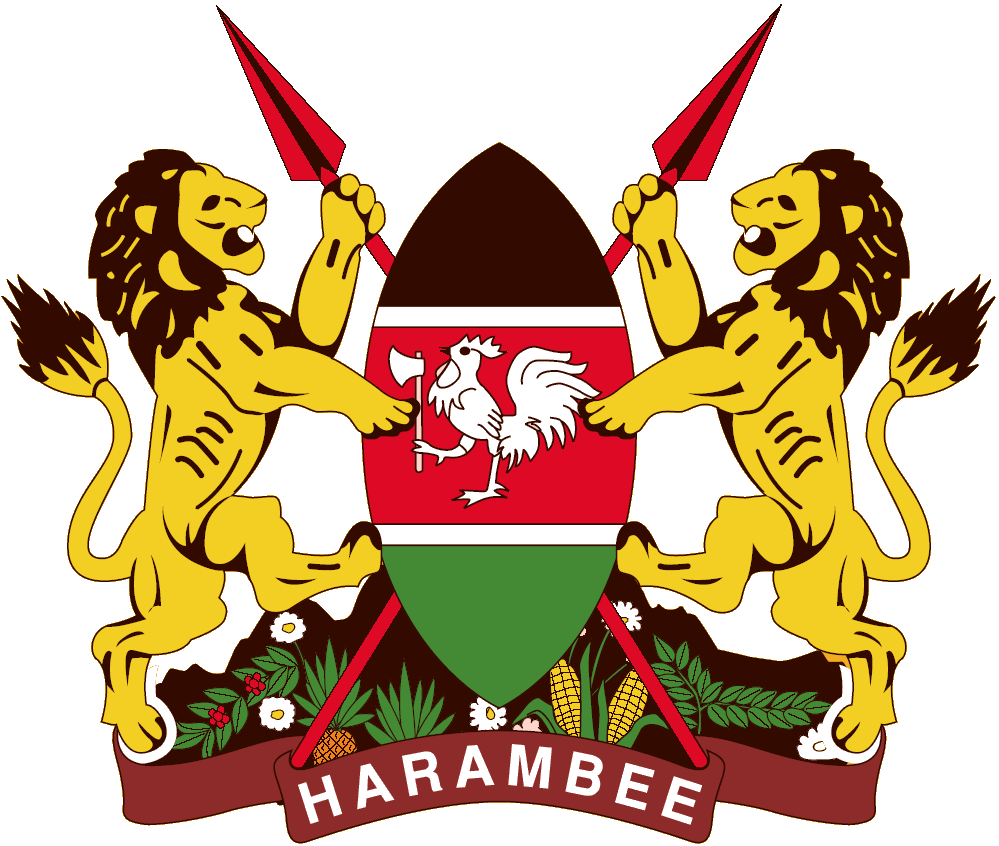
***Issued 30th September 2024***



**PROJECT NAME: XX**

**IMPLEMENTING ENTITY: XX**

**PROJECT GRANT/CREDIT NUMBER: XX**

*(For Application by National and County Governments’ Self Reporting Development Projects as per the financing agreements****)***

**QUARTERLY REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL PERIOD ENDED**

**XXX SEP/DEC/MAR/JUNE, 20XX**

**Transitional IPSAS Financial Statements/Prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)**

**(Leave this page blank)**

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# Acronyms and Definition of Terms

CBK Central Bank of Kenya

ICPAK Institute of Certified Public Accountants of Kenya

IMF International Monetary Fund

IPSAS International Public Sector Accounting Standards

CT County Treasury

NT National Treasury

PFM Public Finance Management.

PSASB Public Sector Accounting Standards Board

WB World Bank

*(Projects to include all acronyms and Definition of terms used in the report and financial statements)*

# Project Information and Overall Performance

**2.1 Name and registered office**

**Name**

The project’s official name is XX.

**Objective**

The key objective of the project is XX

**Address**

The project headquarters offices are in XX *(city/town)*, XX County, Kenya. The address of its registered office is XX *(Insert address of your project as appropriate)*

The project also has offices/branches as follows:

* xx
* xx
* xx

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

P.O. Box: XXXXX

Telephone: (254) XXXXXXXX

E-mail: XXXXXXXX.go.ke

Website: [xxx.go.ke](http://www.go.ke)

**Project information and overall performance (continued)**

**2.2 Project Information**

|  |  |
| --- | --- |
| Project Start Date: | DD MM YY |
| Project End Date: | DD MM YY |
| Project Coordinator: | Mr/Mrs/Prof/Dr xx |
| Project Development Partner: | xxx |

**2.3 Project Overview**

|  |  |
| --- | --- |
| Line Ministry and State/ County Department | XXX |
| Project number | XXX |
| Strategic goals of the project | The strategic goals of the project are as follows:   1. xxx 2. xxx   *(also include specific objectives of the project)* |
| Summary of Project Strategies for achievement of strategic goals | The project management aims to achieve the goals through the following means:   1. xxx 2. xxx |
| Other important background information of the project | The project --------------- |
| Areas that the project was formed to intervene | The project was formed to intervene in the following problems/gaps:   1. xxx 2. xxx |
| Project duration | XXX Years |

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

**2.4 Bankers**

The following are the bankers for the project:

1. ....
2. .....

**2.5 Independent Auditor**

The project is audited by the ---------- (*Insert name and address of external auditor)*

**2.6 Roles and Responsibilities**

*List the different people who are working on the project. This list would include the project coordinator and all the key officers involved.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No** | **Names** | **Title designation** | **Key qualification** | **Responsibilities** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

**2.7 Funding summary**

The Project is for a duration of XX years from 20XX to 20XX with an approved budget of US$ XX (use Development Partner currency) equivalent to Kshs XX as highlighted in the table below:

**Project information and overall performance (continued)**

Below is the funding summary:

1. **Source of Funds**

| **Source of funds** | **Development Partner Commitment** | | **Amount received to date**  **XX, 20XX)** | | **Undrawn balance to date** | |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Development Partner currency** | **Kshs** | **Development Partner currency** | **Kshs** | **Development Partner currency** | **Kshs** |
|  | **(A)** | **(A’)** | **(B)** | **(B’)** | **(A)-(B)** | **(A’) - (B’)** |
| 1. **Grant** |  |  |  |  |  |  |
| Insert name of development partner | xxx | xxx | xxx | xxx | xxx | xxx |
| Insert name of development partner | xxx | xxx | xxx | xxx | xxx | xxx |
|  |  |  |  |  |  |  |
| 1. **Loan** |  |  |  |  |  |  |
| Insert name of development partner | xxx | xxx | xxx | xxx | xxx | xxx |
| Insert name of development partner | xxx | xxx | xxx | xxx | xxx | xxx |
|  |  |  |  |  |  |  |
| 1. **Counterpart funds** |  |  |  |  |  |  |
| Government of Kenya | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total** | **-** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |

**Project information and overall performance (continued)**

1. **Application of Funds**

| **Application of funds** | **Amount received to date – XX,20xx** | | | **Cumulative amount paid to date – (xx, 20XX)** | | **Unutilised balance to date**  **(xx, 20XX)** | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Development Partner currency** | ***Kshs*** | **Development Partner currency** | | ***Kshs*** | **Development Partner currency** | ***Kshs*** |
|  | ***(A)*** | ***(A’)*** | ***(B)*** | | **(B’)** | ***(A)-(B)*** | ***(A’)-(B’)*** |
| 1. **Grant** |  |  |  | |  |  |  |
| Insert name of development partner | xxx | xxx | xxx | | xxx | xxx | xxx |
| Insert name of development partner | xxx | xxx | xxx | | xxx | xxx | xxx |
|  |  |  |  | |  |  |  |
| 1. **Loan** |  |  |  | |  |  |  |
| Insert name of development partner | xxx | xxx | xxx | | xxx | xxx | xxx |
| Insert name of development partner | xxx | xxx | xxx | | xxx | xxx | xxx |
|  |  |  |  | |  |  |  |
| 1. **Counterpart funds** |  |  |  | |  |  |  |
| Government of Kenya | xxx | xxx | xxx | | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | | **xxx** | **xxx** | **xxx** |

**Project information and overall performance (continued)**

***2.8 Summary of Overall Project Performance:***

* 1. *Budget performance against actual amounts for the current period and for cumulative to-date,*
  2. *Physical progress based on outputs and outcomes since project commencement,*
  3. *List the implementation challenges and recommend the next steps.*

***2.9 Summary of Project Compliance:***

* 1. *Include significant cases of non-compliance with applicable laws and regulations, e.g.,* *treasury circulars on project investment management, PFM Act 2012 and Kenya Vision 2030 flagship projects, and essential external financing agreements/covenants,*
  2. *Include consequences suffered on account of non-compliance or likely to be suffered.*
  3. *Indicate mitigation measures taken or planned to alleviate the adverse effects of actual or potential consequences of non-compliance.*

# Statement of Project Management Responsibilities

**The *Principal Secretary/Chief Officer*** for the *Ministry/County* department of *xxx* and the ***Project Coordinator*** *(use the correct title designation)* are responsible for the preparation and presentation of the Project’s financial statements, which give a true and fair view of the state of affairs of the Project for the financial period ended on xx, 20XX. This responsibility includes (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud,(iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances. The *Principal Secretary/Chief Officer* for the *Ministry/County* Department of ……. and the *Project Coordinator* accept responsibility for the Project’s financial statements, which have been prepared on the accrual basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards. The *Principal Secretary/Chief Officer* for the *Ministry/County* Department of ……. and the *Project Coordinator* are of the opinion that the Project’s financial statements give a true and fair view of the state of the Project’s transactions during the period ended xx, 20XX, and of the Project’s financial position as at that date. The *Principal Secretary/Chief Officer* for ……. and the *Project Coordinator* further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control. The *Principal Secretary/Chief officer* for the *Ministry/County Department* of ……. and the *Project Coordinator* confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

**Approval of the Project Financial Statements**

The Project financial statements were approved by the *Principal Secretary/Chief Officer* for the *Ministry/County Department* of ………. and the *Project Coordinator* on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20XX and signed by:

|  |  |  |
| --- | --- | --- |
| **…………………………** |  | **…………………………..** |
| **Name** |  | **Name** |
| ***Principal Secretary/***  ***Chief Officer*** |  | **Project Coordinator** |
|  |  |  |

# Statement of Financial Performance for the Period ended xx, 20XX.

|  | **Notes** | **Sep/Dec/Mar/June\*20 xx** |
| --- | --- | --- |
|  | **Kshs** |
| **Revenue** |  |  |
| Revenue Transfers | 5 | xxx |
| Miscellaneous Revenue | 6 | xxx |
| **Total** **revenue** |  | **xxx** |
|  |  |  |
| **Expenses** |  |  |
| Employee costs | 7 | xxx |
| Use of goods and services | 8 | xxx |
| Depreciation and amortization expense | 9 | xxx |
| Transfer to other Government Entities | 10 | xxx |
| Other Transfers/Subsidies/Grants | 11 | xxx |
| Certified Works | 12 | xxx |
| **Total** **expenses** |  | **xxx** |
| **Other** **gains/(losses)** |  |  |
| Gain/Loss on sale of assets | 13 | **xx** |
| Gain/Loss on foreign exchange transactions | 14 | **xx** |
| Impairment loss | 15 | **xx** |
| **Surplus/ (deficit)** |  | **xxx/(xxx)** |

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

|  |  |  |
| --- | --- | --- |
| **…………………………** | **…………………………..** | **……………………………** |
| **Name** | **Name** | **Name** |
| ***Principal Secretary/***  ***Chief Officer*** | **Project Coordinator** | **Project Accountant** |
|  |  | **ICPAK Member No:** |

*Sep\* Transactions undertaken from 1st July -30th Sep*

*Dec\* Transactions undertaken from 1st July -31st Dec*

*Mar\* Transactions undertaken from 1st July -31st Mar*

*June\* Transactions undertaken from 1st July -30th June*

*(Paragraph 79 of IPSAS 33 allows for the election by an entity to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an opening statement of financial position at the time of adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made, and therefore, there are no comparatives in the first year of transition.)*

# Statement of Financial Position as at Sep/Dec/Mar/June\* 20XX

|  | **Note** | **Sep/Dec/Mar/June\* 20xx** | **Opening Statement as at 1st July 2024** |
| --- | --- | --- | --- |
|  | **Kshs** | **Kshs** |
| **Assets** |  |  |  |
| **Current** **Assets** |  |  |  |
| Cash and Cash equivalents | 16 | xxx | xxx |
| Receivables | 17 | xxx | xxx |
| Inventories | 18 | xxx | xxx |
| Prepayments | 19 | xxx | xxx |
| **Total Current Assets** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Non-Current** **Assets** |  |  |  |
| Property, Plant and Equipment | 20 | xxx | xxx |
| Intangible Assets | 21 | xxx | xxx |
| **Total Non- Current Assets** |  | **xxx** | **xxx** |
| **Total** **Assets (a)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Liabilities** |  |  |  |
| **Current** **Liabilities** |  |  |  |
| Trade and Other Payables | 22 | xxx | xxx |
| Third Party Deposits | 23 | xxx | xxx |
| Deferred Income | 24 | xxx | xxx |
| **Total Current Liabilities(b)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Total** **Liabilities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Represented By:** |  |  |  |
| Accumulated Surplus |  | xxx | xxx |
| **Total Net Assets** |  | **xxx** | **xxx** |

The financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20XX and signed by:

|  |  |  |
| --- | --- | --- |
| **…………………………** | **…………………………..** | **……………………………** |
| **Name** | **Name** | **Name** |
| **Principal Secretary/Chief Officer** | **Project Coordinator** | **Project Accountant** |
|  |  | **ICPAK Member No.** |

# Statement of Changes in Net Assets for the Period ended Sep/Dec/Mar/Dec\* 20xx

|  |  |
| --- | --- |
| **Description** | **Accumulated Surplus** |
|  | **Kshs** |
| **As at 30th June 2024 (Cash Basis)** | **xx** |
|  |  |
| Adjustments: (to recognize assets and liabilities) | xx/(xx) |
|  |  |
| **As at 1st July 2024** | **xxx** |
|  |  |
| Surplus/(Deficit) for the period | xx/(xx) |
|  |  |
| **As at Sep/Dec/Mar/June\*20xx** | **xxx** |

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

The financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20XX and signed by:

|  |  |  |
| --- | --- | --- |
| **…………………………** | **…………………………..** | **………………………** |
| **Name** | **Name** | **Name** |
| **Principal Secretary/Chief Officer** | **Project Coordinator** | **Project Accountant** |
|  |  | **ICPAK Member No.** |

# Statement of Cashflow for the period ended Sep/Dec/Mar/June\* xx, 20XX

| **Description** | **Note** | **Sep/Dec/Mar/June\*20xx** |
| --- | --- | --- |
|  |  | **Kshs** |
| **Cashflow from operating activities** |  |  |
| **Receipts** |  |  |
| Revenue Transfers |  | xxx |
| Miscellaneous Revenue |  | xxx |
| **Total receipts** |  | **xxx** |
|  |  |  |
| **Payments** |  |  |
| Employee costs |  | xxx |
| Use of goods and services |  | xxx |
| Transfer to other Government Entities |  | xxx |
| Other Transfers/Subsidies/Grants |  | xxx |
| Certified Works |  | xxx |
| **Total payments** |  | **xxx** |
| **Net cash flow from operating activities** | 25 | xxx |
|  |  |  |
| **Cashflow from investing activities** |  |  |
| Acquisition of non-financial assets |  | xxx |
| Proceeds from sale of Assets |  | xxx |
| Acquisition of Intangible assets |  | xxx |
|  |  |  |
| **Net cash flows from investing activities** |  |  |
| *Specify the activity* |  | xxx |
| **Cash flow from financing activities** |  | xxx |
|  |  |  |
| **Net cash flow from financing activities** |  | **xxx** |
| Net increase/Decrease in cash and cash equivalents |  | xxx |
| **Cash and cash equivalent at 1st July 2024** | **16** | **xxx** |
| **Cash and cash equivalent at end of Period 20xx** | **16** | **xxx** |

*Sep\* Transactions undertaken from 1st July -30th Sep*

*Dec\* Transactions undertaken from 1st July -31st Dec*

*Mar\* Transactions undertaken from 1st July -31st Mar*

*June\* Transactions undertaken from 1st July -30th June*

# Statement of Comparison of Budget and Actual Amounts for the Period ended xx, 20XX

| **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 %** |
| **Revenue** | Kshs | Kshs | Kshs | Kshs | Kshs |  |
|  | xxx | xxx | xxx | xxx | xxx | xxx |
| Transfers | xxx | xxx | xxx | xxx | xxx | xxx |
| Miscellaneous Revenue | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total Revenue** | xxx | xxx | xxx | xxx | xxx | xxx |
|  |  |  |  |  |  |  |
| **Payments** | xxx | xxx | xxx | xxx | xxx | xxx |
| Employee costs | xxx | xxx | xxx | xxx | xxx | xxx |
| Use of goods and services | xxx | xxx | xxx | xxx | xxx | xxx |
| Depreciation and amortization expense | xxx | xxx | xxx | xxx | xxx | xxx |
| Transfer to other Government Entities | xxx | xxx | xxx | xxx | xxx | xxx |
| Other Transfers/Subsidies/Grants | xxx | xxx | xxx | xxx | xxx | xxx |
| Certified Works | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total Payments** | xxx | xxx | xxx | xxx | xxx | xxx |
| **Surplus or Deficit** | xxx | xxx | xxx | xxx | xxx | xxx |

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

# Notes to the Financial Statements

1. **General Information**

xxx entity is established by and derives its authority and accountability from xxx Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity’s principal activity is xxx.

1. **Statement of Compliance and Basis of Preparation**

**Statement of compliance**

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

***Guiding note during the transition period****:*

*The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st/ 2nd/ 3rd/ years financial statements are transitional financial statements and the following elements of the financial statements have not been recognised as the entity has taken advantage of the transition provisions outlined in IPSAS 33. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).*

These financial statements were authorised for issue by the accounting officer on xxxx

**Basis of Preparation**

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. These financial statements have been prepared on an accrual basis unless otherwise specified (for example, the Statement of Cash Flows). Under an accrual basis, revenues are recognised when rights to assets are earned or levied rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Entity. The accounting policies adopted have been consistently applied to all the years presented.

**Reporting period**

The reporting period for these financial statements is for the period ended xxxx.

1. **Summary of Significant Accounting Policies**
2. **Revenue recognition**
3. **Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realized in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

1. **Revenue from exchange transactions**

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

1. **Budget information**

The original budget for FY 20XX/20XX was approved on ***mm/yyyy.*** Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of ***xxx*** on the FY 20XX/20XX budget following the Council/ Board’s approval. The entity’s budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page ***xx*** under section ***xxx*** of these financial statements.

1. **Property, plant, and equipment**

All property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure directly attributable to the acquisition or construction of the item of property plant and equipment. When significant parts of property, plant, and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

**Notes to the financial statements**

1. **Leases**

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

1. **Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

1. **Research and development costs**

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

* The technical feasibility of completing the asset so that the asset will be available for use or sale.
* Its intention to complete and its ability to use or sell the asset.
* How the asset will generate future economic benefits or service potential
* The availability of resources to complete the asset.
* The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

**Notes to the financial statements**

1. **Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company’s financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

***Financial assets***

***Classification***

The entity classifies its financial assets as subsequently measured at amortized cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the entity’s management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified

to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

**Subsequent measurement**

Based on the business model and the cash flow characteristics, the entity classifies its financial

assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

**Amortized cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through net assets/ equity**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Notes to the financial statements**

**Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

**Trade and other receivables**

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year-end.

**Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss (‘ECL’) associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx.*

***Financial liabilities***

***Classification***

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through surplus or deficit.

1. **Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

* Raw materials: purchase cost using the weighted average cost method.
* Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

1. **Provisions**

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**Notes to the financial statements**

***Contingent liabilities***

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

***Contingent assets***

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

1. **Nature and purpose of reserves**

The *Entity* creates and maintains reserves in terms of specific requirements. (*Entity to state the reserves maintained and appropriate policies adopted).*

1. **Changes in accounting policies and estimates**

The *Entity* recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

1. **Employee benefits**

**Retirement benefit plans**

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation. (*the entity to retain information relating to defined benefits or contributions, where both schemes are managed, full policy applies*)

1. **Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**Notes to the financial statements**

1. **Related parties**

The *Entity* regards a related party as a person or an entity with the ability to exert control individually or jointly or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the principal and senior managers.

1. **Service concession arrangements**

The *Entity* analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than ’whole-of-life’ assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

1. **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 reporting period.

1. **Subsequent events**

There have been no events subsequent to the reporting period with a significant impact on the financial statements for the period ended, 20XX.

**Notes to the financial statements**

1. **Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the *Entity's* financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Estimates and assumptions.**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful lives and residual values**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

* The condition of the asset based on the assessment of experts employed by the *Entity.*
* The nature of the asset, its susceptibility, and adaptability to changes in technology and processes.
* The nature of the processes in which the asset is deployed.
* Availability of funding to replace the asset.
* Changes in the market in relation to the asset.

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

*(Include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).*

**Notes to the financial statements**

1. **Revenue Transfers**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
| **KShs** |
| **Unconditional Transfers** |  |
| GoK Counter Part funding | xxx |
| Transfers from Development partners | xxx |
| *Other unconditional transfers (Specify)* | *xxx* |
| **Total Unconditional Transfers (a)** | **xxx** |
|  |  |
| **Conditional** **Transfers** |  |
| Transfers from Development partners 1 | xxx |
| Transfers from Development partner 2 | xxx |
| *Other conditional transfers (specify)* | xxx |
| **Total Conditional Transfers (b)** | **xxx** |
| **Total Transfers for the Period (a +b)** | **xxx** |

*(Explain the purpose of funding)*

1. **Details to Revenue Transfers**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name of The Entity Transferring** | **Amount recognized to Statement of Financial performance** | **Amount deferred under deferred income.** | **Amount moved to Capital fund** | **Total transfers (Current Period)** |
|  | **Kshs** | **Kshs** |  | **Kshs** |
| GOK Funding | xxx | xxx | xxx | xxx |
| Development Partner 1 | xxx | xxx | xxx | xxx |
| Development Partner 2 | xxx | xxx | xxx | xxx |
| **Subtotal** | xxx | xxx | xxx | xxx |
| Deferred Income realized | xxx |  | xxx | xxx |
| Transfers in Kind | xxx |  |  | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** |

**Notes to the financial statements**

1. **Miscellaneous revenue**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
|  | **Kshs** |
| Interest Income | xxx |
| *Others (specify)* | xxx |
| **Total** | **xxx** |

1. **Employees Costs**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
|  | **Kshs** |
| Basic salaries of permanent employees | xxx |
| Basic wages of temporary employees | xxx |
| Personal allowances paid as part of salary | xxx |
| Personal allowances paid as reimbursements | xxx |
| Personal allowances provided in kind | xxx |
| Pension and other social security contributions | xxx |
| Compulsory national social security schemes | xxx |
| Compulsory national health insurance schemes | xxx |
| Others specify\* | xxx |
| **Total** | **xxx** |

1. **Use of Goods and Services**

|  |  |
| --- | --- |
| **Description** | **FY 2024/25** |
|  | **Kshs** |
| Utilities, supplies and services | xxx |
| Bank charges |  |
| Communication, supplies and services | xxx |
| Domestic travel and subsistence | xxx |
| Foreign travel and subsistence | xxx |
| Fuel and lubricants | xxx |
| General office supplies | xxx |
| Stationery, Printing, advertising, and information supplies | xxx |
| Office rent | xxx |
| Training payments | xxx |
| Hospitality supplies and services | xxx |
| Insurance costs | xxx |
| Specialized materials and services | xxx |
| Other operating payments(specify) | xxx |
| Routine maintenance – vehicles and other transport equipment | xxx |
| Routine maintenance- other assets | xxx |
| **Total** | xxx |

**Notes to the financial statements**

1. **Depreciation and Amortization expense**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
|  | **Kshs** |
| Property, Plant and Equipment | xxx |
| Intangible Assets | xxx |
| **Total** | xxx |

1. **Transfer to Other Government Entities**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
|  | **Kshs** |
| Ministry ABC | xxx |
| Project XYZ | xxx |
| Department xxx | xxx |
| County xxx | xxx |
| **Total** | xxx |

1. **Other Transfers/Subsidies/Grants**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
|  | **Kshs** |
| Transfers to Non-Government Organizations | **xx** |
| Subsidies | xxx |
| *Others Specify* | xxx |
| **Total** | xxx |

1. **Certified Works**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
|  | **Kshs** |
| Road Works | xxx |
| Water Works | xxx |
| Energy Infrastructure | xxx |
| *Others Specify* | *xxx* |
| **Total** | **xxx** |

**Notes to the financial statements**

1. **Gain/Loss on Sale of Assets**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
| **Kshs** |
| Property, plant and equipment | xxx |
| Intangible assets | xxx |
| Other assets not capitalised | xxx |
| **Total** **gain/Loss** **on** **sale** **of** **assets** | **xxx** |

*(Provide brief explanation on gains/losses on sale of fixed assets*)

1. **Gain/Loss on foreign exchange transactions**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
| **Kshs** |
| Gain on foreign exchange transactions | xxx |
| Loss on foreign exchange transactions | (xxx) |
| **Total** **Gain/Loss** | **xxx** |

1. **Impairment Loss**

|  |  |
| --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** |
| **Kshs** |
| Property, Plant and Equipment | xxx |
| Intangible Assets | xxx |
| Others (specify) | xxx |
| **Total** **Impairment** **Loss** | **xxx** |

1. **Cash and Cash Equivalents**

|  |  |  |
| --- | --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** | **1st July 2024** |
| **Kshs** | **Kshs** |
| Cash in Bank | xxx | xxx |
| Cash on hand | xxx | xxx |
| Others (Specify) | xxx | xxx |
| **Total** **Cash** **and** **Cash** **Equivalents** | **xxx** | **xxx** |

**Notes to the financial statements**

**Project Bank Accounts**

|  |  |  |
| --- | --- | --- |
| **Details** | **Sep/Dec/Mar/June\*20xx** | **1st July 2024** |
|  | **Kshs** | **Kshs** |
| Foreign Currency Accounts |  |  |
| Central Bank of Kenya [A/c No……] | xxx | xxx |
| Kenya Commercial Bank [A/c No……] | xxx | xxx |
| Co-operative Bank of Kenya [A/c No……] | xxx | xxx |
| Others (*specify)* | xxx | xxx |
| Total Foreign Currency balances | xxx | xxx |
| Local Currency Accounts |  |  |
| Central Bank of Kenya [A/c No……] | xxx | xxx |
| Kenya Commercial Bank [A/c No……] | xxx | xxx |
| Co-operative Bank of Kenya [A/c No……] | xxx | xxx |
| Others (*specify)* | xxx | xxx |
| Total local currency balances | xxx | xxx |
| Total bank account balances | xxx | xxx |

1. **Receivables**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current Period** | **1st July 2024** |
| **Kshs** | **Kshs** |
| Counter Part Funding | xxx | xxx |
| Contractor’s Advance payments | xxx | xxx |
| *Other Receivables (specify)* | xxx | xxx |
| **Total Receivables** | **xxx** | **xxx** |

*(Provide brief explanation on current receivables*)

1. **Inventories**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current**  **Period** | **1st July 2024** |
| **Kshs** | **Kshs** |
| Consumable stores | xxx | xxx |
| Construction stores | xxx | xxx |
| Others consumables (specify) | xxx | xxx |
| Less: allowance for impairment | (xxx) | (xxx) |
| **Total** **inventories** | **xxx** | **xxx** |

*(Provide brief explanation on inventories*)

**Notes to the financial statements**

1. **Prepayments**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current**  **Period** | **1st July 2024** |
| **Kshs** | **Kshs** |
| Insurance | xxx | xxx |
| Rent | xxx | xxx |
| *Others specify* | xxx | xxx |
| **Total** **inventories** | **xxx** | **xxx** |

**Notes to the financial statements**

1. **Property, Plant and Equipment**

| **Cost** | **Motor vehicles** | **Furniture and fittings** | **ICT**  **Equipment** | **Other Assets**  **(specify)** | **Capital**  **Work in progress** | **Total** |
| --- | --- | --- | --- | --- | --- | --- |
| **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| **As At 1July 2024 (opening balances)** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| Additions | xxx | xxx | **-** | **xxx** | **xxx** | **xxx** |
| Disposals | (xxx) | **-** | **-** | (xxx) | (xxx) | **(xxx)** |
| Transfers/Adjustments | (xxx) | **xxx** | (xxx) | (xxx) | **xxx** | **(xxx)** |
| **As at xx, 20xx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |
| **Depreciation And Impairment** |  |  |  |  |  |  |
| **At 1 July 2024** | **(xxx)** | **(xxx)** | **(xxx)** | **(xxx)** |  | **(xxx)** |
| Depreciation charge for the period | (xxx) | (xxx) | (xxx) | (xxx) |  | **(xxx)** |
| Impairment loss | (xx) | (xx) | (xx) | (xxx) |  | **(xxx)** |
| Transfers/ Adjustments | (xxx) | xxx | (xxx) | (xxx) |  | **(xxx)** |
| **As At** xx,20xx | **xxx** | **xxx** | **xxx** | **(xxx)** |  | **xxx** |
|  |  |  |  |  |  |  |
| **Net Book Values** |  |  |  |  |  |  |
| **As at 1st July 2024** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **As at xx,20xx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |

**Notes to the financial statements**

1. **Intangible Assets**

|  |  |
| --- | --- |
| **Description** | **1st July 2024** |
| **Kshs** |
| **Cost** |  |
| **As at 1st July 2024** | xxx |
| Additions | xxx |
| **At end of the period** | **xxx** |
|  |  |
| **Amortization and impairment** |  |
| **As at 1st July 2024** | **xxx** |
| Amortization | xxx |
| Impairment loss | xxx |
| **At end of the period** | **xxx** |
| **NBV as at the end of period** | xxx |

1. **Trade and Other Payables**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** | | **1st July 2024** | |
| **Kshs** | | **Kshs** | |
| Trade payables | xxx | | xxx | |
| Employee payables | xxx | | xxx | |
| *Other payables (specify)* | xxx | | xxx | |
| **Total** **trade** **and** **other** **payables** | **xxx** | | **xxx** | |
|  |  | |  | |
| **Ageing analysis: (Trade and other payables)** | **Current Period** | **% of the Total** | **Comparative**  **Period** | **% of the Total** |
| Under one year | xxx | % | xxx | % |
| 1-2 years | xxx | % | xxx | % |
| 2-3 years | xxx | % | xxx | % |
| Over 3 years | xxx | % | xxx | % |
| **Total (tie to above total)** | **xxx** |  | **xxx** |  |

*(Provide brief explanation*)

**Notes to the financial statements**

1. **Third-Party Deposits**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** | **Sep/Dec/Mar/June\*20xx** | | **1st July 2024** | |
| **Kshs** | | **Kshs** | |
| Contractor’s Retention | xxx | | xxx | |
| Gratuity | xxx | | xxx | |
| *Other deposits (specify)* | xxx | | xxx | |
| **Total** **deposits** | **xxx** | | **xxx** | |
|  |  | |  | |
| **Ageing analysis: (Refundable deposits)** | **Current Period** | **% of the Total** | **Comparative**  **Period** | **% of the Total** |
| **Under one year** | **xxx** | % | **xxx** | % |
| 1-2 years | xxx | % | xxx | % |
| 2-3 years | xxx | % | xxx | % |
| Over 3 years | xxx | % | xxx | % |
| **Total** | **xxx** |  | **xxx** |  |

*(Provide brief explanation*)

1. **Deferred Income**

|  |  |  |
| --- | --- | --- |
| **Description** | **Sep/Dec/**  **Mar/June\*20xx** | **1st July 2024** |
| **Kshs** | **Kshs** |
| Development partner 1 | xxx | xxx |
| Development partner 2 | xxx | xxx |
| *Others specify* | xxx | xxx |
| **Total** **Deferred** **Income** | xxx | xxx |

*(Provide brief explanation*)

**Deferred Income Movement Schedule**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Development Partner 1** | **Development Partner 2** | **Others specify** | **Total** |
|  | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| Balance Brought Forward | **xxx** | **xxx** | **xxx** | **xxx** |
| Additions | xxx | xxx | xxx | xxx |
| Transfers To Performance Statement as Revenue | (xxx) | (xxx) | (xxx) | (xxx) |
| Balance as at the end of period | **xxx** | **xxx** | **xxx** | **xxx** |

**Notes to the financial statements**

1. **Cash Generated from Operations**

| **Description** | **Sep/Dec/Mar/June\*20xx** |
| --- | --- |
| **Kshs** |
| **Surplus/Deficit for the period** | **xxx** |
| **Adjusted for:** |  |
| Depreciation | xxx |
| Non-cash grants received | (xxx) |
| Impairment | xxx |
| Gains and losses on disposal of assets | xxx(xxx) |
| **Working capital adjustments** |  |
| Increase in inventory | (xxx) |
| Increase in receivables | (xxx) |
| Increase in deferred income | xxx |
| Increase in payables | xxx |
| Increase in payments received in advance | xxx |
| **Net cash flow from operating activities** | **xxx** |

*(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)*

1. **Special Deposit Accounts**

The balances in the Project’s Special Deposit Account(s) as at xx 20XX are not included in the Statement of Financial Assets since the line items are yet to be drawn into the Exchequer Account as a voted provision.

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

**Notes to the financial statements**

**Special Deposit Accounts Movement Schedule**

|  |  |  |
| --- | --- | --- |
| **Description** | **Sep/Dec/Mar/**  **June\*20xx** | **1st July 2024** |
|  | **Kshs** | **Kshs** |
| **(i)     A/C Name [A/c No……]** |  |  |
| Opening balance | xxx | xxx |
| Total amount deposited in the account | xxx | xxx |
| Total amount withdrawn (as per Statement of Receipts & Payments) | xxx | xxx |
| **Closing balance (*as per SDA bank account reconciliation attached*)** | **xxx** | **xxx** |
| **(ii)   A/c Name [A/c No……]** |  |  |
| Opening balance (as per the SDA reconciliation) | xxx | xxx |
| Total amount deposited in the account | xxx | xxx |
| Total amount withdrawn (as per Statement of Receipts & Payments) | xxx | xxx |
| **Closing balance (as per SDA bank account reconciliation attached)** | **xxx** | **xxx** |

*(The Special Deposit Account(s) reconciliation statement(s) has (have) been attached as Appendix xx support these closing balance).*

1. **Ultimate And Holding Entity**

The *Entity* is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of xxx. Its ultimate parent is the Government of Kenya.

1. **Currency**

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs

# Annexes

**Annex 1: Statement of Financial Performance per Quarter**

|  | **Notes** | **Q1** | **Q2** | **Q3** | **Q4** | **Cummulative** |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| **Revenue** |  |  |  |  |  |  |
| Revenue Transfers | 5 | xxx | xxx | xxx | xxx | xxx |
| Miscellaneous Revenue | 6 | xxx | xxx | xxx | xxx | xxx |
| **Total** **revenue** |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |
| **Expenses** |  |  |  |  |  |  |
| Employee costs | 7 | xxx | xxx | xxx | xxx | xxx |
| Use of goods and services | 8 | xxx | xxx | xxx | xxx | xxx |
| Depreciation and amortization expense | 9 | xxx | xxx | xxx | xxx | xxx |
| Transfer to other Government Entities | 10 | xxx | xxx | xxx | xxx | xxx |
| Other Transfers/Subsidies/Grants | 11 | xxx | xxx | xxx | xxx | xxx |
| Certified Works | 12 | xxx | xxx | xxx | xxx | xxx |
| **Total** **expenses** |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Other** **gains/(losses)** |  |  |  |  |  |  |
| Gain/Loss on sale of assets | 13 | **xx** | **xx** | **xx** | **xx** | **xx** |
| Gain/Loss on foreign exchange transactions | 14 | **xx** | **xx** | **xx** | **xx** | **xx** |
| Impairment loss | 15 | **xx** | **xx** | **xx** | **xx** | **xx** |
| **Surplus/ (deficit)** |  | **xxx/(xxx)** | **xxx/(xxx)** | **xxx/(xxx)** | **xxx/(xxx)** | **xxx/(xxx)** |

**Annex 2: Reconciliation of inter-entity transfers**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Project Name:** |  | | |
|  | **Break down of transfers from the State Department of XXX** | | | |
| **a.** | **Government Counterpart funding** |  |  |  |
|  |  | Bank Statement Date | Amount (Kshs) | Indicate the FY to which the amounts relate |
|  |  |  | xx |  |
|  |  |  | xx |  |
|  |  | **Total** | **xx** |  |
| **B.** | **Direct payments** |  |  |  |
|  |  | Bank Statement Date | Amount (Kshs) | Indicate the FY to which the amounts relate |
|  |  |  | xx |  |
|  |  | **Total** | **xx** |  |
| **C.** | **Others** |  |  |  |
|  |  | Bank Statement Date | Amount (Kshs) | Indicate the FY to which the amounts relate |
|  |  |  | xx |  |
|  |  |  | xx |  |
|  |  | **Total** | **xx** |  |
|  |  | **Total (A+B+C)** | **xx** |  |