring and Evaluation
Dr. Salim Hussein	Deputy Director of Medical Services	Masters in MSC Public Health system Management and Application	Communication and Community Engagement
Dr. Maureen Kimani	Assistant Director of Medical Services	Master's Degree in Community Health	Communication and Community Engagement
Mr. Japheth Athanasio	Deputy Clinical Officer	Master of Science in Health systems Management & Application(Health Systems specialist)	Monitoring and Evaluation
CPA Rose Ndana	Senior Accountant	CPA(K)	Accountant
Mr. Nicholas Kimani	Senior Supply Chain Management Officer	Master's in Business administration (Finance option)	Supply Chain Management Services



**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

**Project Information and Overall Performance (continued)**

Mr. Mwema Kiua	Supply Chain Management Officer		Supply Chain Management Services
Mr. Felix Mulati	Finance Officer II	BCom (Finance)	Budget & Budgetary Execution
Mr. Bernard Sande	Principal Medical Laboratory Technologist	MSc. Community Health Development	Medical Supplies and Equipment
Ms. Catherine Ahonge	Senior Nursing Officer	MSc. Public Health Bsc. (Project Planning and Management-Social services and Health)	Training, Surveillance
Mr. James W. Thuku	Chief Public Health Officer		Quarantine and Isolation Centres lead
Mr. Lolem Bosco	Senior Public Health Officer	BSc Environmental Health	Medical Waste Management
Mr Alice Mbui	Principal Medical Laboratory Technologist II	Higher National Diploma in medical Laboratory Sciences	Blood and Blood products
Ms. Jackie Ressa ala	Registered Clinical Officer	BA Psychology and Sociology	Social Safe Guards
Ms. Emily Chemosop	Senior Social Development Officer	Masters of Arts Sociology	Social Safe Guards
Mr. Allan Govoga	Principal Clinical Officer II	Bsc in Health Systems	Social Safe Guards
Ms. Drusilla Wairimu Ruhiu	Senior Internal Auditor	MSc. Finance, CPA (K)	Audit

**Funding summary**

The Project is for duration of 5 years from 31 March, 2020 to 31 March, 2025 with an approved budget of EUR 45,500,000 equivalent to KShs.5,312,652,356 as highlighted in the funding summary table below:

Source of funds	Donor Commitment-		Amount received to date – (30/06/2021)		Undrawn balance to date (30/06/2021)	
	EUR	KShs	EUR	KShs	EUR	KShs
	(A')	(A')	(B)	(B')	(A)-(B)	(A')-(B')
<b>Loan</b>						
IDA	45,500,000	5,312,652,356	25,061,921	2,218,587,708	20,438,079	3,094,064,648
GRANT	2,997,602	350,000,000	2,327,685	299,947,088	669,917	50,052,912
<b>Total</b>	48,497,602	5,662,652,356	27,389,606	2,518,534,796	19,768,162	3,144,117,560

## **Project Information and Overall Performance (continued)**

### **Summary of Overall Project Performance:**

#### **Budget performance against actual amounts for current year and for cumulative to-date**

The project amount is **Kshs. 5,312,652,000**, which is equivalent to **45,500,000 Euros** and reflected in the supplementary II of the annual printed estimates as **Kshs. 5,350,000,000**. The project 2020/21 financial year operated with the balance brought forward ksh.1,322,627,947 with an expenditure of ksh 607,883,453 under Loan Revenue. Loan AIA the project spent Kshs.491,465,093.20 and the PEFF Grant AIA ksh.299,947,088

### **Physical progress based on outputs, outcomes and impacts since project commencement**

Some of the activities, which were undertaken, are as follows;

#### **Component 1. Medical supplies and equipment**

- i. A total of **3,048 kits** COVID-19 test kits were procured through KEMSA and distributed to testing labs across the country. The test kits have the capacity to conduct **376,072 tests**.
- ii. Procurement and distribution of coveralls, and other personal protective equipment, biohazard bags and sanitizers for use in the testing labs.
- iii. Procurement and distribution of **100 high flow nasal cannulas** for oxygen delivery to patients across 17 National and County facilities.
- iv. Procurement and installation of one handwashing station in each of the 366 public level 4 and 5 health facilities and one each for the MOH headquarters and Afya annex.

#### **Component 2: Response, capacity building and training**

- i. Capacity building of 627 health care workers in infection prevention and control across 18 counties to help with COVID control.
- ii. Recruitment of 333 health care workers who are still currently on employment to help with COVID management. They have been deployed to various testing labs, ports of entry and national health facilities.
- iii. Support of the National Public Health Emergency Operations Centre and 7 counties with fuel for contact tracing teams.

#### **Component 3: Quarantine, Isolation and treatment centres.**

- i. Assorted ICT equipment, furniture and laundry equipment for Mama Lucy Hospital this equipment is for supporting the infectious disease unit at Mama Lucy hospital.

#### **Component 4: Medical Waste Management**

- i. Procurement of a consultancy firm (Devlink) to undertake environmental and social impact assessments for the waste management equipment that are to be procured and installed in select health facilities. The firm is still undertaking the work.
- ii. Training of 67 health workers (training of trainers) from 17 counties and 6 ports of entry on Infection Control, Health Care Waste and Environment Management. These trainers will train facility-based waste equipment operators once they equipment are procured and installed.

#### **Component 5: Community engagement and communications**

- i. A consultancy firm was hired for public relations and communications activity on COVID-19 related activities. This work is ongoing up to May 2022.
- ii. A knowledge, attitude and practice (KAP) survey was undertaken across the country on COVID. The findings have informed the planning of the Ministry on COVID response.
- iii. Procurement of a public address system and related accessories to support with communications



**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

**Project Information and Overall Performance (continued)**

**Component 6: Availability of Safe Blood and Blood Products**

- i. Procurement and distribution of registers and charts for use in all blood transfusion public health facilities.
- ii. Procurement and distribution of blood donor couches for use during blood donation in the regional and satellite blood transfusion sites
- iii. Procurement and distribution of quadruple, triple, double, single and paediatric blood bags for storage of blood in the regional and satellite sites.
- iv. Procurement of blood processing equipment (centrifuges, platelet agitators, apheresis kits, tube strippers and blood bank refrigerators.
- v. Procurement and distribution of 20 back-up power generators for 20 blood centres.
- vi. Procurement and distribution of assorted lab reagents for blood testing.

**Component 7: Project implementation and monitoring**

- i. Assessment of 86 supported health facilities across the country.
- ii. Training of focal person in select counties on Grievance Redress Mechanisms and social safeguards for the project.
- iii. Procurement of laptops, mobile phones and office equipment for the project management team

**Absorption Rate for the year ending 2020/21**

Budget and Actuals					
Source	FY2019 - 2020 (Parent Project)		FY2020 - 21 (Parent Project)		% Absorption
	Budget	Actual	Budget	Actual	
Loan AIA	170,000,000	170,000,000	850,000,000	491,000,000	57.8
Loan Revenue	1,557,000,000	229,000,000	1,327,000,000	610,000,000	46.0
Grant AIA			350,000,000	299,000,000	85.4
Grant Revenue					
GoK					
<b>Totals</b>	<b>1,727,000,000</b>	<b>399,000,000</b>	<b>2,527,000,000</b>	<b>1,400,000,000</b>	

**Implementation challenges and recommended way forward**

Some of the implementation challenges and recommended way forward are listed in the table below;

Implementation Challenges	Recommended way forward
Slow response by the State Department of Public Works on matters related to renovations of health facilities and blood transfusion satellite centers	Strengthen inter-ministerial collaboration for efficient project implementation – e.g., Public Works

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

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**Project Information and Overall Performance (continued)**

Delayed procurement due in part to protracted procurement processes and changes in procurement staff and component leads (Component 3 and 6);	Proper succession management
Global market supply challenges related to oxygen equipment and accessories and the inability of local suppliers of bulk liquid oxygen in Kenya to meet the demand.	Contractors are advised to prepare a schedule of works earlier and commence importation/procurement of equipment as soon as the site is handed over
Variance of estimates in planning budgets leading to deficits in some instances	Proper market surveys to be undertaken for all procurements and timely reprogramming of resources to ensure expenditure is within the project's budget.
Slow processing of payments due in part to delayed submission of invoices by procuring entities and having only one accountant for the project.	Timely submission of invoices and Increase the accounts personnel to support the project accountant.

**Summary of Project Compliance:**

The Project complied with applicable laws, regulations and essential external financing agreements/covenants this helped in achievements of the set objectives.



## **2. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETERMINED OBJECTIVES**

The Kenya COVID -19 Emergency Response Project of ID P173820 is to prevent, detect and respond to the COVID – 19 outbreak and strengthen national systems for public health emergency preparedness in the country. This project is being implemented under the disease surveillance programme within the Ministry of Health. In the FY 2020/21, the project was funded at a cost of Kshs.1.2billion as direct transfers. This includes Kshs.850million as loan AIA and Kshs.350million as Grant AIA.

Out of this, the project absorption was at Kshs.491million for the Loan AIA at 57.8% and Kshs.299million for the Grant AIA at 84.4% respectively. In addition, under the Loan Revenue, the project expended Kshs.610million from a depository budget of Kshs.1.3billion voted for in the FY2019/20 at 46.9%.

Conversely, the project implementation has been slow due to the lengthy procurement processes involved and the slow response from the public works team in approval of BQs and other necessary approvals

### **Core objectives of the project**

Whilst implementing this project, a number of key outcome indicators were designed to address several issues on; mitigation measures, provision of diagnostic equipment for COVID – 19, healthcare facilities with isolation capabilities and availability of safe blood and blood products.

### **Specific objectives of the project**

The specific objectives focus on the containment, diagnosis and treatment of patients in order to control the disease outbreak while undertaking;

- i. Medical Supplies and Equipment
- ii. Response, Capacity Building and Training
- iii. Quarantine, Isolation and Treatment Centers
- iv. Medical Waste Disposal
- v. Community Discussions and Information Outreach
- vi. Availability of Safe Blood and Blood Products
- vii. Project Implementation and Monitoring

As mentioned above, each specific objective is coordinated by a component as indicated below;

<b>Project</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Medical Supplies and Equipment	To improve availability of medical supplies and equipment to respond to COVID - 19	Health care services improved	No. of COVID - 19 test kits procured	In the period under review, at total number of 3,048 were procured
Response, Capacity Building and Training	To strengthen response and capacity build of health workers and communities	Health care services improved	No. of health care workers Trained	A total of 627 health care workers were trained

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

**For the year ended 30 June, 2021**

**Statement of performance against project's predetermined objectives (continued)**

Quarantine, Isolation and Treatment Centers	To strengthen the health systems capacity by providing the Infection Prevention Control and case management	Health care services improved	No. of equipment procured	An assorted ICT equipment, furniture and laundry was procured
Medical Waste Disposal	To ensure safe disposal of waste generated by laboratory and medical activities	Health care services improved	No. of health care workers trained	A total of 67 health care workers (training of trainers) were trained
Community Discussions and Information Outreach	To ensure there is a two-way communication between the Government and the population	Information on health care services strengthened	No. of consultancy services done	A consultancy firm was hired and a KAP survey undertaken across the country
Availability of Safe Blood and Blood Products	To strengthen the capacity of the KNBTS to provide safe blood and blood products	Health care services improved	% of safe blood and blood products secured	Blood processing equipment, donor couches and registers procured
Project Implementation and Monitoring	To strengthen coordination for program implementation and management capacity	Improved project management and coordination	No. of assessments conducted	A total number of 86 assessments were conducted across the country

### **3. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

#### **Sustainability strategy and profile**

The CHERP project has two objectives one is to prevent, control and mitigate COVID-19 and the second one is to strengthen the health system to prepare for any future potential outbreaks and enable efficient service provision. The second objective is aimed at ensuring sustainability of the services provided and enhanced by the CHERP project. Secondly most of the equipment and consumables provided to the counties there is an understanding for them to sustain the maintenance of the equipment and purchase of the consumables. Most of the activities started or supported have been integrated into the already provided services so as to have continuity and for the services not to be vertical and to serve more than one purpose.

The activities undertaken in the project are also focused in strengthening the health systems blocks which in the long run strengthens the health system. This in turn supports the implementation of UHC which is a presidential directive and country's Global commitment.

The Project also uses already in use infrastructure like the IFMIS system and Governance system at the National and County level.

#### **Environmental performance**

##### **Environmental and Social Safeguards Achievements;**

- Adequate safeguards personnel in place – there are 3 social and 2 environmental safeguards technical personnel.
- Up to date Environmental and social instruments in place, with main ones - ESMF, LMP, SEP, SMP, ICWMP all up to date, approved and disclosed in the Ministry's website while specific ones direct to specific investments (Sub projects) ongoing – ESIAs/ESMPs being finalized. ESMPs for Oxygen and laboratories and blood services developed. Both will be updated based on the recommendations of the report of the recent concluded environmental and social assessment and monitoring.
- A robust CHERP GRM in place. There is a dedicated telephone number (0795884577) displayed at C-HERP supported sites for use by the community and also for use by the surge Capacity staff. The project beneficiaries have a way of registering their dissatisfaction and give feedback on the project activities (ranging from issues of dissatisfaction in service delivery, exposure to social and environmental risks including the VMG groups).
- Environmental and Social assessment and monitoring of blood services, oxygen and laboratories as required by the project legal document was undertaken in October 2021.



## **Employee welfare**

Under the project various consultants were contracted to deal with the surge of COVID -19 these are laboratory officers, public health officers, Nurses clinical officers and physiologists. Gok and world bank procurement procedures were adhered to for evaluating and recruiting. They were taken through various training before deployment to various stations. They are enumerated with current market rates and PS approvals.

## **Market place practices-**

### **a) Responsible competition practice.**

The project operations are guided by several manuals developed in consultation with the World Bank team. The procurement manual specifically describes the procurement method to be used for procurement of goods and services. The anti-corruption strategy the World Bank announced in September 1997 is used in all project procurements and the project management team have undergone a training on Preventing Fraud and Corruption in Bank projects. All project procurement documents have mainstreamed concern about corruption in Bank work; and any competitor who feels aggrieved is free to contact the World Bank team.

### **b) Responsible Supply chain and supplier relations-**

All suppliers are paid upon presentation of relevant documents for goods or services rendered.

### **c) Responsible marketing and advertisement-**

This being an emergency project, we advertise for goods or services on the Ministry of Health website and Public Procurement Regulatory authority website. In some instances we advertise in a national newspaper of wide circulation when using National Competitive Bidding method of procurement.

### **d) Product stewardship-**

Outline efforts to safeguard consumer rights and interests.

The projects consumers are health facilities at National and County level. The project engages them continuously to ensure we respond to their needs.

## **Community Engagements**

The CHERP Project under the Communication and Community Engagement has been able to support the Counties by training all the County, Sub Counties Health Management Teams, county and sub county health promotion officers on Social Behaviour Communication Change on COVID -19 Disease. They are planned Community dialogues to sensitize 43,500 Community Health Volunteers on COVID -19 disease.

#### **4. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES**

The Principal Secretary for the Ministry of Health and the Project Manager for Kenya COVID-19 Emergency Response Project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Project; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Project; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Principal Secretary for the Ministry of Health and the Project Manager for Kenya COVID-19 Emergency Response 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 Ministry of Health and the Project Manager for Kenya COVID-19 Emergency Response Project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2021, and of the Project's financial position as at that date. The Principal Secretary for the Ministry of Health and the Project Manager for Kenya COVID-19 Emergency Response Project further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The Principal Secretary for the Ministry of Health and the Project Manager for Kenya COVID-19 Emergency Response Project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants. The Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

#### **Approval of the Project financial statements**

The Project financial statements were approved by the Principal Secretary for the Ministry of Health, the Project Manager for Kenya COVID 19 Emergency Response Project on *September 30, 2021* and signed by them.



Principal Secretary  
**Susan Mochache, CBS**



Project Manager  
**Dr. Anne Ng'ang'a**



Project Accountant:  
**Rose Ndana**  
ICPAK M/No: 16829

Date... *14/12/2021* .....

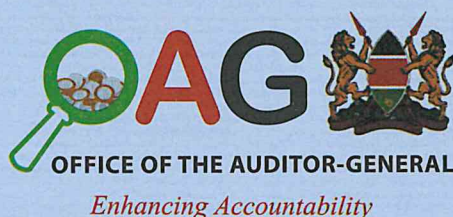
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# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO.6598-KE - FOR THE YEAR ENDED 30 JUNE, 2021 - MINISTRY OF HEALTH**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Covid-19 Emergency Response Project Grant/Credit No. 6598-KE set out on pages 1 to 20, which comprise the statement



of financial assets as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and statement of comparative budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Covid-19 Emergency Response Project Grant/Credit No.6598-KE as at 30 June, 2021, and (of) its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply the Credit Agreement No.6598-KE dated 03 April, 2020 between International Development Association and the Republic of Kenya and the Public Finance Management Act, 2012.

In addition, the special accounts statement present fairly the special accounts transactions and the closing balance has been reconciled with the books of accounts.

## **Basis for Qualified Opinion**

### **1. Inaccuracies in Financial Statements**

The financial statement for the year ended 30 June, 2021 submitted for audit contained the following presentation and disclosure errors.

- 1.1 The statement of cash flow did not include the receipts from operating activities hence it was not prepared as per the financial template provided by public sector accounting standards board;
- 1.2 The statement of cash flow reflects nil balance for change in imprest and advances. However, the statement of financial assets shows change in imprest and advances of Kshs.4,584,175;
- 1.3 The statement of comparative budget and actual amounts reflects budget utilization difference under total payments of Kshs.2,910,972,564 while casting revealed Kshs.2,906,388,389 resulting to unexplained nor reconciled variance of Kshs.4,584,175.
- 1.4 The statement of cash flows reflects cash and cash equivalents at end of the year of Kshs.714,744,494 while casting revealed Kshs.710,160,318 resulting to unexplained nor reconciled variance of Kshs.4,584,175.

Under the circumstances, the financial statements do not comply with the reporting template issued by Public Sector Accounting Standards Board.

## **2. Salary Payments**

As disclosed in Note 11.2 to the financial statements, the statement of receipts and payments reflects compensation of employees of Kshs.94,892,917 and nil expenditure for financial year ended 30 June, 2020. Included in the amount is salary payments of Kshs.59,174,166 whose verification revealed that some staff were paid gross monthly allowance of Kshs.75,000 and others paid Kshs.100,000. However, the basis of arriving at these rates was not provided or supported by Salaries and Remuneration Commission guidelines.

Under the circumstances, the accuracy, completeness and validity of salary payments of Kshs.59,174,166 for the year ended 30 June, 2021 could not be confirmed.

## **3. Cash and Cash Equivalents**

As disclosed in Note 11.7 to the financial statements the statement of financial assets reflects bank balance of Kshs.714,744,943 (2020 - Kshs.1,322,627,947). Included in the bank balance are unpresented cheques of Kshs.361,679,019 out of which Kshs.1,253,687 were stale cheques that had not been reversed in the cashbook while the receipts in the cashbook not recorded in bank statements totaled Kshs.3,247,042 out of which an amount of Kshs.945,000 described as an overcast of closing balances was not explained nor supported.

Under the circumstances, the accuracy and completeness of bank balance of Kshs.714,744,943 as at 30 June, 2021 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Covid-19 Emergency Response Project Grant/Credit No. 6598-KE 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 qualified opinion.

## **Emphasis of Matter**

### **1. Unutilized Balance**

I draw attention to paragraph 1.7 of the project information and overall performance under funding summary in the financial statements which reflects total commitment of Kshs.5,662,652,356 and total receipts of Kshs.2,518,534,796 resulting to undrawn balance of Kshs.3,144,117,560. Failure to utilize the funds could affect prevention, detection, and response to the threat posed by Covid-19 and public health preparedness with focus now shifting to vaccination.

### **2. Budgetary Control and Performance**

The statement of comparative budget and actual amounts reflect a final budget of Kshs.4,310,268,200 and actual expenditure on comparable basis of Kshs.1,403,879,811



resulting into underutilization of Kshs.2,906,388,389. The receipts realized under performance of Kshs.429,110,409 (or 35%) which could be indicative of possible weakness in meeting donor conditions and enforcement of controls. In addition, the approved budget was not provided as authority to undertake activities for year under review. This is contrary to financing agreement Part B 2(a) which states that the recipient shall no later than thirty (30) days after the effective date, prepare and furnish to the Association a proposed work plan and budget for project implementation.

Under the circumstances, the project may not meet the key objective which is to prevent, detect, and respond to the threat posed by Covid-19 and strengthen national systems for public health preparedness.

My opinion is not modified in respect to the above matters.

### **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.

## **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 matter(s) 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**

#### **1. Procurement of Printing Supplies and Services**

As disclosed in Note 11.3 to financial statements the statement of receipts and payments reflects purchase of goods and services of Kshs.350,380,640 (2020 - Kshs.42,625,987). Included in the expenditure is printing, advertising and information supplies & services expenditure of Kshs.11,708,990. However, these items were not included in the annual procurement plan and there was no evidence of competitive procurement processes. This contravenes section 71(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that pursuant to section 73 of the Act, the head of the user department shall initiate the procurement process through a requisition as per the approved procurement plan.

In the circumstances, Management is in breach of the law

## **2. Procurement of Other Machinery & Equipment**

As disclosed in Note 11.4 to the financial statements the statement of receipts and payments reflects acquisition of non-financial assets of Kshs.158,264,472. The expenditure includes Kshs.148,444,200 on purchase of other machinery & equipment out of which assets worth Kshs.57,941,000 were not included in the annual procurement plan, delivered after the purchase order expiry date and received without evidence of inspection and acceptance. Also, the assets were not taken on charge in store ledger or entered in the fixed asset register.

In the circumstances, Management is in breach of the law.

## **3. Procurement of Hospitality Supplies and Services**

As disclosed in note 11.3 to financial statements the statement of receipts and payments reflects purchase of goods and services of Kshs.350,380,640. The amount includes Kshs.17,268,580 paid on hospitality supplies and services. Review of payment vouchers and supporting documentation revealed local purchase orders with a value of Kshs.12,560,580 for provision of conference facilities were issued after the delivery of the services.

In the circumstances, Management is in breach of the law.

## **4. Procurement of Abbot Real Time SARS COVS Testing Kits**

As disclosed in Note 11.6 to the financial statements the statement of receipts and payments reflects other grants and transfers and payments of Kshs.719,412,182. The amounts includes Kshs.384,226,829 for supply and delivery of Abbot Real Time SARS COVS Testing Kits that were procured from the manufacturer. It was observed that notification for award and letter of acceptance were both dated 17 June, 2020. However, the Local Purchase Order had earlier been issued on 13 May, 2020 while the contract was signed on 23 June, 2020 while the goods were received on 17 June, 2020.

In the circumstances, the Management did not adhere to the procurement process.

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter(s) described in the Basis for Conclusion on

Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

### **Purchase of ICT Material**

As disclosed in note 11.4 to the financial statements the statement of receipts and payments reflects acquisition of non-financial assets of Kshs.158,264,472 (2020 – Kshs.109,190,111). The expenditure includes purchase of ICT material of Kshs.6,469,272. However, these items were not included in the assets register and ICT assets worth Kshs.5,171,900 purchased in financial year 2019-2020 were omitted from the summary of fixed assets in 2019/2020 as well as opening balance in the 2020-2021.

In the circumstances, the controls over custody and safeguarding of ICT assets are weak.

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

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

As required by Financing Agreement dated 03 April, 2020, I report based on my audit, that:

- i. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit;
- ii. In my opinion, adequate accounting records have been kept by Project so far as appears from the examination of those records; and,
- iii. The Project's financial statements are in agreement with the accounting records and returns.

## **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue to sustain services, disclosing, as applicable, matters related



to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Project or to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in

which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


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

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

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

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

24 December, 2021



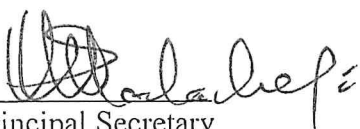



**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE -**  
**MINISTRY OF HEALTH**  
**Reports and Financial Statements**  
**For the year ended 30 June, 2021**

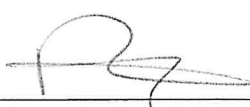
**6. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED 30 JUNE, 2021**

	Note	2020/2021		2019/2020		Cumulative to-date (From inception)
		Receipts and payments controlled by the entity	Payments made by third parties	Receipts and payment controlled by the entity	Payments made by third parties	
		KShs	KShs	KShs	KShs	KShs
<b>RECEIPTS</b>						
Loan from external development partners	11.1		491,465,088	1,556,802,620	170,320,000	2,218,587,708
Grant	11.1		299,947,094			299,947,094
<b>TOTAL RECEIPTS</b>			<b>791,412,182</b>	<b>1,556,802,620</b>	<b>170,320,000</b>	<b>2,518,534,802</b>
<b>PAYMENTS</b>						
Compensation of Employees	11.2	94,892,917				94,892,917
Purchase of goods and services	11.3	350,380,640		42,625,987		393,006,627
Acquisition of non-financial assets	11.4	158,264,472		109,190,111		267,454,583
Transfers to other government entities	11.5	8,929,600		77,774,400		86,704,000
Other grants and transfers and payments	11.6		791,412,182		170,320,000	961,732,182
<b>TOTAL PAYMENTS</b>		<b>612,467,628</b>	<b>791,412,182</b>	<b>229,590,498</b>	<b>170,320,000</b>	<b>1,803,790,308</b>
<b>DEFICIT</b>		<b>(612,467,628)</b>	<b>0</b>	<b>1,327,212,122</b>	<b>0</b>	<b>714,744,494</b>

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

  
Principal Secretary  
Susan Mochache, CBS

  
Project Coordinator  
Dr. Anne Ng'ang'a

  
Project Accountant  
Rose Ndana  
ICPAK M/No: 16829

Date: 14/12/2021

Date: 14/12/2021

Date: 14/12/2021



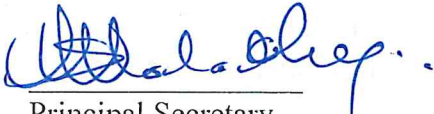


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**MINISTRY OF HEALTH**  
**Reports and Financial Statements**  
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**7. STATEMENT OF FINANCIAL ASSETS AS AT 30 JUNE, 2021**

	Note	2020-2021	2019-2020
		KShs	KShs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	11.7	714,744,493	1,322,627,947
<b>Total Cash and Cash Equivalents</b>		<b>714,744,493</b>	<b>1,322,627,947</b>
Accounts receivables – Imprest and Advances	11.8		4,584,175
<b>TOTAL FINANCIAL ASSETS</b>		<b>714,744,493</b>	<b>1,327,212,122</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	11.9	1,327,212,122	
Deficit for the period		612,467,628	1,327,212,122
<b>NET FINANCIAL POSITION</b>		<b>714,744,494</b>	<b>1,327,212,122</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on *September 30, 2021* and signed by:



Principal Secretary

Date: ...14/12/2021...



Project Coordinator

Date: ...14/12/2021...



Project Accountant

Date: ...14/12/2021...

ICPAK16829

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE -**  
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**8. STATEMENT OF CASHFLOW FOR THE PERIOD ENDED 30 JUNE, 2021**

		2020-2021	2019-2020
	Note	KShs	KShs
<b>Payments for operating activities</b>			
Compensation of Employees	11.2	94,892,917	
Purchase of goods and services	11.3	350,380,640	42,625,987
Transfers to other Government Entities	11.5	8,929,600	77,774,400
Change in Imprests and Advances	11.8		4,584,175
<b>Net cash out flow from operating activities</b>		<b>454,203,157</b>	<b>124,984,562</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	11.4	158,264,472	109,190,111
<b>Net cash out flows from Investing Activities</b>		<b>(158,264,472)</b>	<b>(109,190,111)</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from Foreign Borrowings	11.1		1,556,802,620
<b>Net cash flow from financing activities</b>			<b>1,556,802,620</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(612,467,629)</b>	<b>1,322,627,947</b>
Cash and cash equivalent at BEGINNING of the year		1,322,627,947	-
<b>Cash and cash equivalent at END of the year</b>	11.7	<b>714,744,494</b>	<b>1,322,627,947</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on *September 30, 2021* and signed by:



Principal Secretary  
 Susan Mochache, CBS  
 Date: ...14/12/2021...



Project Coordinator  
 Dr. Anne Ng'ang'a  
 Date: ...14/12/2021...



Project Accountant  
 Rose Ndana  
 Date: ...14/12/2021...  
 ICPAK 16829



**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE -**  
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*Reports and Financial Statements*  
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**9. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS**  
**FOR THE PERIOD ENDED 30 JUNE, 2021**

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 %
<b>Receipts</b>						
Proceeds from borrowings		1,220,522,591	1,220,522,591	791,412,182	429,110,409	65%
<b>Total Receipts</b>		<b>1,220,522,591</b>	<b>1,220,522,591</b>	<b>791,412,182</b>	<b>429,110,409</b>	<b>65%</b>
<b>Payments</b>						
Compensation of Employees		229,680,000	229,680,000	94,892,917	134,787,083	41%
Purchase of goods and services		584,530,390	584,530,390	350,380,640	234,149,750	59.9%
Acquisition of non-financial assets		838,525,600	838,525,600	158,264,472	680,261,128	18.9%
Transfers to other government entities		691,646,670	691,646,670	8,929,600	682,717,070	1.3%
Other payments – Direct payments		1,965,885,540	1,965,885,540	791,412,182	1,174,473,358	40.3%
<b>Total Payments</b>		<b>4,310,268,200</b>	<b>4,310,268,200</b>	<b>1,403,879,811</b>	<b>2,910,972,564</b>	<b>32.5 %</b>

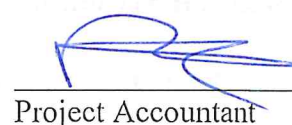
Note: The significant budget utilisation/performance differences in the last column are explained in **Annex 1** to these financial statements.

  
Principal Secretary

Date: 14/12/2021

  
Project Coordinator

Date: 14/12/2021

  
Project Accountant

Date: 14/12/2021  
ICPAK 16829



## **10. SIGNIFICANT ACCOUNTING POLICIES**

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

### **Basis of Preparation**

#### **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.

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.

### **Reporting entity**

The financial statements are for the Covid-19 Emergency Response Project under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

### **Reporting currency**

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

### **Significant Accounting Policies**

#### **a) Recognition of receipts**

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

#### **• Transfers from the Exchequer**

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

• **External Assistance**

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

**Proceeds from borrowing**

Borrowing includes external loan acquired by the Project and is treated on cash basis and recognized as a receipt during the year it is received.

**Undrawn external assistance**

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

**b) Recognition of payments**

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

• **Use of goods and services**

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

• **Acquisition of fixed assets**

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

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) In-kind donations**

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

**d) Cash and cash equivalents**

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

**e) Accounts receivable**

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

**f) 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' items to provide a sense of the overall net cash position of the Project at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.



**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**g) 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 accounts for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation.

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

**h) Third party payments**

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

During the year Kshs.791,412,182 being loan disbursements were received in form of direct payments from third parties.

**i) Exchange rate differences**

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

**j) Comparative figures**

Comparative figures for the previous financial year/period are not available as the Project commenced in the fourth quarter of the financial year.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) 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, 2020.

**l) Errors**

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

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**11. NOTES TO THE FINANCIAL STATEMENTS**

**11.1 LOAN FROM EXTERNAL DEVELOPMENT PARTNERS**

During the 12 months to 30 June 2021 we received funding from development partners in form of loans and grants negotiated by the National Treasury donors as detailed in the table below:

Name of Donor	Date received	Amount in loan currency	Loans received in cash	Loans received as direct payment*	Total amount in KShs	
		EUR	KShs	KShs	FY20/2021	FY19/20
<b>Loans Received from Multilateral Donors (International Organizations)</b>						
IDA LOAN				491,465,088	491,465,088	1,727,122,620
GRANT		-	-	299,947,094	299,947,094	-
<b>Total</b>		-	-	<b>791,412,182</b>	<b>791,412,182</b>	<b>1,727,122,620</b>

**11.2 COMPENSATION OF EMPLOYEES**

	2020/2021			2019/2020	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Basic Salaries - Permanent Employees	94,892,917		94,892,917		94,892,917
<b>Total</b>	<b>94,892,917</b>		<b>94,892,917</b>		<b>94,892,917</b>



**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE -**  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11.3 PURCHASE OF GOODS AND SERVICES**

	2020-2021			2019-2020	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Communication, supplies and services				12,405,000	12,405,000
Domestic travel and subsistence	97,346,980		97,346,980	7,431,323	100,194,128
Printing, advertising and information supplies & services	11,708,990		11,708,990	-	11,708,990
Training expenses	443,500		443,500		443,500
Hospitality supplies and services	17,268,580		17,268,580		17,268,580
Fuel and Lubricants	4,090,000		4,090,000		4,090,000
Specialised materials and services	206,989,490		206,989,490	17,480,000	224,469,490
Office and general supplies and services	92,980		92,980	189,237	282,217
Other operating expenses				159,827	159,827
Routine maintenance – vehicles and other transport equipment				60,600	60,600
Consultancy services – Technical and professional services	12,440,120		12,440,120	4,900,000	17,340,120
<b>Total</b>	<b><u>350,380,640</u></b>		<b><u>350,380,640</u></b>	<b><u>42,625,987</u></b>	<b><u>393,006,627</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11.4 ACQUISITION OF NON-FINANCIAL ASSETS**

	2020/2021			2019/2020	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Purchase of vehicles & other transport equipment				102,166,611	102,166,611
Purchase of ICT material	6,469,272		6,469,272		6,469,272
Purchase of other machinery & equipment	148,444,200		148,444,200		148,444,200
Purchase of office furniture & general equipment	3,351,000		3,351,000	7,023,500	10,374,500
<b>Total</b>	<b><u>158,264,472</u></b>		<b><u>158,264,472</u></b>	<b><u>109,190,111</u></b>	<b><u>267,454,583</u></b>

**11.5 TRANSFERS TO OTHER GOVERNMENT ENTITIES**

During the 12 months to 30 June, 2021, we transferred funds to reporting government entities as shown below:

	2020-2021			2019-2020	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
<b>Transfers to National Government entities</b>					
KEMSA	8,929,600		8,929,600	77,774,400	86,704,000
<b>TOTAL</b>	<b><u>8,929,600</u></b>		<b><u>8,929,600</u></b>	<b><u>77,774,400</u></b>	<b><u>86,704,000</u></b>

We have confirmed that the beneficiary institution has received the funds and have recorded these as inter-entity receipts. We have attached these duly signed confirmations as an Appendix to the financial statements.

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE -  
MINISTRY OF HEALTH**  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11.6 OTHER GRANTS AND TRANSFERS AND PAYMENTS**

	2020/21			2019/20	
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	Cumulative to-date
	KShs	KShs	KShs	KShs	KShs
Direct payment by the National Treasury		791,412,182	791,412,182	170,320,000	
		<u>791,412,182</u>	<u>791,412,182</u>	<u>170,320,000</u>	

Direct payments for Testing Kits

**11.7 CASH AND CASH EQUIVALENTS**

	2020/2021		2019/2020
	KShs		KShs
Bank accounts (Note 8.9)	714,744,493		1,322,627,947
<b>Total</b>	<u>714,744,493</u>		<u>1,322,627,947</u>

The project has one (1) number of project account within the project implementation area and one (1) number of foreign currency designated accounts managed by the National Treasury are as listed below:



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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11.7A BANK ACCOUNTS**

**Project Bank Accounts**

	2020/2021	2019/2020
	EUR/KShs	EUR/KShs
<b>Foreign Currency Accounts (EUR)</b>		
Central Bank of Kenya [A/c No. 1000446366]	6,600,000	6,600,000
<b>Total Foreign Currency balances</b>	<b><u>6,600,000</u></b>	<b><u>6,600,000</u></b>
<b>Local Currency Accounts (KSHS)</b>		
Central Bank of Kenya [A/c No 1000446684]	714,744,493	1,322,627,947
<b>Total local currency balances</b>	<b><u>714,744,493</u></b>	<b><u>1,322,627,947</u></b>

**Special Deposit Accounts**

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

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

**Special Deposit Accounts Movement Schedule**

	2020/2021	2019/2020
	EUR	EUR
<b>(i) A/C Name [A/c No. 1000446366]</b>		
Opening balance	6,600,000	-
Total amount deposited in the account	-	20,000,000
Total amount withdrawn (as per Statement of Receipts & Payments)	-	<u>13,400,000</u>
<b>Closing balance (as per SDA bank account reconciliation attached)</b>	<b><u>6,600,000</u></b>	<b><u>6,600,000</u></b>

The Special Deposit Account reconciliation statement has been attached as Appendix IV support these closing balances.

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11.8 OUTSTANDING IMPREST AND ADVANCES**

DATE ISSUED	PAYEE	WARRANT NO.	DUE DATE OF SURRENDER	2020/21 AMMOUNT	2019/20 AMOUNT

**11.9 FUND BALANCE BROUGHT FORWARD**

	<u>2020/21</u>	<u>2019/20</u>
BALANCE B/F	<u>1,327,212,122</u>	
SURPLUS/DEFICIT	<u>612,467,628</u>	<u>1,327,212,628</u>
BALANCE C/D	<u>714,744,494</u>	<u>1,327,212,122</u>

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE -  
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**12. OTHER IMPORTANT DISCLOSURES**

**PENDING ACCOUNTS PAYABLE**

	Balance b/f FY 2020/2021	Additions for the period	Paid during the year	Balance c/f FY 2021/2022
Description	Kshs	Kshs	Kshs	Kshs
Supply of goods	-	2,750,000	-	2,750,000
<b>Total</b>	<b>=</b>	<b><u>2,750,000</u></b>	<b>=</b>	<b><u>2,750,000</u></b>

**EXTERNAL ASSISTANCE**

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
Grants received	299,947,094	0
Loans received	491,465,088	1,727,122,620
External assistance received in kind- as payment by third parties	0	0
<b>Total</b>	<b>791,412,182</b>	<b>1,727,122,620</b>

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE -  
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**13. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The project's prior year report did not have issues for review.



Principal Secretary

14/12/2021  
Date



Project Coordinator

14/12/2021  
Date



**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

**Reports and Financial Statements**

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**14. ANNEXES**

**ANNEX 1 - VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS.**

	Original Budget	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance below 90%
		a	b	c=a-b	d=b/a %	
<b>Receipts</b>						
Proceeds from borrowings		1,220,522,591	791,412,182	429,110,409	65%	The absorption was not at target due to the lengthy procurement processes.
<b>Total Receipts</b>		<b>1,220,522,591</b>	<b>791,412,182</b>	<b>429,110,409</b>	<b>65%</b>	
<b>Payments</b>						
Compensation of Employees		229,680,000	94,892,917	134,787,083	41%	The contracts are still on-going until December 2021
Purchase of goods and services		584,530,390	350,380,640	234,149,750	59.9%	The project was on course for O&M that supports the day-to-day operations.
Acquisition of non-financial assets		838,525,600	158,264,472	680,261,128	18.9%	The low absorption was as a result of the lengthy procurement processes causing delays
Transfers to other government entities		691,646,670	8,929,600	682,717,070	1.3%	The absorption was also affected by the lengthy procurement processes causing delays
Direct Procurement		1,965,885,540	791,412,182	1,174,473,358	40.3%	Lengthy procurement processes causing delays
<b>Total payments</b>		<b>4,310,268,200</b>	<b>1,403,879,811</b>	<b>2,906,388,389</b>	<b>32.5%</b>	

**COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH**

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**ANNEX 2: RECONCILIATION OF INTER-ENTITY TRANSFERS**

	PROJECT NAME:			
	Break down of Transfers To Kenya Medical Supplies Authority			
a.	Transfers to KEMSA			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	KEMSA	28/10/2020	8,929,600	2020-2021
		Total	8,929,600	

**ANNEX 3 - ANALYSIS OF PENDING BILLS**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Kakurasa General Merchants Limited	2,750,000	4/4/2021	Nil	2,750,000	Nil	

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**For the year ended 30 June, 2021**

**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Opening Cost (KShs) 2019/2020	*Purchases/ Additions in the Year (KShs) 2020/2021	**Disposals in the Year (KShs) 2020/2021	Transfers in/(out) Kshs 2020/2021	Closing Cost (KShs) 2020/2021
	(a)	(b)	(c)	(d)	(c)= (a)+ (b)- (c)+(-)d
Transport equipment	102,166,611	158,264,472 -	-	-	260,431,083
Office furniture & General equipment	7,023,500			-	7,023,500
<b>Total</b>	<b>109,190,111</b>	<b>158,264,472</b>		<b>-</b>	<b>267,454,583</b>

Notes

\* Purchases in the year reconciles to the amount in Statement of Receipts and Payments

***COVID-19 EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO. 6598-KE - MINISTRY OF HEALTH***

***Reports and Financial Statements***

***For the year ended 30 June, 2021***

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**APPENDICES**

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations
- iii. Cash Count Certificate
- iv. Special Deposit Account reconciliation statement



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**KENYA COVID-19 EMERGENCY RESPONSE PROJECT**  
**STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION**  
**FOR THE YEAR ENDED 30 JUNE 2021**

Credit No.: IDA LOAN CREDIT NO.65980-KE

Bank Account No.: 1000446366 Held with Central Bank of Kenya

		NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by IDA			20,000,000.00
	Less:			
2	Total amount documented			1,957,363.20
3	Outstanding amount to be documented			18,042,636.80
	Represented by:			
4	Ending Special account Balance as at 30 June 2021			6,600,000.00
5	Amounts claimed but not credited as at 30 June 2021			-
6	Amounts withdrawn and not claimed			11,442,636.80
7	Service Charges (if not included in lines 5 and 6 above)			-
8	Interest earned (if included in Special Account)			-
9	Total advance to Special Account Year ended 30 June 2021			18,042,636.80

Discrepancy between total appearing on line 3 and 9

-

**Notes:**

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

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



AUTHORISED REPRESENTATIVE

RESOURCE MOBILISATION DEPARTMENT

THE NATIONAL TREASURY

DATE: 30.07.2021



**SPECIAL ACCOUNT STATEMENT**

For period ending	30th JUNE, 2021
Account No.	1000446366
Depository Bank	CENTRAL BANK OF KENYA
Address	CBK
Related Loan	COVID-19 EMERGENCY RESPONSE PROJECT
Credit Agreement	
Currency	EUR

**Part A - Account Activity**

Beginning balance of 1st July, 2020  
as per C.B.K. Ledger Account

6,600,000.00

**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, 2021

6,600,000.00

**AUTHORISED REPRESENTATIVE  
CENTRAL BANK OF KENYA**

SIGNATURE:

DATE

**AUTHORISED REPRESENTATIVE  
EXTERNAL RESOURCES  
DEPARTMENT-TREASURY**

SIGNATURE:

DATE

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





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

## STATEMENT OF ACCOUNT

PAGE NO: 1

ACCOUNT NUMBER:

ACCOUNT TITLE: COVID-19 EMERGENCY RESPONSE PROJECT  
 30/06/2021

STATEMENT PERIOD: From 01/07/2020 To

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
NO.	DATE	REFERENCE NO	DETAILS	Debit	Credit
1				0.00	0.00

OPENING BAL: 6,600,000.00

Balance  
6600000

CLOSING BALANCE: 6600000

END OF ACCOUNT STATEMENT

## Favourites

TAME STMT OF ACCT.EPRM


[More Options](#)  
[Clear Selection](#)

Find

Account equals 1000446366  
 Statement From equals 20200701  
 Statement To equals 20210630

TAME STMT OF ACCT.EPRM




 IDA Credit Facility

Loan: IDA 65980 (IDA - IDA Credit) | Status: Disbursing | Country: Kenya |

Project: P173820 - KENYA COVID-19 HEALTH EMERGENCY RESPONSE PROJECT

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

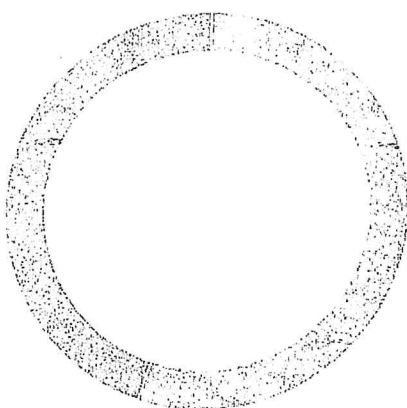
## Important Dates

Approval	Signing	Effective	Commitment	Closing	First	Application	Last
02-Apr-2020	03-Apr-2020	08-Apr-2020	Charges Start Date 02-Jun-2020	31-Mar-2025	Repayment 15-May-2025	Deadline 31-Jul-2025	Repayment 15-Nov-2049

Currency of Commitment : EUR

Show amounts in

EUR ▼


 Disbursed 55.1%
  Undisbursed 44.9%

## Loan Information (EUR)

Signed Amount	45,500,000.00
Cancelled	0.00
Disbursed	25,061,920.66
Undisbursed	20,438,079.34
Special Commitments	0.00
Funds Available	20,438,079.34

## Funds Available (EUR)

Withdrawal Applications	0.00
Special Commitment Issuance Applications	0.00
Estimated Funds Available	20,438,079.34

Last Bill, IDA 65980, due on 15-May-2021

18,000,000.00

## Retroactive Available

Borrower: The National Treasury and Planning

Date Payable	Currency	Amount Payable
17-May-2021	EUR	140,615.56

Retroactive Limit	18,000,000.00
Retroactive Disbursed	0.00

 Period of Retroactivity  
 01-Jan-2020 to 02-Apr-2020

25,061,920.66

1.20 %

0.00 %

Principal Outstanding

Total Charges

Net Commitment Fee





7/30/2021

eBusiness

25,061,92  
0.66

Waiver

0.00 %

Waiver

0.00 %

Repaid

0.00

Interest  
Waiver  
Status

Ineligible

Prepaid

0.00

Rate Reset  
Date

03-Apr-  
2020

Regular  
Repayme  
nts

0.00

#### USD Equivalents

Original Approved Amount

50,000,000.00

Current Undisbursed

24,325,402.03

Historical Disbursed

27,787,506.84

#### Reference Information

Lending Instrument : IPF - Investment Project  
Financing

Loan Type : IDA - IDA Credit

Borrower of Record : The National Treasury  
and Planning

Guarantor : Kenya

Maturity Type : IDA5\_30

Loan Term : 30 Years

Maturity Profile : STANDARD

Grace Period : 5 Years



7/30/2021

eBusiness

Current Commission

Account Status

Loan: IDA 65980 (IDA - IDA Credit) | Status: Disbursing | Country: Kenya |

Project: P173820 - KENYA COVID-19 HEALTH EMERGENCY RESPONSE PROJECT

[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#)
[Applications](#) | [eSignatorie\(s\)](#) | [Beneficiaries](#) | [Contracts](#) | [Designated/UN Accounts](#) | [Category Schedule](#) |

## Designated Account Detail- DA-A

## Account Details

Account Holder	COVID-19 EMERGENCY RESPONSE PROJECT	DA Currency	EUR
Account Holder's Bank	CENTRAL BANK OF KENYA HAILE SELASSIE AVENUE NAIROBI Swift: CBKEKENXXX	Current Authorized Allocation	0.00
Account Number	XXXXXXXX66	Display	Associated Categories 1 - (Gds,Wrks,Ncs,Cs,Oc,Trn,WDcosts)
Intermediary Bank	STANDARD CHARTERED BANK 1 BASINGHALL AVENUE LONDON Swift: SCBLGB2LXXX	Other Financing Sources	

## Transaction Details

Currency (EUR) View Transaction List

Total Deposits Less Refunds	20,000,000.00
Documented	1,957,363.20
Outstanding Balance	18,042,636.80
Waived Documentation Amount	0.00
Transaction in Process	0.00





7/30/2021

eBusiness

Client Confidential

Loan: IDA 65980 (IDA - IDA Credit) | Status: Disbursing | Country: Kenya |

Project: P173820 - KENYA COVID-19 HEALTH EMERGENCY RESPONSE PROJECT

[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#)
[Applications](#) | [eSignatorie\(s\)](#) | [Beneficiaries](#) | [Contracts](#) | [Designated/UN Accounts](#) | [Category Schedule](#) |

## Withdrawal Applications



## Disbursement Milestone

Loan Approval Date 02-Apr-2020	Loan Signing Date 03-Apr-2020	Loan Made Effective 08-Apr-2020	Authorized Signatories Submitted to WB 21-Jul-2021	Authorized Signatories Approved 21-Jul-2021	Loan Is Ready for Disbursing Online 30-Jul-2021
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## Transaction List

Showing results 1 - 10 of 16 entries

Filter by

Designated Ac Paid Summary 

Value Date

Application						Paid					
Borrower Reference	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated
WA 003	DA-A	Deleted	EUR	10,000,000.00	DA-A		0.00	04-Aug-2020		Caroline Ndungu	27-Apr-2021
WA 005	DA-A	Completed	EUR	0.00	1	EUR	0.00	18-Nov-2020	25-Nov-2020	Borrower	25-Nov-2020
WA 004	DA-A	Completed	EUR	0.00	1	EUR	0.00	21-Aug-2020	28-Aug-2020	Borrower	28-Aug-2020
WA 002	DA-A	Deleted	EUR	1,838,965.02	1		0.00	21-Jul-2020		Caroline Ndungu	19-Aug-2020
WA 001	DA-A	Completed	EUR	20,000,000.00	DA-A	EUR	20,000,000.00	17-Apr-2020	22-Apr-2020	Borrower	22-Apr-2020



Loan: IDA 65980 (IDA - I DAF Credit) | Status: Disbursing | Country: Kenya |

Project: P173820 - KENYA COVID-19 HEALTH EMERGENCY RESPONSE PROJECT

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

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

## Withdrawal Applications

### Disbursement Milestone

Loan Approval Date 02-Apr-2020	Loan Signing Date 03-Apr-2020	Loan Made Effective 08-Apr-2020	Authorized Signatories Submitted to WB 21-Jul-2021	Authorized Signatories Approved 21-Jul-2021	Loan is Ready for Disbursing Online 30-Jul-2021
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Submit Withdrawal Application

## Transaction List

Showing results 1 - 10 of 18 entries

Filter by

Designated Ac

Documented E

Value Date

Search

Borrower Reference	Application			Paid		Category Summary	Paid		Date received	Value Date	Logged by	Last Updated
	Type	Status	Ccy	Amount			Ccy	Amount				
WA 003	DA-A	Deleted	EUR	10,000,000.00	DA-A			0.00	04-Aug-2020		Caroline Ndungu	27-Apr-2021
WA 005	DA-A	Completed	EUR	65,406.50	1		EUR	65,406.50	18-Nov-2020	25-Nov-2020	Borrower	25-Nov-2020
wa 005	DA-A	Processing by World Bank	EUR	0.00	1			0.00	17-Nov-2020		Caroline Ndungu	19-Nov-2020
WA 004	DA-A	Completed	EUR	1,891,956.70	1		EUR	1,891,956.70	21-Aug-2020	28-Aug-2020	Borrower	28-Aug-2020
WA 004	DA-A	Processing by World Bank	EUR	0.00	1			0.00	19-Aug-2020		Caroline Ndungu	24-Aug-2020
WA 002	DA-A	Deleted	EUR	1,838,965.02	1			0.00	21-Jul-2020		Caroline Ndungu	19-Aug-2020
WA 001	DA-A	Completed by WB	EUR	20,000,000.00	DA-A			0.00	17-Apr-2020		Michael Cedric Mukanzi	22-Apr-2020





BANKI  
KUU YA  
KENYA



CENTRAL  
BANK OF  
KENYA

Haile Selassie Avenue  
P.O. Box 60000 - 00200 Nairobi, Kenya  
Telephone: 2860000, Fax: 340192

July 6, 2021

## CERTIFICATE OF BALANCES

Customer: 120374 – MINISTRY OF HEALTH  
Balance Date: 30 JUN 2021

Account No	Account Name	Balance
1000181478	REC-MINISTRY OF HEALTH	641,819,280.57
1000181688	DEV-MINISTRY OF HEALTH	245,584,997.10
1000182156	DEP-MINISTRY OF HEALTH	126,312,864.86
1000182601	CBK165-MINISTRY OF HEALTH	0.00
1000187131	HEALTH SECTOR SERVICES FUND	1,247,228.30
1000198858	E.A PUBLIC HEALTH LAB. NETWORK PROJ	1,050,694.61
1000258756	EA CENT.OF EXC.-SKILL,ED -BIOMED S	2,554,036.85
1000298488	KENYA ITALY DEBT FOR DEV (KIDDP)	30,112,829.40
1000313878	TRANSFORM.HEALTH SYST. UNIVERSAL C	413,365,826.55
1000327979	DANIDA PRO SUP UNIV HEALTH CARE UHC	0.00
1000328037	MINISTRY OF HEALTH EQUA FUND OPER	583,596,177.65
1000340614	THS UC GFF GRANT TFOA2561 KE	0.00
1000340649	THS UC PHRD GRANT TFOA2792 KE	0.00
1000429437	SPORTS,ART,SOCIAL DEV. FUND-HEALTH	1,014,533,733.20
1000446684	COVID 19 EMERGENCY RESPONSE PROJECT	1,071,760,773.70
1000453176	TOBACCO CONTROL FUND	230,940,211.00

LAWRENCE RWERIA  
AUTHORISED SIGNATORY  
BANKING SERVICES

JOYCE NASIEKU  
AUTHORISED SIGNATORY  
BANKING SERVICES



**COVID-19 HEALTH EMERGENCY RESPONSE PROJECT(KES)**  
WORLD BANK PROJECT

F.O 30

REPUBLIC OF KENYA

**BANK RECONCILIATION**

AS AT 31ST JULY, 2021

Account Number: 1000446684

	KSHS.	KSHS.	KSHS.
Balance as per Bank certificate			714,744,493.40
<i>Less:-</i>			
1. Payments in Cash Book not	2,578,556.70		
2. Receipts in Bank Statement	1,060,841.00		3,639,397.70
<i>Add:-</i>			
3. Payments in Bank	2,526,677.00		
yet recorded in Bank	1,035,600.00		3,562,277.00
Balance as per Cash Book			714,667,372.70

Signature Designation

Date

1. Payments in Cash Book not yet recorded in the Bank Statement (Unpresented Cheques).			
Date	Cheque No.	Payee	Amount
30-Jun-20		Commissioner of Income Tax	2,304.95
30-Jun-20		Magkem Enterprises	131,382.05
30-Jun-20		SBM Bank	70,000.00
28-Aug-20		KRA	150,000.00
3-Sep-20		DTB	75,000.00
10-Oct-20		KRA	412,500.00
13-Nov-20		KRA	206,250.00
13-Nov-20		KRA	206,250.00
29-Apr-21		INCOME TAX PAYEE	198,750.00
27-May-21		ROSE NDANA	1,000,000.00
30-Jun-21		VAT	3,017.25
30-Jun-21		VAT	4,608.60
30-Jun-21		VAT	5,517.25
30-Jun-21		VAT	17,672.40
30-Jun-21		VAT	32,304.20
19-Jun-21		ANN WANGUI NGANGA	63,000.00
			2,578,556.70



2. Receipts in the Bank Statement not yet recorded in the Cash Book			
Date	Cheque No.	Payee	Amount
23-Jul-21		Inward RTGS Payment MT 103	799,841.00
27-Jul-21		Inward RTGS Payment MT 103	261,000.00
			1,060,841.00

3. Payments in Bank Statement not yet recorded in Cash Book			
Date	Cheque No.	Payee	Amount
25-Jan-21		GLADYS MOGOTU MUGAMBI	285,600.00
3-Feb-21		TRFS Payments	150,000.00
3-Feb-21		TRFS Payments	206,250.00
3-Feb-21		TRFS Payments	646,725.00
25-May-21		IREEN KAMAITHA ARITHO	50,000.00
11-Jun-21		JAQUELINE ESTHER ANYANGO RES	2.00
13-Jul-21		JOSEPH KYALO MUNGATU	799,840.50
15-Jul-21	000770A	TRFS Payments	330,000.00
8-Jul-21	IMP4335464	CHARITY NASERIAN TAUTA	600.00
12-Jul-21		TRFS Payments	42,875.00
12-Jul-21		TRFS Payments	14,784.50
			2,526,677.00

4. Receipts in Cash Book not yet recorded in Bank Statement			
Date	Cheque No.	Particulars	Amount
30-Jun-21		ISABELLA NJERI NDWIGA	53,200.00
30-Jun-21		MAUREEN KIMANI	6,700.00
30-Jun-21		BETH GIKONYO	19,600.00
30-Jun-21		BIBIANA KIMOTHO	11,100.00
30-Jun-21		OVERCAST OF CLOSING BALANCES	945,000.00
			1,035,600.00



