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THE REPUBLIC OF UGANDA

OFFICE OF
THE AUDITOR GENERAL
APOLLO KAGWA ROAD,
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P.O. Box 7083,
KAMPALA.

FOR ANY CORRESPONDENCE ON
THIS MATTER PLEASE QUOTE ON:.....

DCG. 80/304/01

20th December 2021

The Permanent Secretary/ Accounting Officer
Ministry of Education & Sports
Kampala

**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF UGANDA
SKILLS DEVELOPMENT PROJECT – MINISTRY OF EDUCATION AND
SPORTSCOMPONENT 3 FOR THE YEAR ENDED 30TH JUNE, 2021**

I am enclosing herewith a report which I have already sent to the Rt. Hon. Speaker of Parliament in accordance with Article 163 (4) of the Constitution of Uganda 1995 (as amended).

John F. S. Muwanga
AUDITOR GENERAL

- Copy to: The Inspector General of Government, Kampala
- “ The Hon. Minister of Ethics & Integrity
- “ The Permanent Secretary/Secretary to the Treasury
Ministry of Finance, Planning and Economic Development
- “ International Development Association - IDA
- “ Financial Management Specialist - USDP
- “ The Project Coordinator - USDP



THE REPUBLIC OF UGANDA

**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF
UGANDA SKILLS DEVELOPMENT PROJECT (USDP) MINISTRY OF EDUCATION
COMPONENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2021**

**OFFICE OF THE AUDITOR GENERAL
UGANDA**

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LIST OF ACRONYMS

Acronym	Meaning
AIA	Appropriation in Aid
GoU	Government of Uganda
INTOSAI	International Organization of Supreme Audit Institutions
ISSAIs	International Standards of Supreme Audit Institutions
MDAs	Ministries, Departments and Agencies
Mn	Million
MoFPED	Ministry of Finance, Planning and Economic Development
NAA	National Audit Act
NTR	Non-Tax Revenue
OAG	Office of the Auditor General
PFM	Public Finance Management
PFMA	Public Finance Management Act
PFMR	Public Finance Management Regulations
PPDA	Public Procurement & Disposal of Public Assets
PBS	Program Budgeting System
BEC	Budget Execution Circular
PS/ST	Permanent Secretary / Secretary to the Treasury
TI	Treasury Instructions
UCF	Uganda Consolidated Fund
UGX	Uganda Shilling
PDU	Procurement & Disposal Unit
ICT	Information & Communication Technology
HR	Human Resource
USDP	Uganda Skills Development Project
MOES	Ministry of Education and Sports
SDF	Skills Development Facility

**REPORT OF THE AUDITOR GENERAL ON THE AUDIT OF FINANCIAL STATEMENTS OF
UGANDA SKILLS DEVELOPMENT PROJECT (USDP) MINISTRY OF EDUCATION
COMPONENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2021**

THE RT. HON. SPEAKER OF PARLIAMENT

Opinion

I have audited the accompanying financial statements of Uganda Skills Development Project (USDP) which comprise the Statement of Financial Position as at 30th June 2021, the Statement of Financial Performance, Statement of Changes in Equity and Statement of Cash Flows together with other accompanying statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements of Uganda Skills Development Project (USDP) for the financial year ended 30th June 2021 are prepared, in all material respects, in accordance with Section 51 of the Public Finance Management Act, 2015 and the Financial Reporting Guide, 2018.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of my report. I am independent of the project in accordance with the Constitution of the Republic of Uganda 1995 (as amended), the National Audit Act, 2008, the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics, the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code), and other independence requirements applicable to performing audits of Financial Statements in Uganda. I have fulfilled my other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing audits in Uganda. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matters described below to be key audit matters communicated in my report.

- **Implementation of the Approved Budget**

On the 24th of April 2020, Parliament approved the annual budget for MDAs and LGs that contained the specific resource envelope allocated to each vote to implement agreed on outputs. Subsequently, the PS/ST issued a Budget Execution Circular that communicated

the budget strategy, policy, and administrative issues to guide the budget implementation for the financial year 2020/2021.

During my overall risk assessment exercise, I noted that MDAs and LGs are still experiencing challenges in implementing the budgets approved by parliament and policy guidance's issued by PS/ST, which has continued to affect the performance and credibility of the budget negatively. These challenges include; lack of strategic plans that are aligned to the National Development Plans, underperformance of revenue, implementation of off-budget activities, under absorption of funds, insufficient quantification of outputs, partial and non-implementation of outputs, diversion of funds and challenges in budget monitoring and reporting of performance.

I am aware that the Covid-19 Pandemic continues to significantly affect the implementation of several activities. Consequently, a number of activities were not implemented due to budget cuts and lockdown measures instituted to control the spread of the pandemic. It is against this background that the implementation of the budget was again considered a key audit area during the office-wide planning for the current audit year.

The Government of Uganda signed an agreement dated 24th June, 2016 with the World Bank through the International Development Association (IDA) for the funding of the Uganda Skills Development Project (USDP). The Project of Education and Sports is implementing three (3) components of the project with a total funding of USD.78.2 million as listed below;

- Component 1: Institutionalizing systemic reforms in skills development;
- Component 2: Improving quality and relevance of skills development and
- Component 3: Project Management, Monitoring and Evaluation.

Paragraph 97 (a) (ii) of the USDP Project Operations Manual (POM) 2016, requires the project management to ensure financial and physical implementation progress of the USDP attuned to the approved annual implementation and procurement plans and budget including agreed targets and implementing appropriate mitigation measures in case there are operational and other issues hindering a satisfactory implementation progress and significantly negatively deviating from the agreed intermediate and final targets.

To achieve this mandate, USDP planned to implement both recurrent and development activities. A review of the Project's work plan and budgets revealed that the Project had an approved budget of UGX.58.8Bn, of which UGX.46.6Bn was released. The table below shows a summary of the key deliverables of the Project for the financial year 2020/21.

Table showing the expected key deliverables for the USDP for the year

No.	Key deliverables	Amount Spent(UGX) Bn	Cumulative percentage of Actual expenditure
1	Employee Costs	3.7	4.9%
2	Consultancy Short term	0.14	5%
3	Consultancy Long term	7.7	15%

4	Machinery & Equipment	3.4	19.7%
5	Non-residential Buildings	58.1	96.4%
6	Monitoring & supervision	0.7	97.3%
7	Travel Inland	1.2	98.9%
10	Maintenance & Fuels	0.12	99%
11	Office Operations	0.75	100%
	Total	75.8	

The Project planned to achieve its deliverables through implementation of four (4) outputs with a budget of UGX 58.8Bn. I reviewed all the four (4) outputs worth UGX.58.8Bn, representing 100% of the total approved budget as summarised in the table below;

Table showing planned and sampled outputs

Total Number of Outputs	Number of outputs sampled	Total budget of the sampled outputs (UGX)	Actual expenditure of the sampled output - UGX	% budget allocation of sampled outputs in relation to net budget
4	4	58.8Bn	47.6Bn	100%

From the procedures undertaken, I noted the following;

No	Observation	Recommendation
1.1	<p><u>Implementation of the Project Strategic Objectives</u></p> <p>USDP has a financing agreement with the World Bank and GOU which sets out both the long term and short term objectives to be achieved during the duration of the Project. The objectives of the project include the following;</p> <ul style="list-style-type: none"> • Institutionalizing Systemic Reforms in Skills Development (Component 1) • Improving Quality and Relevance of Skills Development (Component2) <p>This being the last year of implementation of the Project work plan, I undertook an assessment of the achievement of the Project's Objectives/strategic goals.</p> <ul style="list-style-type: none"> • I noted that at the close of the financial year 2020/2021, out of the two (2) planned strategic targets/objectives, one objective/goal (Institutionalizing Systemic Reforms in Skills Development-Component1) had been achieved, while the other objective(Improving Quality and Relevance of Skills Development (Component2) was partially achieved. I further noted that Two(2) of the Four(4) 	<p>I advised the Accounting Officer to expedite the execution of the project work plan so as to achieve all the project goals and activities in the one year project extension.</p>

	<p>indicators under objective No. 2 that was partially implemented (Improving quality and relevance of skills development) remained unimplemented) and these include;</p> <ul style="list-style-type: none"> • Increased number of new intakes in the targeted training programs; • Proportion of entrants who completed targeted "short courses". <p>Details are as shown in appendix 1</p> <p>The Accounting Officer explained that the Ministry had come up with a number of strategies to ensure that all the indicators are fast tracked and achieved within the remaining project period.</p>	
<p>1.2</p>	<p><u>Revenue Performance</u></p> <p><u>Performance of World Bank Revenue</u></p> <p>I reviewed the World Bank Project estimates for the financial year 2020/2021 and noted that out of the budgeted amount of UGX.58.82Bn for the financial year 2020/2021, a sum of UGX.46.53Bn was received indicating performance of 79% of the target.</p> <p>The Accounting Officer attributed the underperformance to prolonged procurement processes. She further explained that revenue performance was expected to greatly improve since procurements for major deliverables (Civil Works and Equipment) had been concluded and contracts signed with providers and that focus was now on implementation of signed contracts.</p> <p><u>Performance of GoU receipts</u></p> <p>The project budgeted to receive UGX.1.25Bn, of which UGX.1.07Bn was warranted, resulting in a shortfall of UGX. 0.18 Bn which is 14.4% of the budget.</p> <p>Revenue shortfalls affect the implementation of planned activities.</p> <p>The Accounting Officer responded that shortfalls in GOU receipts were largely due to budget cuts occasioned by COVID-19 where by GOU releases by the Ministry of Finance turned out to be less than projected.</p>	<p>I advised the Accounting Officer to ensure efficient and effective implementation of procurement processes to minimize further delays.</p> <p>I advised the Accounting Officer to follow-up the funding requirements with the MoFPED in the subsequent period.</p>

<p>1.3</p>	<p><u>Absorption of funds</u></p> <p>Out of the total warrants of UGX.46.6Bn received during the financial year. UGX.75.8Bn was spent by the entity resulting in an excess of UGX.29.2Bn representing an absorption level of 163%.</p> <table border="1" data-bbox="357 506 1002 622"> <thead> <tr> <th>RELEASE (UGX Bn)</th> <th>Expenditure (UGX Bn)</th> <th>Excess (UGX Bn)</th> <th>% absorption</th> </tr> <tr> <th>(A)</th> <th>(B)</th> <th>(B-C)</th> <th></th> </tr> </thead> <tbody> <tr> <td>46.6</td> <td>75.8</td> <td>29.2</td> <td>163</td> </tr> </tbody> </table> <p>The Accounting Officer explained that over absorption was attributed to cash balances that were brought forward from the previous financial year since projects do not return funds to treasury.</p>	RELEASE (UGX Bn)	Expenditure (UGX Bn)	Excess (UGX Bn)	% absorption	(A)	(B)	(B-C)		46.6	75.8	29.2	163	<p>I advised the Accounting Officer to design strategies that will improve performance since carry forward cash is an indicator of poor performance in the prior financial year.</p>
RELEASE (UGX Bn)	Expenditure (UGX Bn)	Excess (UGX Bn)	% absorption											
(A)	(B)	(B-C)												
46.6	75.8	29.2	163											
<p>1.5</p>	<p><u>Quantification of Outputs/Activities</u></p> <p>Section 13 (15, b) of the PFMA 2015 states that a policy statement submitted by a vote shall contain the annual and three months' work plans, outputs, targets and performance indicators of the work plans. Regulation 11 (3) of the PFMR 2016 requires that a vote prepares a work plan that indicates the outputs of the vote for the financial year; the indicators to be used to gauge the performance of the outputs and funds allocated to each activity.</p> <p>To assess the performance of an output, all activities supporting the output must be quantified.</p> <p>I reviewed the extent of quantification of outputs and activities for all the Four (4) outputs with a total of thirty one (31) activities and expenditure of UGX.39.8Bn and noted that all the 4 out puts and their activities were fully quantified.</p> <p>The Accounting Officer took note of the commendation.</p>	<p>I commended management for ensuring the quantification of all outputs/activities.</p>												
<p>1.6</p>	<p><u>Implementation of Quantified Outputs</u></p> <p>I assessed the implementation of four (4) out puts that were fully quantified with a total of thirty-one (31) activities worth UGX 38.7Bn and noted that:</p> <ul style="list-style-type: none"> • One (1) output with Twenty-seven (27) activities and expenditure worth UGX.16.6Bn was fully implemented. • One (1) output with two (2) activities worth UGX.22.1Bn was partially implemented. Both activities were partially implemented. • Two (2) outputs with two (2) activities worth UGX.11.8Bn were not implemented. That is both 	<p>I advised the Accounting Officer to ensure that outputs are implemented as planned to enable management to catch up with the project timelines, in the subsequent period.</p>												

	<p>activities were not implemented at all.</p> <p>Non-implementation of planned activities implies that the expected services to the beneficiary communities were not attained. For example, the project did not implement the following planned activities.</p> <ol style="list-style-type: none"> 1. Training and capacity building of BTVET Institutions 2. Purchase of specialized machinery and equipment <p>Details in Appendix 2</p> <p>The Accounting Officer attributed this to the COVID -19 restrictions that led to closure of training institutions and international travel restrictions and slowdown in manufacturing activity.</p>	
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Other Matters

I consider it necessary to communicate the following matters other than those presented or disclosed in the financial statements.

- **Delayed Signing of Contract for Supply of Motor Vehicles**

Section 13(4) of the PPDA Regulations 2014 stipulates that a procuring and disposing entity shall award the contract to the next best evaluated bidder if the original best evaluated bidder refuses to sign a contract without due cause. Section 52 of the PPDA Regulations 2014 further stipulates that a bid shall only remain valid until the close of business on the last day of the validity period.

During the review, I noted that the best evaluated bidder notice was issued to M/S. Joh Achells & Sohone for the supply of a Spray track for UTC Lira under Lot 2 under procurement Ref. - MOES/SUPLS/2019-2020/00193 at Euros 205,200 following the contracts committee's approval on 23rd/02/2021. A review of the contract revealed that the contract with M/S Joh Achells & Sohone had not been signed.

The delay in contract signing results into ultimate delay in provision of required services.

The Accounting officer explained that the delay in signing the contract was a result of the supplier's unwillingness to sign the contract with adjusted payment conditions from the ones in the original bidding document. She further explained that the adjustment had been done in compliance with Bank of Uganda's guidance on the requirements for Letter of Credit. She indicated that the project further engaged Bank of Uganda on the matter and the revised contract is before the Solicitor General for clearance.

I advised the Accounting Office to ensure that the process of contract signing is expedited to ensure that the motor vehicles are delivered to serve their intended purpose.

- **Delayed Installation and testing of Equipment: USD. 8,304,848**

A review of the procurement records revealed that management signed contracts for delivery and installation of equipment at various Colleges on the 30th/07/2020 under Procurement reference MOES/SUPLS/2018-2019/00234/C1439 for USD. 8,304,848 and letters of credit to the service providers in respect to the supplies were processed.

A review of the procurement files and contract management reports revealed that the suppliers had not fully installed and tested the delivered equipment by the time of reporting- 24/11/2021 as shown by the implementation status below;

Description	Contract Name	Amount Contracted(USD)	Signature date	Cumulative LCs in US\$ as at 17 th May 2021	Original End date	Extension date	Implementation Status
Procure, supply and delivery of workshops and other facilities' equipment for UTC- Bushenyi	DE LORENZO	\$2,999,122	30-Jul-20	\$2,699,209.47	30/12/2020	30/12/2021	Delivered but Installation and testing not yet done
Procure, supply and Deliver of workshops and other facilities' equipment for UTC- Elgon	VENEFIR SRL	\$3,460,742	30-Jul-20	\$3,114,667.42	30/12/2020	31/08/2021	Delivered but Installation and testing not yet done
Procure, supply and Deliver of workshops and other facilities' equipment for UTC- Lira	Eagle Scientific Limited	\$1,844,984	30-Jul-20	\$1,660,485.85	30/12/2020	30/12/2021	Delivered but Installation and testing not yet done
TOTAL		8,304,848		7,474,362			

Delayed implementation of planned activities implies that the expected services to the beneficiary colleges were not attained.

The Accounting Officer explained that the delayed completion of Civil Works at the sites has affected testing and installation of the cargo delivered.

I advised the Accounting Officer to expedite the civil works at the colleges so that testing and installation of the equipment can be done.

- **Status of Implementation of Furniture Supplies and Civil Works**

- **Supply of furniture**

During the review, I noted that the Ministry signed contracts for furniture supply with four firms on the 14th of May 2021 and that deliveries were expected between 27th August and 30th November. However, it was noted that three of the four suppliers whose contract completion dates were between 22nd October and 30th November had not delivered by 30th November with actual deliveries ranging from 7%- 85%. **Appendix 3** refers.

• **Slow progress and other anomalies with Construction Projects (Civil works)**

During the period under review (2020/2021), the project had 20 ongoing construction projects worth UGX.69,839,227,393 at various colleges and Vocational Training Institutes (VTIs). A review of the Implementation Progress reports and physical inspections carried out on a sample basis at the end of November 2021 revealed the following anomalies:

- i) All the 15 ongoing contracts had delayed to perform with delays ranging from 1-7 months. However, only 5 had completed as at the time of verification (30th November 2021). **Appendix 4** refers.
- ii) A contract for Civil works at UTC Bushenyi worth UGX. 8,321,753,166 failed to perform within the agreed period ending on the 4th of August 2021. The Ministry terminated the contract and the Performance Guarantee worth UGX 981,966,874 cashed on 06-Sep-2021.

However, I noted that whereas the contractor vacated the site on the 28th of Oct 2021, adjudication proceedings were still being handled by Attorney General. There is a risk that this process may stall the Project. **Appendix 4** refers.

- iii) The contract for civil works at Nyamitanga worth UGX. 1,937,164,680 expired on 5th May 2021 before the Ministry could recover a sum of UGX. 147,732,492 from the advance made to the contractor. There is a risk that the unrecovered amount may be lost. **Appendix 4** refers.
- iv) A Contract for construction at Karera Technical Institute worth UGX. 1,910,490,026 had unrecovered advance of UGX. 305,847,737. However, as the Ministry was in the process of cashing the Advance Payment Guarantee of UGX. 225,437,823 from Centenary bank on the 6th of September 2021, the Contractor secured interim court injunction halting cashing of guarantees on 08-Sep-2021.

From the above analysis, it is clear that there will be delayed achievement of the project strategic objectives of enhancing the capacity of Institutions to deliver high quality demand-driven training courses in agriculture, construction and manufacturing sectors.

The Accounting Officer attributed the delays in the supply of furniture and civil works to the June- July, 2021 lockdown due to COVID-19 and Low deployment of resources by contractors which led to stagnated works. She indicated that the contractors were offered time extensions through issuing variation orders and that the Ministry had also applied sanctions to each of the concerned Contractors.

I advised the Accounting Officer to implement strategies that will ensure that challenges with ongoing civil works are resolved as fast as possible to minimize the project costs and to achieve the project intended objectives.

Other Information

The Accounting Officer of the project is responsible for the other information. The other information comprises the statement of responsibilities of the Accounting Officer and the commentaries by the Head of Accounts and the Accounting Officer, and other supplementary information. The other information does not include the financial statements and my auditors' report thereon. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

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

Management Responsibilities for the Financial Statements

Under Article 164 of the Constitution of the Republic of Uganda, 1995 (as amended) and Section 45 of the Public Finance Management Act, 2015, the Accounting Officer is accountable to Parliament for the funds and resources of the project.

The Accounting Officer is also responsible for the preparation of financial statements in accordance with the requirements of the Public Finance Management Act, 2015 and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Accounting Officer has a realistic alternative to the contrary.

The Accounting Officer is responsible for overseeing the project's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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. 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, when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users, taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my 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 auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- 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.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Accounting Officer 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.

From the matters communicated with the Accounting Officer, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Responsibilities

In accordance with Section 19 (1) of the National Audit Act, 2008, I report to you, based on my work described on the audit of Financial Statements, that; except for the matters raised in compliance with legislation section below, and whose effect has been considered in forming my opinion on financial statements, the activities, financial transactions and information reflected in the financial statements that have come to my notice during the audit, are in all material respects, in compliance with the authorities which govern them.

Report on the Audit of Compliance with Legislation

In accordance with Section 13 of the NAA 2008, I have a responsibility to report material findings on the compliance of the Institute with specific matters in key legislations. I performed procedures primarily to identify findings but not to gather evidence to express assurance.

I have determined that there are no material findings in respect of the compliance criteria for the applicable subject matters to communicate in my report.

John F.S. Muwanga
AUDITOR GENERAL

20th December 2021

Appendix 1: Implementation status of the Project strategic objectives

Component 2: Improving Quality and Relevance of Skills Development												
Project Indicator	Baseline	Target YR1 2017/18	Actu	Target YR4 2018/1	Actu	Target YR5 2019/2	Actu	Target YR6 2020/2	(Current November 2021)	End Target TY 7 FY 201/22		
Development of National Occupational Standards for relevant trades/occupations in target sectors	0	18	0	18	9	18	25	18	25	18	Achieved Already met the target 18 OS developed and exceeded the target by 7 Occupational Standards ¹	
Increased number of new intakes in the targeted training programs	674	674	674	674	674	1,076	886	2,772	1,567	2,772	Will be achieved Achievement of this target is highly certain because: (i) Government provided subsidy of 80% for students under USDP. This became effective by July 2021 (ii) UGX. 1.449bn is appropriated for the subsidy in FY 2021/22. (iii) Institutions have Intensified advertising the courses since the schools re-opened on 1 st November 2021.	
Proportion of female intakes in the targeted training programs.	15%	20%	15%	20%	15%	20%	21%	20%	25%	20%	Achieved Out of 395 of the 1,567 enrolled students were female, this will vary with increasing enrollment. <input type="checkbox"/> Deliberate effort is being made to attract the required number of girls to the new programs <input type="checkbox"/> The targeted enrollment for each institution is purposively constituted by 25% female.	

Proportion of entrants who completed "short courses"	0	85%	0%	85%	0%	85%	0%	85%	0%	87.6%	72%	85%	<p>Will be achieved</p> <p><input type="checkbox"/> 507 out of the 701 enrolled students completed short courses, which is 72% completion rates.</p>
Students supported for Internship, placement and industrial training as prescribed in the curriculum	0%	0%	0%	0%	0%	0%	0%	0%	85%	0%	85%	<p>Will be achieved</p> <p><input type="checkbox"/> The achievement of this indicator is dependent on PDO1 2 above.</p> <p><input type="checkbox"/> One of the key roles of the Industrial Advisory Committee at the colleges is students' placement for industrial training.</p> <p><input type="checkbox"/> Funds is available to support the cost of industrial training and internship.</p>	
													<p><input type="checkbox"/> There is a drop in the completion rate from 88% in May 2021 to 72% in November 2021 because the students who have enrolled for training between May and November are still undergoing training.</p> <p><input type="checkbox"/> The major reason why students do not complete training is always financial constraints.</p> <p><input type="checkbox"/> Since government is going to pay 80% of the fees, institutions, admitted students will commit in writing to complete the course.</p> <p><input type="checkbox"/> UGX 1,449bn was appropriated for the 80% subsidy in FY 2021/22.</p>

Component 1: Institutionalizing Systemic Reforms in Skills Development

Management Information System for BTVET sector	No	No	No	No	No	No	No	No	No	No	No	Yes	<p>Achieved</p> <p>(i) TVET MIS is developed and User Acceptance Tests completed</p> <p>(ii) a total of 75 ToTs and end users were trained in October 2020.</p> <p>(iii) Training for system administrators was concluded in December 2020.</p> <p>(iv) The system has been populated with data from some few training providers from government own.</p>
Number of Sector Skills Councils constituted	2	3	5	5	5	5	5	5	5	5	5	5	<p>Achieved</p>

Appendix 2: Budget Implementation

	Planning	Release of funds and implementation										Monitoring and Evaluation	Reporting	
Program/Project (A)	Output (B)	Activities (C)	Are there clear targets and performance indicators to measure progress (Yes/No) If no give reason (D)	Planned Target for the Financial year (E)	Budgeted amount UGX "000" (F)	Revised budget UGX "000" (G)	Amount released UGX "000" (H)	Amount Spent UGX "000" (I)	Achieved Target by Financial year end (Annual performance report) (J)	Variance (K)=(J-E)	Causes for the output variances	Audit Conclusion; Fully (F), Partially (P), or Not Implemented (NI)	Was the activity reported in the periodic monitoring reports- (Yes/No) If no give reason	Is the performance of the activity accurately reported in the annual performance reports- (Yes/No) If no give reason
Uganda Skills Development Project	070501 Policies, laws, guidelines plans and strategies	211102 Contract Staff Salaries	Yes	38	16,669,572	16,669,572	16,649,025	16,649,025	38	0	N/A	Fully implemented	Yes	Yes
		211103 Allowances (Inc. Casuals, Temporary)	Yes	4					4	0	N/A	Fully implemented	Yes	Yes
		212101 Social Security Contributions	Yes	38					38	0	N/A	Fully implemented	Yes	Yes
		213004 Gratuity Expenses	Yes	38					38	0	N/A	Fully implemented	Yes	Yes
		221001 Advertising and Public Relations	Yes	5					5	0	N/A	Fully implemented	Yes	Yes
		221002 Workshops and Seminars	Yes	6					6	0	N/A	Fully implemented	Yes	Yes
		221007 Books, Periodicals & Newspapers	Yes	5					5	0	N/A	Fully implemented	Yes	Yes

221008 Computer supplies and Information Technology (IT)	Yes	11	0	N/A	Fully implemented	Yes	Yes
221009 Welfare and Entertainment	Yes	3	0	N/A	Fully implemented	Yes	Yes
221011 Printing, Stationery, Photocopying and Binding	Yes	7	0	N/A	Fully implemented	Yes	Yes
221012 Small Office Equipment	Yes	11	0	N/A	Fully implemented	Yes	Yes
222001 Telecommunications	Yes	5	0	N/A	Fully implemented	Yes	Yes
222002 Postage and Courier	Yes	3	0	N/A	Fully implemented	Yes	Yes
222003 Information and communications technology (ICT)	Yes	4	0	N/A	Fully implemented	Yes	Yes
223005 Electricity	Yes	12	0	N/A	Fully implemented	Yes	Yes
223006 Water	Yes	12	0	N/A	Fully implemented	Yes	Yes
223901 Rent (Produced Assets) to other govt. units	Yes		0	N/A	Fully implemented	Yes	Yes
224004 Cleaning and Sanitation	Yes	12	0	N/A	Fully implemented	Yes	Yes
225001 Consultancy Services- Short term	Yes	5	0	N/A	Fully implemented	Yes	Yes
225002 Consultancy Services- Long-term	Yes	5	0	N/A	Fully implemented	Yes	Yes

	227001	Travel inland	Yes	38						38	0	N/A	Fully implemented	Yes	Yes
	227002	Travel abroad	Yes	4						4	0	N/A	Fully implemented	Yes	Yes
	227004	Fuel, Lubricants and Oils	Yes	38						38	0	N/A	Fully implemented	Yes	Yes
	228001	Maintenance Civil	Yes	1						1	0	N/A	Fully implemented	Yes	Yes
	228002	Maintenance Vehicles	Yes	5						5	0	N/A	Fully implemented	Yes	Yes
	228003	Maintenance Machinery, Equipment & Furniture	Yes	15						15	0	N/A	Fully implemented	Yes	Yes
	228004	Maintenance Other	Yes	1						1	0	N/A	Fully implemented	Yes	Yes
	070502	Training and Capacity Building of BIVET Institutions	Yes	148	7,531,000	7,531,000	0	0	0	0	148	The training did not take place because of closure of schools and travel restrictions.	Not implemented	Yes	Yes
	070577	Assorted Equipment and Consumables purchased and installed for the 4 clusters and the 12 VTIs	Yes	16	4,325,000	4,325,000	0	0	0	0	16	Delayed procurement and Delivery schedules interrupted by the COVID 19 pandemic	Not implemented	Yes	Yes

070580	Constructi on and rehabilitati on of learning facilities	Civil works at UTC Bushenyi and its VTIs, Civil works at Elgon and its VTIs, Civil works at Bukalasa and its VTIs and Civil works at UTC Lira & its VTIs	Yes	16	30,295,416	21,650,500	30,952,622	22,114,367	10	6	a. The civil works at Nyamitanga, Kalera and UTC Bushenyi Lot 1 stalled due to misunderstandings with the contractor. b. Civil works for UTC Elgon delayed due to procurement delays	Partially implemented	Yes	Yes
TOTAL					58,820,988	50,176,072	47,601,647	38,763,392						

Appendix 3: Status of implementation of furniture supplies

S/N	Details	Contract Amount	Contract date	Agreed Delivery date	Implementation Status(30 th June)	Payments made by 30 th -Nov-2021	Implementation status at the time of audit
1	Lunko Enterprises Ltd Lot 1 – UTC Lira, Kalongo TI, Ora TI	UGX 337,618,300	14-May-2021	27-Aug-2021	Samples prepared for approval prior to mass production.	0	Delivery of furniture completed 100% (975 items required) on 20 th September 2021.
2	Dezy Business Systems Ltd Lot 2 - UTC Elgon, Kaliro TI, Butaleja TI, Kasodo TI	UGX 337,898,659	14-May-2021	30-Nov-2021	Samples prepared for approval prior to mass production.	0	Delivery of furniture on-going. Progress at 52% completion (623 items delivered out of 1,191 items required).
3	Nahia Holdings East Africa Ltd Lot 3 - Bukalasa	UGX 1,745,162,688	14-May-2021	12-Nov-2021	Samples prepared for approval prior to	0	Delivery of furniture on-going. Progress at 7% completion (260 items delivered out of 3,920 items required). 260 beds

	AC, Kaberamaido TI, Rwentanganga FI, Sese FI				mass production.	out of required 600 beds so far delivered to Bukalasa AC and placed in dormitories. Fabrication on-going for consignment of 600 laboratory stools, 600 students chairs, 200 students desks and 60 instructors chairs for Bukalasa AC.
4	Victoria Furnitures Ltd Lot 4 - UTC Bushenyi, Nyamitanga TI, Kareera TI, Lake Katwe TI	US\$ 195,557.58	14-May- 2021	22 nd October 2021	Samples being prepared for approval prior to mass production. 0	Delivery of furniture on-going. Progress at 85% completion (582 items delivered out of 632 items required).

Appendix 4: Status of Civil works Contracts

S/N	Details	Contract Amount	Contract date	Agreed delivery date	Implementation Status(30 th June)	Payments made by 30 th -Nov-2021	Implementation status as at the time of audit
1	UTC Bushenyi (Lot 1 - CB) Prism Construction Co. Ltd	8,321,753,166	27-Jan-2020	04-Aug-2021	60%		<ul style="list-style-type: none"> Physical progress: 77%. Contract expired on 04-Aug-2021. Advance Payment Guarantee worth UGX 2,318,548,281 (unrecovered balance) and Performance Guarantee worth UGX 981,966,874 cashed on 06-Sep-2021. Adjudication proceedings being handled by Attorney General, & Solicitor General with support of the Ministry. Contractor vacated site on 28-Oct-2021. <p>Available balance on contract UGX 4,701,143,978 (56% of the contract sum).</p>
2	UTC Bushenyi (Lot 2) Sarick Construction Ltd	6,461,085,943	27-Jan-2020	31-Aug-2021	75%	UGX 4,432,585,503	<ul style="list-style-type: none"> Physical progress: 100% Works completed on 05-Oct-2021.

3	Nyamitanga Technical Institute Synergy Enterprises Ltd	1,937,164,680	27-Jan-2020	05-May-2021	55%- Contract not renewed	UGX 767,732,492	<ul style="list-style-type: none"> Physical progress: 67%. Contract expired on 05-May-2021. MoES is owed UGX. 147,732,492 (7.7%) as the unrecovered portion of monies advanced to the Contractor. Physical progress: 80%. Cashing of Advance Payment Guarantee for unrecovered balance of UGX 305,847,737 and Performance Guarantee worth UGX 225,437,823 submitted to Centenary Bank on 06-Sep-2021. Contractor secured interim court injunction halting cashing of guarantees on 08-Sep-2021. Contractor vacated site on 28-Oct-2021. MoES is owed UGX. 173,334,854 (representing 9% of the contract sum) as the unrecovered portion of monies advanced to the Contractor incase guarantees are not successfully cashed. Available balance on contract excluding guarantees UGX. 731,468,182 (representing 38 % of the contract sum). UGX. 731,468,182. Therefore, is available be used to complete the outstanding works. Works completed on 05-May-2021. Defects Liability Period ended on 04-Nov-2021
4	Karera Technical Institute Zimu Construction Co. Ltd	1,910,490,026	27-Jan-2020	24-Jun-2021	75%	UGX 1,178,492,490	<ul style="list-style-type: none"> Works completed on 22-Oct-2021.
5	Lake Katwe Technical Institute Newton Technical Services Ltd	2,373,018,340	31-Jan-2020	06-Apr-2021	100%	UGX 1,943,356,122	<ul style="list-style-type: none"> Works completed on 22-Oct-2021.
6	Bukalasa AC (Lot 1) Vambeco Enterprises	8,039,743,275	05-Mar-2020	24-Jul-2021	90%	UGX 6,261,130,294	<ul style="list-style-type: none"> Works completed on 22-Oct-2021.

	Ltd							
	Bukalasa AC (Lot 2					UGX 4,571,668,477		• Physical progress: 98%.
7	King Albert Constructions Ltd	7,516,259,631	08-Apr-2020	31-Aug-2021	80%			• Physical progress: 98%.
8	Kaberamaido Technical Institute Rohi Services Ltd	4,163,201,955	05-Mar-2020	12-Jun-2021	98%	UGX 3,674,879,852		• Works completed on 28-July-2021.
9	Rwentanga Farm Institute Rayna (U) Ltd	2,763,759,993	05-Mar-2020	17-Sep-2021	71%	UGX 1,839,018,921		• Physical progress: 87%.
10	Sesese Farm Institute BMK (U) Ltd	4,142,834,520	05-Mar-2020	18-Jun-2021	90%	UGX 2,772,069,642		• Works completed on 31-Aug-2021.
11	UTC Lira (Lot 1 - GB) Ambitious Construction Co. Ltd	5,627,418,584	10-Feb-2021	19-Nov-2021	43%	UGX 2,648,110,764		• Physical progress: 92%.
12	UTC Lira (Lot 2 Egiss Engineering Contractors Ltd	9,057,571,168	10-Feb-2021	19-Nov-2021	37%	UGX 3,620,312,305		• Physical progress: 80%
13	Kalongo Technical Institute Rayna (U) Ltd	2,337,758,962	10-Feb-2021	17-Nov-2021	37%	UGX 881,143,975		• Physical progress: 65%
14	Ora Technical Institute Roja (U) Ltd	2,494,692,640	10-Feb-2021	18-Nov-2021	60%	UGX 1,001,155,653		• Physical progress: 95%.
15	Kitgum Technical Institute Busenvi Enterprises Ltd	2,692,474,510	11-Feb-2021	18-Nov-2021	37%	UGX 1,024,652,668		• Physical progress: 50%.
	Total	69,839,227,393						

GOVERNMENT OF THE REPUBLIC OF UGANDA



Ministry of education and Sports

**Reports and Financial Statements
for the Year Ended 30 June 2021**

For

The Uganda Skills Development Project

INTERNATIONAL DEVELOPMENT ASSOCIATION

(Credit no: 5612-UG)

Ministry of Education and Sports – USDP Project

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Ministry of Education and Sports – USDP Project
Statement of Responsibilities of the Accounting Officer

The financial statements set out on pages ...10... to ...42... have been prepared in compliance with the provisions of the Public Finance Management Act, 2015 (the Act) and the generally accepted accounting principles for the public sector. They have been prepared on the modified accrual basis of accounting where revenue is recognised when earned with the exception of taxes and grants which are recognised when received. Expenditure on the other hand is recognised when incurred as further detailed in the accounting policies attached to these financial statements.

In accordance with the provisions of Section 45 and Schedule 5 of the Public Finance Management Act, 2015, I am responsible for and personally accountable to Parliament for the activities of the vote to which I am the accounting officer. Further, I am responsible for the regularity and proper use of the funds appropriated to the vote to which I am the Accounting Officer. I am also responsible for authorizing any commitments made by the vote and for controlling resources received, held or disposed of by or on account of the vote. Finally, I am responsible for putting in place effective systems of risk management and internal control in respect to all resources and transactions of the vote.

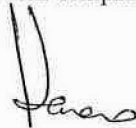
Section 45 (3) of the Act require the Accounting Officer to enter into an annual budget performance contract with the Secretary to the Treasury which shall bind the Accounting Officer to deliver on the activities in the work plan of the vote for a financial year.

Sections 50 and 51 of the Act require me to prepare and submit financial statements of my vote to the Accountant General for consolidation and to the Auditor General for audit within the specified timelines using the prescribed formats.

Accordingly, I am pleased to report that I have complied with these provisions in all material respects and I am also pleased to submit the required financial statements in compliance with the Act. I have provided, and will continue to provide all the information and explanations as maybe required in connection with these financial statements.

To the best of my knowledge and belief, these financial statements agree with the books of account, which have been properly kept.

I accept responsibility for the integrity and objectivity of these financial statements, the financial information they contain and their compliance with the Public Finance Management Act, 2015 as amended.



Signed.....

KETTY LAMARO

Accounting Officer

Date ..16/12/2021.....

Ministry of Education and Sports – USDP Project
Commentary on the Financial Statements by the Accounting Officer

General Information about the Reporting Entity

Please provide the following information within a maximum of a three (3) page commentary!

Principal Activity of the Vote

The **Ministry of Education and Sports (MES)**, is a cabinet-level ministry of Uganda. It is mandated to provide technical support, guide, coordinate, regulate and promote quality education, training and sports to all persons in Uganda for national integration, development and individual advancement", according to the website of the ministry. The Ministry operates autonomously as Vote Number 013.

Key Performance highlights

Summary Physical Performance for the FY 2020/2021

Component	Physical Performance
Component 1: Institutionalizing Systematic Reforms in Skills Development	a) Support the Development of Foundation of TVET Council <ol style="list-style-type: none"> i. Two dissemination workshops for the TVET Policy, Policy Guidelines and Standards were held in Northern Uganda and Eastern Uganda. b) Establish Sector Skills Councils <ol style="list-style-type: none"> i. 3 Sector Skills Councils for Agriculture Construction and Manufacturing were instituted. ii. 39 members of the Sector Skills Councils were trained by the Twinning Institutions on leadership skills and occupational standards profiling and development. iii. 3-year Work Plan and Budget for the 3 Councils were put in place. iv. MoES restructured the working structure of the Councils. The Councils are now being supervised by the TVET Department since their roles and responsibilities extend beyond the USDP project. v. Signed contract on 5th May 2021 with SFERE of France to undertake a Capacity Skills Needs Assessment of the Manufacturing Sector of Uganda. vi. Signed contract on 21st June 2021 with Makerere University Regional Centre for Crop Improvement (MaRCCI) for Capacity Skills Needs Assessment of the Agriculture Sector of Uganda. vii. TVET PIWG Secretariat comprised of 4 staff was appointed in December 2020 and assumed duty on 4th January 2021. viii. One year Work Plan for TPIS developed and approved by the TVET PIWG. c) Support UBTEB and DIT to Align and Strengthen Assessment System <ol style="list-style-type: none"> i. Consultancy services to undertake a Diagnostic study of the TVET Assessment bodies in Uganda: Technical and Financial proposal were received from SFERE/AFP in February 2021. Negotiation was conducted and the proposal sum was agreed at € 358,058 (WHT of 15% inclusive but exclusive of 18% VAT). However, the negotiated contract remained higher than the budget. Due to the high cost of the proposal, the PCU has been guided by the MoES management to reduce the scope of work from four TVET assessment bodies to two as was originally planned and to fit the available budget. d) Design, Develop and Operationalize TVET MIS <ol style="list-style-type: none"> i. TVET MIS was tested and go live was achieved by 31st December 2020. ii. By January 2021, a total of 112 users were trained on the TVET MI; these trained include 75 End users and ToTs, 30 system administrators and 7 top management. iii. Functional and Operational BTVET MIS and Institution-based MIS is in place and being populated with data from the Institutions. e) Develop & Operationalise a Communication, Marketing and Rebranding Strategy for TVET in Uganda <ol style="list-style-type: none"> i.

Ministry of Education and Sports – USDP Project

Component	Physical Performance
<p>Component 2: Improving the Quality and Relevance of Skills</p>	<p>(1) Establishment of 4 Centres of Excellence</p> <p>a) Occupational Standards and Competence –Based Training Curricula</p> <p>b) Improving Institutional Capacity</p> <p style="margin-left: 20px;">i. 576 people were trained in different disciplines by Dalhousie University (the twinning institution) for Bukalasa Agricultural College; 38 instructors were trained from offshore.</p> <p style="margin-left: 20px;">ii. 488 people were trained in different disciplines by SFERE/ALPA (Twinning Institutions for UTC Bushenyi). The disciplines included CoES understanding, CBT training, financing and accounting, management training, short course development and ICT training.</p> <p>c) Equipment, Vehicles and Furniture Supply</p> <p><u>Workshop and Laboratory Equipment and Consumables:</u></p> <p style="margin-left: 20px;">i. UTC Bushenyi: Contract signed on 30-Jul-2020 with De Lorenzo S.p.A. 85% of consignment was at Nakawa ICD and the last 15% consignment was at Mombasa Port.</p> <p style="margin-left: 20px;">ii. UTC Lira, Kalongo TI, Ora TI: Contract signed on 30-Jul-2020 with Eagle Scientific Ltd. Equipment already in Kampala. Pending clearances from MoWT before delivery to beneficiary institutions.</p> <p style="margin-left: 20px;">iii. UTC Elgon, Kaliro TI, Butaleja TI, Kasodo TI: Contract signed on 30-Jul-2020 with Venefir S.r.L. 1st batch of equipment delivered at UTC Elgon and the VTIs on 30th April 2021 while the 2nd batch was delivered at the institutions on 21st June 2021. Remaining two batches at Mombasa Port and Malaba. Clearance expected by 30th June 2021.</p> <p style="margin-left: 20px;">iv. Karera TI (Lot 1): Contract signed on 09-Feb-2021 with Unique Integrated Systems Ltd. All tools delivered to Supplier's warehouse in Namugongo. Consignment of specialised equipment expected at Mombasa Port by 30th June 2021.</p> <p style="margin-left: 20px;">v. Nyamitanga TI (Lot 2): Contract signed on 09-Feb-2021 with Unique Integrated Systems Ltd. All tools delivered to Supplier's warehouse in Namugongo. Consignment of specialised equipment expected at Mombasa Port by 30th June 2021.</p> <p style="margin-left: 20px;">vi. Lake Katwe TI (Lot 3): Contract signed on 09-Feb-2021 with Unique Integrated Systems Ltd. All tools delivered to Supplier's warehouse in Namugongo. Consignment of specialised equipment expected at Mombasa Port by 30th June 2021.</p> <p><u>Vehicles:</u></p> <p style="margin-left: 20px;">i. UTC Lira (Lot 1): Excavator (1 No.); Motor Grader (1 No.); Vibrating Roller (1 No.); Wheel Loader (1 No.) – Contract signed on 21-May-2021 with Victoria Equipment Ltd. Clearance and registration of vehicles at URA in progress.</p> <p style="margin-left: 20px;">ii. Bukalasa AC (Lot 3): Tractor with Implements (1 No.) – Contract signed on 19-Apr-2021 with Engineering Solutions (U) Ltd. Pre-inspection of equipment by MoWT in progress.</p> <p style="margin-left: 20px;">iii. Bukalasa AC (Lot 4): Walk-Behind Tractor with Implements (1 No.) – Contract signed on 28-Apr-2021 with Achelis (U) Ltd. Pre-inspection of equipment by MoWT in progress.</p> <p style="margin-left: 20px;">iv. Bukalasa AC, Ssese FI, Nyamitanga TI, Rventanga FI, UTC Bushenyi, Kaberamaido TI, Kalongo TI, Kitgum TI, Ora TI (Lot 7): 30-Seater Vans (9 No.) – Contract signed on 26-May-2021 with Motorcare (U) Ltd. Pre-inspection of vehicles by MoWT affected by COVID-19 lockdown.</p> <p style="margin-left: 20px;">v. UTC Lira, UTC Elgon, Bukalasa AC, Nyamitanga TI, Karera TI, Lake Katwe TI (Lot 8): 16-Seater Van (1 No.); Pick-Ups Double Cabin (7 No.) – Contract signed on 26-May-2021 with Motorcare (U) Ltd. Pre-inspection of vehicles by MoWT affected by COVID-19 lockdown.</p> <p><u>Furniture:</u></p> <p style="margin-left: 20px;">i. Lot 1 – UTC Lira, Kalongo TI, Ora TI: Contract signed on 14-May-2021 with Lunko Enterprises Ltd. Samples being submitted for approval prior to mass production.</p> <p style="margin-left: 20px;">ii. Lot 2 - UTC Elgon, Kaliro TI, Butaleja TI, Kasodo TI: Contract signed on 14-May-2021 with Dezy Business Systems Ltd. Samples being submitted for approval prior to mass production.</p>

Ministry of Education and Sports – USDP Project

Component	Physical Performance
	<p>iii. <i>Lot 3 - Bukalasa AC, Kaberamaido TI, Rwentanga FI, Srese FI</i>: Contract signed on 14-May-2021 with Nahia Holdings East Africa Ltd. Samples being submitted for approval prior to mass production.</p> <p>iv. <i>Lot 4 - UTC Bushenyi, Nyamitanga TI, Kavera TI, Lake Katwe TI</i>: Contract signed on 14-May-2021 with Victoria Furnitures Ltd. Samples being submitted for approval prior to mass production.</p> <p>d) Civil Works</p> <p>i. <i>UTC Bushenyi – Lot 1 (Prism Construction Company Ltd)</i>: Changed from 3% physical progress as of 30th June 2020 to 60% progress against 94% lapsed time as of 30th June 2021.</p> <p>ii. <i>UTC Bushenyi – Lot 2 (Sarick Construction Ltd)</i>: Changed from 6% physical progress as of 30th June 2020 to 75% progress against 89% lapsed time as of 30th June 2021.</p> <p>iii. <i>Nyamitanga TI – Lot 3 (Synergy Enterprises Ltd)</i>: Changed from 18% physical progress as of 30th June 2020 to 55% progress against 112% lapsed time as of 30th June 2021.</p> <p>iv. <i>Kavera TI – Lot 4 (Zimu Construction Company Ltd)</i>: Changed from 13% physical progress as of 30th June 2020 to 75% progress against 101% lapsed time as of 30th June 2021. Being charged Liquidated Damages.</p> <p>v. <i>Lake Katwe TI – Lot 5 (Newton Technical Services Ltd)</i>: Changed from 1% physical progress as of 30th June 2020 to 100% progress as of 30th June 2021. Works completed on 5th May 2021.</p> <p>vi. <i>Bukalasa AC – Lot 1 (Vambeco Enterprises Ltd)</i>: Changed from 12% physical progress as of 30th June 2020 to 90% progress against 95% lapsed time as of 30th June 2021.</p> <p>vii. <i>Bukalasa AC – Lot 2 (King Albert Constructions Ltd)</i>: Changed from 3% physical progress as of 30th June 2020 to 80% progress against 86% lapsed time as of 30th June 2021.</p> <p>viii. <i>Kaberamaido TI – Lot 3 (Rohi Services Ltd)</i>: Changed from 10% physical progress as of 30th June 2020 to 98% progress against 104% lapsed time as of 30th June 2021.</p> <p>ix. <i>Rwentanga FI – Lot 4 (Rayna (U) Ltd)</i>: Changed from 7% physical progress as of 30th June 2020 to 71% progress against 86% lapsed time as of 30th June 2021.</p> <p>x. <i>Srese FI – Lot 4 (BMK (U) Ltd)</i>: Changed from 4% physical progress as of 30th June 2020 to 90% progress against 103% lapsed time as of 30th June 2021.</p> <p>xi. <i>UTC Lira – Lot 1</i>: Contract signed on 10th February 2021 with Ambitious Construction Company Ltd. Site handed over to Contractor on 20th February 2021 for commencement of works. Physical progress at 43% against 48% lapsed time as of 30th June 2021.</p> <p>xii. <i>UTC Lira – Lot 2</i>: Contract signed on 10th February 2021 with Egiss Engineering Contractors Ltd. Site handed over to Contractor on 20th February 2021 for commencement of works. Physical progress at 37% against 48% lapsed time as of 30th June 2021.</p> <p>xiii. <i>Kalongo TI – Lot 3</i>: Contract signed on 10th February 2021 with Rayna (U) Ltd. Site handed over to Contractor on 18th February 2021 for commencement of works. Physical progress at 37% against 73% lapsed time as of 30th June 2021.</p> <p>xiv. <i>Ora TI – Lot 4</i>: Contract signed on 10th February 2021 with Roja (U) Ltd. Site handed over to Contractor on 17th February 2021 for commencement of works. Physical progress at 60% against 74% lapsed time as of 30th June 2021.</p> <p>xv. <i>Kitgum TI – Lot 4</i>: Contract signed on 11th February 2021 with Busenvi Enterprises Ltd. Site handed over to Contractor on 18th February 2021 for commencement of works. Physical progress at 37% against 73% lapsed time as of 30th June 2021.</p> <p>xvi. <i>UTC Elgon – Lot 1</i>: Contract signed on 25th May 2021 with Vambeco Enterprises Ltd. Site hand over to Contractor scheduled on 8th July 2021 for commencement of works.</p> <p>xvii. <i>UTC Elgon – Lot 2</i>: Contract signed on 25th May 2021 with Excel Construction Ltd. Site hand over to Contractor scheduled on 8th July 2021 for commencement of works.</p> <p>xviii. <i>Kaliro TI – Lot 3</i>: Contract signed on 25th May 2021 with Ambitious Construction Company Ltd. Site hand over to Contractor scheduled on 9th July 2021 for commencement of works.</p> <p>xix. <i>Butaleja TI – Lot 4</i>: Contract signed on 25th May 2021 with Bobedie Construction Services Ltd. Site hand over to Contractor scheduled on 8th July 2021 for commencement of works.</p> <p>xx. <i>Kasodo TI – Lot 5</i>: Contract signed on 5th June 2021 with Dolphins Consulting Engineers & Contractors Ltd. Site hand over to Contractor scheduled on 9th July 2021 for commencement of works.</p>

Ministry of Education and Sports – USDP Project

Component	Physical Performance
	<p>(2) Twinning Arrangements for Establishment of Centres of Excellence and VTIs</p> <p>i. <i>UTC Busbenyi Cluster - Sfere/ AFPA/Mamza Consulting</i>: 83% (10/12) deliverables completed including Inception Report; Internationally certified CBT curricular in selected trades; Guidance for design of workshops/laboratories; Lists and specifications for equipment; Types and quantities of consumables; CBT Assessment System; Institutional Development Plans; Strategic and Operational Plans and Budgets; Industrial liaison and student placement; Short customised courses.</p> <p>ii. <i>Bukalasa AC Cluster – Dalhousie University Canada</i>: 83% (10/12) deliverables completed including Inception Report; Internationally certified CBT curricular in selected trades; Guidance for design of workshops/laboratories; Lists and specifications for equipment; Types and quantities of consumables; CBT Assessment System; Institutional Development Plans; Strategic and Operational Plans and Budgets; Industrial liaison and student placement; Short customised courses.</p> <p>iii. <i>UTC Lira Cluster – Northern Alberta Institute of Technology (NAIT) Canada</i>: 66% (8/12) deliverables completed including Inception Report; Internationally certified CBT curricular in selected trades; Guidance for design of workshops/laboratories; Lists and specifications for equipment; Types and quantities of consumables; CBT Assessment System; Institutional Development Plans; Strategic and Operational Plans and Budgets.</p> <p>iv. <i>UTC Elgon Cluster – Northern Alberta Institute of Technology (NAIT) Canada</i>: 66% (8/12) deliverables completed including Inception Report; Internationally certified CBT curricular in selected trades; Guidance for design of workshops/laboratories; Lists and specifications for equipment; Types and quantities of consumables; CBT Assessment System; Institutional Development Plans; Strategic and Operational Plans and Budgets</p>
<p>Component 4 Project Management, Monitoring and Evaluation</p>	<p>i. Supported two (2) World Bank Implementation Support Missions conducted jointly by Government of Uganda, in December 2020 and May 2021.</p> <p>ii. Undertook monthly civil works supervision and monitoring.</p> <p>iii. Hired three (3) Short-Term Consultants (2 Social and 1 Environmental) to support monthly safeguards supervision and monitoring, and they commenced work effective 1st October 2020.</p>

Risk Management Practice and Internal Control

The vote maintained a system of internal control through:

- i) Senior Management who are accountable for all risk assumed under their respective areas of responsibilities as well as controls to address those risk
- ii) Monitoring and evaluation team which is charged monitoring of risk management and control activities to ensure compliance with policies and regulations
- iii) Internal audit function which provide independent assurance on the adequacy and reliability of all risk management, control and governance process in the Ministry.
- iv) The audit committee of the education and social services sector oversees the Ministry operation of governance, risk management and control process. The committee also oversees the operations of the Ministry internal audit function.

The Ministry organizes and hold quarterly finance committee meetings to allocate funds and review quarterly departmental performance.

At the USDP Project Coordination Unit, Risk Management and Internal Control are enchoed through the Project leadership at including the Project Coordinator, M& E Specialist, Financial Management Specialist and other staff. PCU Staff are are guided by a number documents including the Financing Agreement (and amendments therefore of), Project Appraisal Document, Project Disbursement Letter, The Public Finance Management Act 2015, Treasury Instructions, among others.

Comment on the Payroll for both salary and Pensions

The USDP project payroll is processed independent of the Ministry of Public Service. Monthly payroll is originated and approval is sought through the Human Resources Department of the Ministry, after which net payments to individuals and statutory deductions are remitted to relevant authorities.

Ministry of Education and Sports – USDP Project

Action on Parliamentary Recommendations

Provide high level summary report of actions taken on the recommendations of Parliament based on the reports of the Auditor General

Annex report on action taken on recommendations of Parliament based on reports of the Auditor General.

Listed below are some of the OAG recommendations in the report for the financial year 2021/20

1. **Under absorption of USDP Project Funds.** By 30 June 2020, The Auditor General noted that cumulatively, US\$15.9 million had been absorbed out of the allocated US\$78.2 million. As at 30 June 2021, this position improved to US\$36.1 million out of the revised allocation of US\$77.5 million.
2. **Slow progress of Construction Progress.** By 30 June 2020, ten (10) Civil Works contracts (out of twenty (20) contracts) had been signed. These were for Bushenyi and Bukalasa Clusters. Lira and Elgon clusters were still under procurement.
As at 30 2021, Civil Works contracts for Lira and Elgon clusters had been signed and works ongoing. In addition, three (3) contractors had completed, had handed over the structures to the MoES and Defects Liability Period had started. These are Lake Katwe, Kaberamaido and Sese farm Institute. Construction at the remaining 17 sites was at varying degrees of completion and all sites are expected to be completed before project closure.
3. **Failure to execute planned procurements.** As noted in (2) above, as at 30 June 2020, a number of project procurements were yet to be concluded including those for Civil Works, Equipment Procurement and consultancies. These were all concluded during the financial year 2020/21 and are currently under implementation.



Signed.....

KETTY LAMARO

Accounting Officer

Date ... 16/12/2021

Ministry of Education and Sports – USDP Project

Commentary on the Financial Statements by the Head of Accounts

Give a maximum of a three-page commentary on financial performance and financial position of the vote covering a trend analysis in comparison to previous year's performance.

1) Commentary on the Income and Expenditure of the vote against budget.

		IDA Funding	GOU Counter part
APPROVED	UGX	57,570,750,000	1,250,238,000
	US\$ Equivalent	\$15,770,000	
RELEASE	UGX	46,531,909,494	1,069,738,141
	US\$ Equivalent	\$12,747,700	
	% RELEASE	81%	86%
SPENT	UGX	44,892,820,430	1,048,092,302
	US\$ Equivalent	\$10,591,731	
	% SPENT	83%	98%

The project realized disbursement/release from the World Bank of US\$12,747,700 (equivalent to UGX46,531,909,494), accounting for 81% of the appropriated budget. Out of this release, US\$10,591,731 was absorbed, accounting for 83%.

Since USDP Inception, the financial performance of the Project is summarised below:

Item Description	30 th June 2021		Percentage
	US\$		
	100,000,000		
Credit Amount	77,537,000	(to MoES)	78%
	22,463,000	(to PSFU)	22%
Cumulative Disbursement	45,997,027	(Under MoES)	59%
	19,828,842	(Under PSFU)	88%
Undisbursed Funds	31,539,973	(Under MoES)	41%
	2,634,158	(Under PSFU)	12%
Expenditure to 30 June 2021	36,117,156	(Under MoES)	79%
	18,227,304	(Under PSFU)	92%
Committed Funds	55,655,233	(under MoES)	72%
	21,800,000	(under PSFU)	97%
Original Project Closure Date	31 st August 2020		
Revised Project Closure Date	31 st December 2022		

2) Comment on the Assets and Liabilities of the vote and mention any significant acquisition or disposal of asset as well as liability incurred or settled during the reporting period.

Generally, expenditure is recognized when it is incurred. Qualifying unsettled expenditure is recognised in the Statement of Financial position as payables. Payments of pension to existing retirees are recognized in the statement of financial performance and any arrears on such payments recognised in the statement of financial position. However, the project did not have any outstanding liabilities as at 30 June 2021.

3) Comment on any multiyear commitments and outstanding obligations by year end.

Implementation of most project activities is done through contracts signed with providers. Such contracts include those for Twinning Institutions, Civil Works, Supply and delivery of Technical Education Equipment.

4) Comment(s)/ explanatory notes on any adjustments made in the Statement of Changes in Equity or Reconciliation of movement of cash during the year if any.

Ministry of Education and Sports – USDP Project

There were no adjustments in the Statement of Changes in Equity.

5) **Departure from accounting principles or practice and justification if any.**

There were no departures done from accounting principles or practices while preparing the USDP Project financial statements for the year ended 30th June 2021.

6) a) **Any other information that is deemed relevant by the Head of Accounts**

We would like to present the summary of donor funds movement during the year. This is well illustrated by the **Designated Account Activity Statement**:

Fy ended 30 th June	Notes	2021	2020
		US\$	US\$
Opening Balance as at July 01		\$17,329,585.21	\$7,880,902.75
Add			
Total IDA Replenishments	3	\$12,747,700.00	\$20,000,000.00
Total Funds available during the year		\$30,077,285.21	\$27,880,902.75
Less			
Eligible payments during the year	7,8,9	(\$10,591,731.12)	(\$6,591,531.80)
Project Receivables as at 30 th June	19	(\$9,881,951.46)	(\$3,959,785.74)
Closing Bank Balances as at 30th June		\$9,603,602.63	\$17,329,585.21
Reconciled Bank Balances as at 30th June	18	\$9,603,602.63	\$17,329,585.21

b) Commentary on Foreign Exchange rate loss of UGX1,772,169,765/=

The project receives donor funds in United States Dollars. Funds flow arrangements under the project require that funds are maintained primarily on the US Dollar Bank Account (ie The Designated Account) except when expenditure designated in local currency is to be paid out.

Transitions for both disbursements from donor and donor expenditure during the year are recorded at ruling Bank of Uganda exchange rates and equivalent amounts are reflected in Uganda Shillings.

At the reporting date, since the project's reporting currency is in Uganda Shillings, IPSAS 4 requires that the Designated Account balances are revalued, for the purpose of re-stating the US Dollars into Uganda Shillings, at the closing exchange rate. Project receivables and payables, if any, are also re-stated using the same rate.

The cumulative effect of such individual transactions throughout the financial year, plus the revaluations carried out at the close of the financial year are the foreign exchange differences.

The resulting exchange rate differences are recognized as a gain or as a loss in the Statement of Income and Expenditure.

Project Management revalued the Closing Balance on the Designated Account of US\$7,460,813.68 at a closing exchange rate of 3,554.07; giving rise to a foreign exchange loss of UGX1,772,169,765 as detailed below.

Translation / Foreign exchange loss	Amount
Item	
DA Balance as at 30 June 2021	\$7,460,813.68
UGX equiv. before Revaluation	28,288,423,841
UGX equiv. after Revaluation	26,516,254,076
Exchange rate loss on revaluation	1,772,169,765

Ministry of Education and Sports – USDP Project

The figure of UGX1,772,169,765/ is reflected in the statement of Financial Performance as a foreign exchange loss during the financial year 2020/21.

I take full responsibility for the completeness and integrity of these Financial Statements

Signed


Kenneth T. Mugumya

Head of Accounts

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Date 16/12/2021

Ministry of Education and Sports – USDP Project

Statement of Financial Performance

[Based on classification of expenditures by nature]

	Note	Actual			Actual		
		30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		UGX	USD\$ Equiv.	UGX	UGX	USD\$ Equiv.	UGX
OPERATING REVENUE							
Taxes	2	-	-	-	-	-	-
External Assistance	3	46,531,909,494	\$12,747,700	-	77,866,600,000	\$20,000,000	-
Transfers received from Treasury- UCF	4	-	-	1,069,738,141	-	-	722,331,391
Transfers received from Other Government units	5	-	-	-	-	-	-
Non Tax revenue	6	-	-	-	-	-	-
Total Operating Revenue		46,531,909,494	\$12,747,700	1,069,738,141	77,866,600,000	\$20,000,000	722,331,391
OPERATING EXPENSES							
Employee costs	7	3,690,358,794	\$1,021,350	-	2,606,300,729	\$700,796	-
Goods and services consumed	8	12,958,666,727	\$3,455,910	1,048,092,302	21,803,376,201	\$5,890,736	715,614,028
Consumption of property, plant & equipment	9	28,243,794,908	\$7,761,337	-	-	-	-
Subsidies	10	-	-	-	-	-	-
Transfers to other Organisations	11	-	-	-	-	-	-
Social benefits	12	-	-	-	-	-	-
Other operating expenses	13	-	-	-	-	-	-
Total operating expenses		44,892,820,430	\$12,238,596	1,048,092,302	24,409,676,930	\$6,591,532	715,614,028
Excess of revenue over expenditure from operating activities		1,639,089,064	\$509,104	21,645,839	53,456,923,070	\$13,408,468	6,717,363
Foreign exchange loss/Gain	14	1,772,169,765	-	-	3,154,707,372	-	-
Finance costs	15	-	-	-	-	-	-
Bad debts expense	16	-	-	-	-	-	-
Transfers to Treasury	17(a)	-	-	21,645,839	-	-	6,717,363
Excess of Revenue over expenditure for the year		(133,080,701)	\$509,104	-	50,302,215,698	\$13,408,468	-

Ketty Lamaro

Ketty Lamaro

Accounting Officer

Ministry of Education and Sports – USDP Project

Statement of Financial Position

	Note	30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
ASSETS							
Cash and cash equivalents	18	34,321,319,978	\$9,603,603	-	64,748,368,660	\$17,329,585	-
Receivables	19	44,974,255,583	\$12,194,873	-	14,680,287,602	3,959,786	0
Investments	20	-	-	-	-	-	-
Investment Properties	21	-	-	-	-	-	-
Non Produced Assets	22	-	-	-	-	-	-
Total Assets		79,295,575,561	\$21,798,475	-	79,428,656,262	\$21,289,371	-
LIABILITIES							
Borrowings	23	-	-	-	-	-	-
Payables	24	-	-	-	-	-	-
Deposits	25	-	-	-	-	-	-
Pension Liability	26	-	-	-	-	-	-
Total Liabilities		-	-	-	-	-	-
Net assets (liabilities)		79,295,575,561	\$21,798,475	-	79,428,656,262	\$21,289,371	-
REPRESENTED BY:-							
Net Worth		79,295,575,561	\$21,798,475	-	79,428,656,262	\$21,289,371	-

Statement of Changes in Equity (Net Worth)

	Notes	30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
At 1 July - Net worth Last Year (B/D)		79,428,656,262	\$21,289,371	-	29,120,440,564	\$7,880,903	-
Less: Transfers to the UCF account	17(b)	-	-	-	-	-	-
+/- Balance sheet adjustments	27	-	-	-	-	-	-
Revaluation reserves		-	-	-	-	-	-
Add: Excess of revenue over expenditure for the Year		(133,080,701)	\$509,104	-	50,302,215,698	\$13,408,468	-
Closing Net Financial Worth		79,295,575,561	\$21,798,475	-	79,428,656,262	\$21,289,371	-



Ketty Lamaro

Accounting Officer

Ministry of Education and Sports – USDP Project

Cash flow Statement for the year ended [Direct Method]

	30-Jun-21			30-Jun-20		
	IDA		GOU	IDA		GOU
	(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
CASH FLOWS FROM OPERATING ACTIVITIES						
Revenue from Operating activities (see below)	52,661,336,662	\$14,394,565	1,069,738,141	77,866,600,000	\$20,000,000	722,331,391
PAYMENTS FOR OPERATING EXPENSES:						
Employee costs	3,690,358,794	\$1,021,350	-	3,690,358,794	\$1,021,350	-
Goods and services consumed	12,958,666,727	\$3,455,910	1,048,092,302	12,958,666,727	\$3,455,910	715,614,028
Subsidies	-	-	-	-	-	-
Transfers to Other Organisations	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Foreign exchange loss/gain	1,772,169,765	-	-	3,154,706,372	-	-
Net Advances paid	9,487,697,747	\$2,596,058	-	-	-	-
Domestic arrears paid during the year	-	-	-	-	-	-
Deposits paid	-	-	-	-	-	-
Pension Arrears paid during the Year	-	-	-	-	-	-
Losses of cash	-	-	-	-	-	-
Letters of Credit receivable	26,535,697,402	\$7,176,305	-	-	-	-
Total payments for operating activities	54,444,590,435	\$14,249,623	1,048,092,302	19,803,731,893	\$4,477,259	715,614,028
Net cash inflows/(outflows) from operating activities	1,783,253,773	\$144,942	21,645,839	58,062,868,107	\$15,522,741	6,717,363
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of property, plant and equipment	28,643,794,909	\$7,870,925	-	-	-	-
Purchase of non-produced assets	-	-	-	-	-	-
Proceeds from sale of property, plant and equipment	-	-	-	-	-	-
Purchase of investments	-	-	-	-	-	-
Proceeds from sale of investments	-	-	-	-	-	-
Net cash inflows/(outflows) from investing activities	28,643,794,909	\$7,870,925	-	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from external borrowings	-	-	-	-	-	-
Repayments of external borrowings	-	-	-	-	-	-
Proceeds from other domestic borrowings	-	-	-	-	-	-
Repayments of other domestic borrowings	-	-	-	-	-	-
Net cash flows from financing activities	-	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	(30,427,048,682)	(\$7,725,983)	21,645,839	58,062,868,107	\$15,522,741	6,717,363



Ketty Lamaro

Accounting Officer

Ministry of Education and Sports – USDP Project
Cash flow Statement for the year ended (continued)

For cash flow purposes receipts from revenue comprise

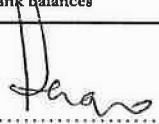
	Notes	30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Total Revenue as per Statement of Financial Performance		46,531,909,494	\$12,747,700	1,069,738,141	77,866,600,000	\$20,000,000	722,331,391
Add : Advances recovered during the year		6,129,427,168	\$1,646,865	-	-	-	-
: Revenue receivable collected during the period		-	-	-	-	-	-
: Deposits received		-	-	-	-	-	-
Total Revenue		-	-	-	-	-	-
Less: Grants received in Kind		-	-	-	-	-	-
Revenue in Kind (Tax waivers)		-	-	-	-	-	-
Transfers to Treasury	(17a)	-	-	-	-	-	-
Revenue Receivable for the reporting period		-	-	-	-	-	-
Total revenue received for Cash flow statement purposes		52,661,336,662	\$14,394,565	1,069,738,141	77,866,600,000	\$20,000,000	722,331,391

Reconciliation of movement of cash during the year

	Notes	30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
At the beginning of the year		64,748,368,660	\$17,329,585	-	29,126,440,564	\$7,880,903	-
Less: Transfers to the UCF account (Previous Year Balances)	17(b)	-	-	-	-	-	(6,717,363)
Add/ (Less) : Adjustments in cash and cash equivalents	27	-	-	-	35,621,928,096	\$9,448,682	6,717,363
Net increase (decrease) of cash from the Cash flow Statement		(30,427,048,682)	(\$7,725,983)	-	64,748,368,660	\$17,329,585	-
At the end of the year		34,321,319,978	\$9,603,603	-	64,748,368,660	\$17,329,585	-

For purposes of the cash flow statement, cash and cash equivalents comprise

	Notes	30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Cash and cash equivalents	18	34,321,319,978	\$9,603,603	-	64,748,368,660	\$17,329,585	-
Cash and bank Balances		34,321,319,978	\$9,603,603	-	64,748,368,660	\$17,329,585	-


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Ketty Lamaro

Accounting Officer

Ministry of Education and Sports – USDP Project

Statement of Appropriation Account
[Based on Services Voted]

	Initial Approved Budget	Revised	Warrants	Actual	Variance	Variance
	30-Jun-21	Approved Budget	30-Jun-21	30-Jun-21	Revised Budget Vs Actual	Warrants Vs Actual
		30-Jun-21			30-Jun-21	30-Jun-21
	(Shs)	(Shs)	(Shs)	(Shs)	(Shs)	(Shs)
	(a)	(b)	(c)	(d)	(b-d)	(c-d)
REVENUE						
Taxes						
External Assistance	57,570,750,000	57,570,750,000	45,507,755,376	46,531,909,494	11,038,840,506	-
Transfers received from Treasury- UCF	1,250,238,000	1,250,238,000	1,069,738,141	1,069,738,141	180,499,859	-
Transfers received from Other Gov't units	-	-	-	-	-	-
Non Tax revenue	-	-	-	-	-	-
Total Revenue	58,820,988,000	58,820,988,000	46,577,493,517	47,601,647,635	11,219,340,365	1,024,154,118
EXPENDITURE - by services voted						
Employee Costs	3,962,628,300	3,962,628,300	3,085,753,612	3,690,358,794	272,269,506	-
Consultancy Short term	800,000,000	800,000,000	631,055,660	144,000,000	656,000,000	604,605,182
Consultancy Long term	7,692,808,000	7,692,808,000	6,068,237,387	7,692,808,000	-	487,055,660
Machinery & Equipment	4,325,000,000	4,325,000,000	3,411,644,657	3,411,644,657	913,355,343	-
Non residential Buildings	29,595,416,000	29,595,416,000	23,583,821,524	58,137,762,889	28,542,346,889	-
Monitoring & Suoervision	700,000,000	700,000,000	517,832,902	700,000,000	-	34,553,941,365
Travel Inland	1,191,270,000	1,191,270,000	981,829,891	1,191,270,000	-	-
Travel Abroad	880,430,000	880,430,000	681,394,851	-	880,430,000	209,440,109
Staff Training	7,531,000,000	7,531,000,000	5,913,780,347	-	7,531,000,000	681,394,851
Maintenance & Fuels	639,730,000	639,730,000	515,713,200	115,175,488	524,554,512	5,913,780,347
Office Operations	1,502,705,700	1,502,705,700	1,186,429,486	751,860,884	750,844,816	400,537,712
						434,568,602
Total Expenditure	58,820,988,000	58,820,988,000	46,577,493,517	75,834,880,712	(17,013,892,712)	(29,257,387,195)
Less: Transfers to Treasury (17a)	-	-	-	21,645,839	-	-
Net Revenue/ Expenditure	-	-	-	(28,233,233,077)	(5,975,052,206)	(30,281,541,313)

Ketty Lamaro

Ketty Lamaro

Accounting Officer

Ministry of Education and Sports – USDP Project
Statement of Appropriation Account [based on nature of expenditure]

	Initial Approved Budget 30 June 2021	Revised Approved Budget 30 June 2021	Warrants 30 June 2021	Actual 30 June 2021	Variance Revised Budget Vs Actual 30 June 2021	Variance Warrants Vs Actual 30 June 2021
	(Shs) (a)	(Shs) (b)	(Shs) (c)	(Shs) (d)	(Shs) (b-d)	(Shs) (c-d)
REVENUE						
Taxes						
External Assistance	57,570,750,000	57,570,750,000	45,507,755,376	46,531,909,494	11,038,840,506	1,024,154,118
Transfers received from Treasury-UCF	1,250,238,000	1,250,238,000	1,069,738,141	1,069,738,141	180,499,859	-
Transfers received from Other Government units	-	-	-	-	-	-
Non Tax revenue	-	-	-	-	-	-
Total Revenue	58,820,988,000	58,820,988,000	46,577,493,517	47,601,647,635	11,219,340,365	-1,024,154,118
EXPENDITURE - by nature of expenditure						
Employee costs	3,962,628,300	3,962,628,300	3,690,358,794	3,690,358,794	272,269,506	-
Goods and services consumed	20,937,943,700	20,937,943,700	15,373,835,640	12,958,666,727	7,979,276,973	2,415,168,913
Consumption of property, plant & equipment	33,920,416,000	33,920,416,000	27,513,299,083	58,137,762,889	24,217,346,889	30,624,463,806
Subsidies	-	-	-	-	-	-
Transfers to other Organisations	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-
Other expenses - GOU	-	-	-	1,048,092,302	1,048,092,302	1,048,092,302
Domestic arrears paid	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
Total Expenditure	58,820,988,000	58,820,988,000	46,577,493,517	75,834,880,712	(17,013,892,712)	(29,257,387,195)
Less: Transfers to Treasury (17a)	-	-	-	21,645,839	-	-
Net Revenue/Expenditure	-	-	-	(28,233,233,077)	(5,975,052,206)	(30,281,541,313)

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Ketty Lamaro

Accounting Officer

Ministry of Education and Sports – USDP Project

Reconciliation between total expenditure per Appropriation Accounts and per Statement of Financial Performance

	Actual 30 June 2021 (Shs)	Actual 30 June 2020 (Shs)
Total expenditure per Appropriation Account	75,834,880,712	25,125,290,958
Add:		
Letters of credit receivable prior year but delivered during the year	-	-
Accrued expenditure	-	-
Prepayments performed	6,129,427,168	-
	-	-
	-	-
	-	-
Less:		
Letters of credit receivable at year-end	(26,535,697,402)	-
Domestic Arrears paid	-	-
Non produced assets for the period	-	-
Prepayments for the period	(9,487,697,747)	-
	-	-
	-	-
	-	-
Total Expenditure per Statement of Financial Performance (Donor & GOU)	45,940,912,732	25,125,290,958

Ketty Lamaro

Ketty Lamaro

Accounting Officer

Ministry of Education and Sports – USDP Project
Notes to the Financial Statements

Note 1(a): Accounting Policies

These are the specific principles, bases, conventions, rules and practices adopted by the Government of the Republic of Uganda in preparing and presenting the financial statements. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied in all material aspects unless otherwise stated.

(i) General Information

As required by Sections 50(1) and 51(1) of the Public Finance Management Act, 2015, each vote shall prepare financial statements and submit a copy to the Accountant General. The Annual Accounts shall be submitted for Audit to the Auditor General.

(ii) Reporting Entity

The Ministry of Education and Sports is a reporting entity of the Government of the Republic of Uganda and is domiciled in Uganda.

The principal address of the entity is:

Ministry of Education and Sports
Embassy House; King George VI Way, at the corner with Parliament Avenue
P.O. Box 7063
Email: permassec@education.go.ug
Website: www.education.go.ug

(iii) The Consolidated Fund

Is the Consolidated Fund as established by the Article 153 of the Constitution of the Republic of Uganda. As provided by Section 30 of the Public Finance Management Act, 2015 (the Act), it is the Fund into which all revenues or other money raised or received for the purpose of the Government shall be paid. Except for receivables into another public fund established for a special purpose (for example the Petroleum Fund) where this is authorized by an Act of Parliament, or where a vote, state enterprise or public corporation shall retain revenue collected or received as authorized through an appropriation by Parliament or is a monetary grant exempted under Section 44 of the ACT.

Withdrawals from the Consolidated Fund shall only be done upon the authority of a warrant of expenditure issued by the Minister of Finance to the Accountant General after a grant of credit has been issued to the Minister by the Auditor General in the first instance. The withdrawal can be effected only when: (a) the expenditure has been authorized by an Appropriation Act or a Supplementary Appropriation Act; (b) is a statutory expenditure; (c) for repaying funds received in error by the Consolidated Fund; (d) and for paying sums required for an advance, refund, rebate or drawback that are provided for in this and other Act of Parliament.

(iv) Classified expenditures

Classified expenditures are included under supply of goods and services in the Statement of Financial Performance, and are audited separately. The funds appropriated for classified expenditure shall only be used for defense and national security purposes. A committee of Parliament comprising the chairpersons of the committees responsible for budget; defense and internal affairs; and another member appointed by the Speaker will be responsible for scrutiny of classified expenditure budget.

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(v) Basis of preparation of financial statements

The financial statements have been prepared in accordance with the requirements of the Public Finance Management Act, 2015 [the Act] and comply with generally accepted accounting principles. The Financial Statements have been prepared using the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenue when earned with the exception of revenue from taxes and grants that is recognised when received. Expenses are recognised when incurred resulting into recognition of payables in the statement of financial position. All non-current assets with the exception of non-produced assets are expensed 100% in the year of acquisition in the statement of financial performance.

(vi) Going concern consideration

The financial statements have been prepared on a going concern basis.

(vii) Presentation currency

The reporting and presentation currency is the Uganda Shilling (Shs), which is the functional currency of the Republic of Uganda. Items included in the financial statements are measured in the currency of the primary economic environment in which the entity operates.

(viii) Reporting Period

The reporting period for these financial statements is from 1 July 2020 to the next 30 June 2021. Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format in the current year's financial statements.

(ix) Appropriation

The initial approved budget is the original forecast as presented and approved by Parliament. A revised budget is the initial approved budget adjusted by a supplementary and reallocations/ virements.

(x) Revenue

Revenue represents cash and grants in kind received by the entity during the financial year and comprise; tax and non-tax revenue, transfers received from Treasury, transfers from the Contingency Fund and transfers received from other government units. Revenues are recognized as follows;

a) Tax revenues

Taxes are levied with the authority of Parliament subject to Article 152 of the Constitution of the Republic of Uganda. Payment of tax does not necessarily result into an entitlement to the taxpayer to receive equivalent value of services or benefits. All tax revenues are recognised when received.

b) External Assistance

Grants are received by the entity either as cash or in-kind from foreign governments (bilateral) or from international Organizations (multi-lateral). All grants (aid assistance) are recognized as income when received. In-kind receipts (donations) are recognized at fair value when received.

c) Transfers received from Treasury

Transfers received include; transfers received from the Consolidated Fund, and transfers received from other government units. All transfers are recognized when received by the Accounting Officers.

d) Transfers from other government units

Comprise funds appropriated under one vote but transferred to another vote for execution of the intended activities of the former. These might include road maintenance funds from the Road fund, immunization funds from Ministry of health among others. These funds are recognised when received.

e) Non-Tax Revenue

Non-Tax Revenue (NTR) refers to all revenue due to government that is not tax revenue. Examples include proceeds from sale of designated goods and services, hire of assets, interest/gains associated from ownership of shares and fines/penalties. NTR whether directly collected by the entity or collected by another on its behalf is

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recognised when revenue is earned. NTR earned but not received is reported in the statement of Financial Position as receivables.

(xi) Expenses

Generally, expenditure is recognized when it is incurred. Qualifying¹ unsettled expenditure is recognized in the Statement of Financial position as payables. Payments of pension to existing retirees are recognized in the statement of financial performance and any arrears on such payments recognised in the statement of financial position. Pension liability for non- retirees is neither recognised nor disclosed in the financial statements.

(xii) Property, Plant and Equipment (physical assets or fixed assets)

Property, plant and equipment (PPE) principally comprises buildings, dams, roads and highways, hydropower stations, plant, vehicles, equipment, and any other infrastructure assets but does not include land and regenerative natural resources such as forests and mineral resources.

Acquisitions of PPE are recorded in the asset register on receipt of the item at cost and expensed fully through the Statement of Financial Performance. Cost of the item is defined as the total cost of acquisition. Where the cost of the PPE cannot be determined accurately, the PPE is stated at fair value. Subsequent repairs and maintenance costs of PPE are also expensed as goods and services consumed in the Statement of Financial Performance.

Proceeds from disposal of property, plant and equipment are recognized as non-tax revenue in the period in which it is received.

(xiii) Translation of transactions in foreign currency

Foreign currency transactions are translated into Uganda Shillings using the exchange rates prevailing at the dates of the transactions (spot rates). These result into realized gains/losses which are recognized in the Statement of Financial Performance. Foreign currency assets and liabilities held by the entity at year-end are translated into Uganda Shillings using the period closing rate for reporting purposes resulting into unrealized gains/losses. The unrealized gains/losses are recognized in the statement of changes in Equity through the revaluation reserve.

(xiv) Revaluation Gains/Losses

Unrealized gains or losses arising from changes in the value of investments, marketable securities held for investment purposes, and from changes in the values of property, plant and equipments are not recognized in the financial statements.

(xv) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts.

(xvi) Unspent cash balances

In accordance with the requirement of the Public Finance Management Act, 2015, unspent cash balances by Government entities at the end of the financial year are returned through the Single Treasury Account (TSA) to the Consolidated Fund. With the commencement of the TSA, votes fully operational on IFMS no longer have unspent cash balances for Transfers received by MALGs from the Treasury.

Escrow Account balances are to be recognized in the Financial Position of the responsible entity and expensed through the Financial Performance in the period when funds are utilized.

(xvii) Receivables

(a) Accrued Non Tax Revenue and Advances

Receivables include revenue earned but not collected and advances not retired by the reporting date. These are carried at historical cost and are written down by recovered receipts or write-off of

¹ All payables should be verified by the Internal Audit and a certificate issued signed by the Accounting Officer, Head of Internal Audit and Head of Accounts/Finance.

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unrecoverable amounts (bad debts are written-off with the approval of Parliament, when identified in the Statement of Changes in Equity).

(b) Letters of credit

Procurement of goods and services through letters of credit which are cash covered are recognized in the statement of appropriation when the letter of credit is opened. Outstanding letters of credit at period-end are treated as receivable and expensed through the Statement of Financial Performance in the period when the goods and services are delivered.

(c) Other Receivables

These include expenditure paid for but not consumed during the financial year. Examples include rent expenditure paid for the period crossing financial years.

(xviii) Inventories

Comprise consumable supplies and goods purchased for resale. All inventories are expensed in the period in which they are acquired.

(xix) Investment properties

Investment property principally comprises land, office, commercial and residential buildings, and other physical assets, which is held for long-term rental income and is not occupied internally. Investment property is treated as a long-term investment and is carried at cost. Investment properties are currently not recognised in the financial statements.

(xx) Investments

Investments are classified into three groups, namely: **investments held for trading; investments held-to-maturity; and investments available-for-sale.**

Investments that are acquired principally for the purposes of generating profit from short-term fluctuations in price are classified as “trading investments”, and are, therefore, current assets and are treated as monetary assets.

Investments with fixed maturities and there is an intention and ability to hold them to maturity dates are classified as “**Investments held-to-maturity**”, and are, therefore, non-current assets, and are treated as non-monetary assets.

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as “**investments available-for-sale**”, and are therefore non-current assets and regarded as non-monetary assets. However, if there is an expressed intention to sell these within 12 months, then these are treated as current assets and are monetary assets.

Appropriate classification of investments at the time of purchase and re-evaluation of such designation are carried out on a regular basis but any resulting reclassifications are rare and cannot be made from “trading investments” to “investments held to maturity”

All investments in the balance sheet are carried at historical cost. Non-financial assets are measured at net worth. For investments quoted in foreign currency, the historical cost is translated at the closing rate.

(xxi) Projects expenditure

Government projects are a series of undertakings of a reporting entity with specific objectives and a defined time frame and could be either: (a) fully funded by a Government; (b) jointly funded by Government and a development partner; (c) fully funded by a development partner through either budget support or project support; and (d) fully funded by development partner through provision of physical items rather than funds.

Fully or partly Government funded project expenditure is recognized in the statement of financial performance of the reporting entity to the extent of funding received from Government. Project

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expenditure that is not recognised is disclosed in the statement/schedule of project/ subvention balances.

(xxii) Borrowings

Borrowings are initially recorded in the Statement of Financial Position [the balance sheet] at cost net of any transaction costs paid.

Interest expense and any other expense on borrowings are recognized in the Statement of Financial Performance when they fall due.

(xxiii) Employee benefits

Employee benefits include salaries, and other related-employment costs. Employee benefits are recognized when incurred. No provision is made for accrued leave or reimbursable duty allowances.

(xxiv) Contingent liabilities and assets

Contingent liabilities are disclosed in a memorandum statement (Statement of Contingent liabilities) of the entity when it's probable that an outflow of economic benefits or service potential will flow from the entity or when an outflow of economic benefits or service potential is probable but cannot be measured reliably. Contingent liabilities comprise government guarantees issued, court awards that have been appealed by the Attorney General, those arising from Public Private Partnerships (PPPs) etc. Non quantifiable contingent liabilities are disclosed in the memorandum statement of Non quantifiable contingent liabilities. Contingent assets are neither recognized nor disclosed.

(xxv) Outstanding Commitments

Commitments include operating and capital commitments arising from non-cancelable contractual or statutory obligations. Loan interest due but not paid is recognised in the Statement of Financial Position. The loan interest not yet due for payment is not recognised but disclosed. Outstanding commitments relating to non-cancelable contractual or statutory obligation where goods have been delivered or service provided are included in the statement of financial position as payables and in the Statement of Outstanding Commitments to the extent of the appropriation.

(xxvi) Public Private Partnerships

Any investment by the Government in a Public Private Partnership may be through a joint venture or as an associate or as a major shareholder. Except for the latter, these are accounted for as investments whether held for trading purposes or otherwise. The financial statements in that case are consolidated as if the other entity is a controlled entity in accordance with IPSAS 38.

In other instances where the Government provides certain guarantees which could crystalize and result into an outflow of resources, the guarantees are quantified and disclosed in the memorandum Statement of Contingent Liabilities. The amounts disclosed as part of contingent liabilities represent the most likely outflow of resources should certain events crystalize which are assessed annually. If the events crystalize, the amounts become payables through the Statement of Financial Performance and Statement of Financial Position on an accrual basis

Other Notes to the Financial Statements

Note 1(b): Exchange Rates

All monetary amounts in the financial statements are expressed in Uganda Shillings, the functional currency. The Uganda Shilling closing rates (the Bank of Uganda middle rate) for major currencies were:

	30 June 2021	30 June 2020
United States Dollar	3,554.07	3,730.33
British Pound	4,934.84	4,595.70
Euro	4,240.63	4,179.17

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Note 2: Tax Revenues

Tax revenues comprise both direct and indirect taxes levied and collected on behalf of Government.

	30 June 2021 (Shs)	30 June 2020 (Shs)
Local Services Tax	-	-
Land fees	-	-
Business Licenses	-	-
Other tax revenues	-	-
Total taxation revenues	-	-

Note 3: External Assistance

	Notes	30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Grants from foreign governments	-	-	-	-	0	\$0	-
Grants from International Organizations	-	46,531,909,494	\$12,747,700	-	77,866,600,000	\$20,000,000	-
Grants from Local sources - Donations	-	-	-	-	-	-	-
Total Grants	-	46,531,909,494	\$12,747,700	-	77,866,600,000	\$20,000,000	-

Note 4: Transfers Received From the Treasury – Consolidated Fund

	Notes	30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Transfers from the Treasury – (Current & Capital)	-	-	-	1,069,738,141	-	-	722,331,391
Total Transfers	-	-	\$0	1,069,738,141	-	-	722,331,391

Note 5: Transfers received from Other Government Units

Comprise funds appropriated under one vote but transferred to another vote for execution of the intended activities. For instance road maintenance funds, grants recognised by treasury but transferred to other executing MALGS, etc

	30 June 2021 (Shs)	30 June 2020 (Shs)
Transfers received from other Gov't Units - Current <i>(Name of the Government unit)</i>	-	-
Transfers received from other Gov't units - Capital <i>(Name of the Government unit)</i>	-	-
Total	-	-

Note 6: Non-Tax Revenues

Comprise non-tax revenues from exchange transactions collected during the year as follows:

	30 June 2021 (Shs)	30 June 2020 (Shs)
Investment income	-	-
Dividends	-	-
Rent	-	-
Other property income	-	-
Sale of goods and services	-	-
Administrative fees and licenses	-	-
Court fines and Penalties	-	-
Other fines and Penalties	-	-

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Miscellaneous Revenue	-	-
Total Non-Tax Revenue	-	-

Note 7: Employee Costs

	30-Jun-21			30-Jun-20		
	IDA		GOU	IDA		GOU
	(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Wages and salaries	2,952,287,035	\$817,080	-	2,085,040,583.20	\$560,637	-
Social contributions	295,228,704	\$81,708	-	208,504,058.32	\$56,064	-
Other employment costs - Gratuity	442,843,055	\$122,562	-	312,756,087.48	\$84,096	-
Total employee costs.	3,690,358,794	\$1,021,350	-	2,606,300,729	\$700,796	-

Note 8: Goods and Services Consumed

Expenditure on goods and services during the year principally comprise the following:

	30-Jun-21			30-Jun-20		
	IDA		GOU	IDA		GOU
	(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
General expenses	6,375,871,780	\$1,700,363	257,928,677	2,024,712,923	\$547,028	176,107,943
Communications	17,100,000	\$4,560	5,829,733	879,935,085	\$237,737	3,980,412
Utility and property expenses	29,149,307	\$7,774	24,300,000	160,547,782	\$43,376	16,591,498
Supplies and services	253,280,231	\$67,547	254,982,800	2,584,731,950	\$698,331	174,096,564
Professional services	5,049,997,409	\$1,346,769	-	12,854,016,098	\$3,472,839	-
Insurances and licenses	-	-	-	-	-	-
Travel and transport	1,191,270,000	\$317,696	475,998,242	2,451,894,406	\$662,442	325,000,974
Maintenance	41,998,000	\$11,200	29,052,850	847,537,957	\$228,984	19,836,637
Inventories (goods purchased for resale)	-	-	-	-	-	-
Total cost of goods and services	12,958,666,727	\$3,455,910	1,048,092,302	21,803,376,201	\$5,890,736	715,614,028

Note 9: Consumption of Property, Plant and Equipment (Fixed Assets)

As explained in accounting policy (xii), property, plant and equipment (physical assets) are expensed in the year of purchase i.e. they are fully expensed in the year of purchase using the cash basis of accounting.

	30-Jun-21			30-Jun-20		
	IDA		GOU	IDA		GOU
	(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Non Residential buildings	28,243,794,908	\$7,761,337	-	-	-	-
Residential buildings	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	-
Transport equipment-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Furniture and fittings	-	-	-	-	-	-
Other fixed assets	-	-	-	-	-	-

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Total value of property, plant and equipment expensed	28,243,794,908	\$7,761,337	-	-	-	-
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Note 10: Subsidies

Subsidies paid during the year are summarized as below:

	30 June 2021 (Shs)	30 June 2020 (Shs)
To public corporations	-	-
To private enterprises	-	-
To private individuals	-	-
Total subsidies for the year	-	-

Note 11: Transfers to Other Organisations

Transfers made during the year are summarized as below:

	30 June 2021 (Shs)	30 June 2020 (Shs)
Transfer to foreign Governments	-	-
Transfers to International Organisations	-	-
Transfers to other government units	-	-
To resident non-government units	-	-
Total transfers	-	-

Note 12: Social Benefits

Social benefits paid during the year comprise:

	30 June 2021 (Shs)	30 June 2020 (Shs)
Pensions	-	-
Employer Social benefits	-	-
Total social benefits	-	-

Note 13: Other Operating Expenses

These comprise:

	30 June 2021 (Shs)	30 June 2020 (Shs)
Property expenses other than interest	-	-
Miscellaneous other expenses- current	-	-
Miscellaneous other expenses- capital	-	-
Total other operating expenses	-	-

Note 14: Foreign Exchange Gains and Losses

During the year, foreign exchange losses and gains were as follows:

	30 June 2021 (Shs)	30 June 2020 (Shs)
Realized loss /gain (SFP)	1,772,169,765	3,154,707,372
Unrealized loss /gain (SCE)	-	-
Net foreign exchange gains / losses	1,772,169,765	3,154,707,372

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Note 15: Finance costs

	Schedule	30th June 2021 (Shs)	30 June 2020 (Shs)
Interest on external debts (external borrowings)		-	-
Interest on other domestic borrowings		-	-
Total finance cost		-	-

Note 16: Bad Debts Expense

	30 June 2021 Shs	30 June 2020 Shs
Bad debts w/o	-	-
Provision for the year	-	-
Total bad debts	-	-

Note 17 (a): Transfers to Treasury

These comprise transfers back to the Consolidated Fund of unspent balances from the respective expenditure accounts, transfers of Non tax revenue collected, , unspent salaries, among others for the period.

	30-Jun-21			30-Jun-20		
	IDA		GOU	IDA		GOU
	(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Non Tax revenue	-	-	-	-	-	-
Expenditure account balances	-	-	21,645,839	-	-	6,717,363
Other cash balances	-	-	-	-	-	-
Total for the year.	-	-	21,645,839	-	-	6,717,363

Note 17 (b): Transfers to Treasury

These comprise transfers to the Consolidated Fund/ Treasury of Unspent balances, NTR collections, Cash in transit, LCs not performed etc for transactions crossing financial years.

	30-Jun-21			30-Jun-20		
	IDA		GOU	IDA		GOU
	(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Non Tax revenue	-	-	-	-	-	-
Expenditure account balances	-	-	21,645,839	-	-	6,717,363
Other cash balances	-	-	-	-	-	-
Total for the year.	-	-	21,645,839	-	-	6,717,363

Note 18: Cash and cash equivalents

	30-Jun-21			30-Jun-20		
	IDA		GOU	IDA		GOU
	(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
DOMESTIC	-	-	-	-	-	-
Revenue accounts	-	-	-	-	-	-

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Expenditure accounts	-	-	-	-	-	-
Project accounts	-	-	-	-	-	-
Collection accounts	-	-	-	-	-	-
Cash in transit	-	-	-	-	-	-
Cash at hand - Imprest	-	-	-	-	-	-
Others	-	-	-	-	-	-
Sub-total cash and bank balances - domestic	-	-	-	-	-	-
FOREIGN						
Revenue Accounts	-	-	-	-	-	-
Expenditure accounts	1,018,982,844	\$279,749.74	-	382,526,198	\$104,096.98	-
Project Accounts	33,302,337,134	\$9,323,852.89	-	64,365,842,462	\$17,225,488.23	-
Collection accounts	-	-	-	-	-	-
Cash in transit	-	-	-	-	-	-
Cash at hand - Imprest	-	-	-	-	-	-
Others	-	-	-	-	-	-
Sub-total cash and bank balances - foreign	34,321,319,978	\$9,603,602.63	-	64,748,368,660	\$17,329,585.21	-

Note 19: Net Receivables

Comprise the following receivables at the end of the year net of any provision for receivables doubtful of recovery.

	Note	30-Jun-21			30-Jun-20		
		IDA		GOU	IDA		GOU
		(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
Total Receivables	19(a)	44,974,255,583	\$12,194,873	-	14,680,287,602	\$3,959,786	-
Less: Provision for doubtful debts	19(b)	-	-	-	-	-	-
Net Receivables		44,974,255,583	\$12,194,873	-	14,680,287,602	\$3,959,786	-

Note 19(a): Total Receivables

	30-Jun-21			30-Jun-20		
	IDA		GOU	IDA		GOU
	(Shs)	US\$	(Shs)	(Shs)	US\$	(Shs)
DOMESTIC						
Accrued Revenue	-	-	-	-	-	-
Loans (short-term) - others	-	-	-	-	-	-
Advances - <i>Advance guarantees</i>	17,893,558,182	\$4,869,262	-	-	-	-
Outstanding letters of credit	26,535,697,402	\$7,176,305	-	14,680,287,602	\$3,959,786	-
Prepayments	-	-	-	-	-	-

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Other accounts receivable	545,000,000	\$149,306.07	-	-	-	-
Total domestic receivables	44,974,255,583	\$12,194,873	-	14,680,287,602	\$3,959,786	-
FOREIGN						
Accrued Revenue	-	-	-	-	-	-
Loans (short-term) - others	-	-	-	-	-	-
Advances	-	-	-	-	-	-
Outstanding letters of credit	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-
Other accounts receivable	-	-	-	-	-	-
Total foreign receivables	-	-	-	-	-	-
Total receivables	44,974,255,583	\$12,194,873	-	14,680,287,602	\$3,959,786	-

The ageing of the receivables is as below:-

	Current Financial Year Shs	Previous Financial Year Shs	Other Financial Years Shs	Total Shs
Accrued revenue	-	-	-	-
Loans and Advances Loans and Advances Loans and Advances	-	-	-	-
Outstanding letters of credit	26,535,697,402	-	-	26,535,697,402
Prepayments	17,893,558,182	-	-	17,893,558,182
Other receivables	545,000,000	-	-	-
Total Receivables	44,974,255,583	-	-	44,429,255,583

Note 19(b): Provision for doubtful debts

	30 June 2021 Shs	30 June 2020 Shs
Provision at the beginning of the year- at 1 July	-	-
Increase / (decrease) in provision for the year	-	-
Less: Provision approved for write off during the year	-	-
Provision at the end of the year	-	-

Note 20: Investments

Comprise investments as follows:

	30 June 2021 (Shs)	30 June 2020 (Shs)
Securities other than shares (long-term) - domestic	-	-
Shares and other equity-domestic	-	-
Securities other than shares-foreign	-	-
Total Investments	-	-

Note 21: Investment Properties

Investment properties comprise properties, which are held either for long term rental income or for capital appreciation or both and are not occupied or used by the Government or any other Government entity.

	30 June 2021 Shs	30 June 2020 Shs
At the beginning of the year – 1 July	-	-
Additions/acquisitions made during the year	-	-
Disposals made during the year	-	-

Ministry of Education and Sports – USDP Project

Total Investment Properties	-	-
-----------------------------	---	---

Note: Currently we do not recognize investment properties.

Note 22: Non Produced Assets

	30 June 2021 (Shs)	30 June 2020 (Shs)
Land	-	-
Cultivated Assets	-	-
Other Naturally occurring Assets	-	-
Total Non-Produced Assets	-	-

Note 23: Borrowings

	30 June 2021 (Shs)	30 June 2020 (Shs)
DOMESTIC		
Loans from commercial banks		
Interest payable on bank loans/borrowings	-	-
Other	-	-
Total domestic borrowings	-	-
FOREIGN		
Loans from commercial banks	-	-
Interest payable on bank loans/borrowings	-	-
Other	-	-
Total foreign borrowings	-	-
Total borrowings	-	-

Note 24: Payables

These are principally accounts payables, domestic and otherwise, outstanding at the year-end and comprise:

	30 June 2021 (Shs)	30 June 2020 (Shs)
Trade Creditors	-	-
Sundry Creditors	-	-
Committed Creditors	-	-
Accountable advances	-	-
Withholding tax payable	-	-
Advances from other Government units	-	-
Miscellaneous Accounts payables	-	-
Total payables	-	-

The categorization and ageing of the payables is as below:-

	Current Financial Year Shs	Previous Financial Year Shs	Other Financial Years Shs	Total Shs
Utilities	-	-	-	-
Rent	-	-	-	-
Contributions to International Organisations	-	-	-	-

Ministry of Education and Sports – USDP Project

Court Awards & Compensations	-	-	-	-
Taxes and other deductions	-	-	-	-
Goods and services Consumed	-	-	-	-
Property Plant & Equipment	-	-	-	-
Others	-	-	-	-
Total Payables	-	-	-	-

Note 25: Deposits Received

These include deposits received which are funds held by the vote for onward transfer to another vote, entity, or individual(s) and Deferred Revenue which is revenue received but services have not yet been rendered. Total amounts recognised as deposits should be supported by an equivalent amount of cash and cash equivalent in note 18 above or Receivables in Note.19 for only Revolving Funds.

	30 June 2021 (Shs)	30 June 2020 (Shs)
Deposits received	-	-
Deferred income	-	-
Total Deposits	-	-

Note 26: Pension

Pension liabilities have been accrued in the financial statements because it is the policy of Government to pay pensions to all former employees of the Government who qualified for pension under the provisions of the Pensions Act, Cap 281.

	30 June 2021 (Shs)	30 June 2020 (Shs).
Former employees in Public Service	-	-
Former employees in Military Service	-	-
Former employees of the Education Service	-	-
Gratuity Arrears	-	-
Total	-	-

The ageing of the pension liabilities is as below:-

	Incurred in the current Financial Year Shs	Incurred in the Previous Financial Year Shs	Other Financial Years Shs	Total Shs
Pensions	-	-	-	-
Gratuity	-	-	-	-
Total	-	-	-	-

Note 27: Adjustments to reserves

This includes adjustments if any made on assets (cash and cash equivalents, receivables, investments, investment properties, non-produced assets) and liabilities (borrowings, payables, deposits received, pension and gratuity liabilities)

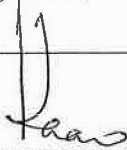
Government of the Republic of Uganda
Financial Statements for the Financial Year ended 30 June 2021

Ministry of Education and Sports – USDP Project

	No tes	Opening balance 1 st July 2020 Shs	Adjustments to the opening balance Shs	Transfers to UCF (Prior year balance) 17(b)	Recovery or payments towards the opening balance Shs	Net asset or liability incurred/acqui red during the year Shs	Closing balance 30 June 2021 Shs
ASSETS		-	-	-	-	-	-
Cash and Cash equivalents	18	64,748,368,660	-	-	-	(30,427,048,682)	34,321,319,978
Receivables	19	-	-	-	-	-	-
<i>Accrued Revenue</i>		-	-	-	-	-	-
<i>Loans & Advances</i>		-	-	-	-	-	-
<i>Letters of Credit</i>		-	-	-	-	-	-
<i>Prepayments</i>		-	-	-	-	-	-
<i>Other receivables</i>		14,680,287,603	-	-	(6,129,427,168)	36,423,395,149	44,974,255,583
Investments	20	-	-	-	-	-	-
Investment Properties	21	-	-	-	-	-	-
Non-Produced assets	22	-	-	-	-	-	-
LIABILITIES		-	-	-	-	-	-
Borrowings	23	-	-	-	-	-	-
Payables	24	-	-	-	-	-	-
Deposits	25	-	-	-	-	-	-
Pensions	26	-	-	-	-	-	-
Total		79,428,656,263	-	-	(6,129,427,168)	5,996,346,467	79,295,575,561

Ministry of Education and Sports – USDP Project
Statement of Performance
For the year ended 30 June 2021 (Memorandum Statement)

Summary of Major Outputs for the Vote	Forecast Performance For FY ended 30 June 2021	Actual Performance for the year ended 30 June 2021	Explanations for the performance variations
070501 Policies, laws, guidelines plans and strategies	Staff Salaries, Workshops, Adverts, Books & periodicals, stationary, consultancies (16,669,572,000)	Staff Salaries, Workshops, Adverts, Books & periodicals, stationary, consultancies (16,669,572,000)	N/A
Training and Capacity Building of BTVET Institutions	148 Instructors Trained at the 4 clusters; Bukalasa, UTC Elgon, UTC Lira, UTC Bushenyi. (7,531,000,000)	None	Training did not take place due restrictions on International Travels and closure of education institutions due to COVID-19.
Purchase of Specialized Machinery & Equipment	Assorted Equipment and Consumables procured and installed for the 4 clusters and the 12 VTIs (4,325,000,000)	None	Delayed procurement and Delivery schedules interrupted by the COVID 19 pandemic
Construction and rehabilitation of learning facilities.	Civil works at UTC Bushenyi and its VTIs, Civil works at Elgon and its VTIs, Civil works at Bukalasa and its VTIs and Civil works at UTC Lira & its VTIs (30,295,416,000)	28,243,794,908	a) The civil works at Nyamitanga, Kalera and UTC Bushenyi Lot 1 stalled due to misunderstandings with the contractor.



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Ministry of Education and Sports – USDP Project

Statement of Revenues collected during the year

[Based on source of revenue] Memorandum Statement

Actual collected 30 June 2020 (Shs)		Actual collected 30 June 2021 (Shs)	Budget 30 June 2021 (Shs)	Variance 30 June 2021 (Shs)
	<i>Tax Revenues</i>			
	Local Services Tax	-	-	-
	Land fees	-	-	-
	Business Licenses	-	-	-
	Other tax revenues	-	-	-
	<i>Non Tax Revenues</i>	-	-	-
	Investment income	-	-	-
	Dividends	-	-	-
	Rent	-	-	-
	Other property income (disposal of assets)	-	-	-
	Sale of goods and services	-	-	-
	Administrative fees and licenses	-	-	-
	Court fines and Penalties	-	-	-
	Other fines and Penalties	-	-	-
	Miscellaneous Revenue	-	-	-
	Total Revenue	-	-	-



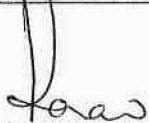
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Ministry of Education and Sports – USDP Project

**Statement of Arrears of Revenues [Based on source of revenue per category]
(Memorandum Statement)**

	Opening balance 01 July 2019	Arrears in A collected during the year	Amounts billed during the year	Actual Amounts collected for the year	Arrears of Revenue for the Year E (C-D) (Shs)	Cumulative Arrears of Revenue as at 30 June 2021 F A-B+E (Shs)
	A (Shs)	B (Shs)	C (Shs)	D (Shs)		
RECEIPTS						
<i>Tax Revenues</i>	-	-	-	-	-	-
Local Services Tax	-	-	-	-	-	-
Land fees	-	-	-	-	-	-
Business Licenses	-	-	-	-	-	-
Other tax revenues	-	-	-	-	-	-
<i>Non Tax Revenues</i>	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Other property income	-	-	-	-	-	-
Sale of goods and services	-	-	-	-	-	-
Administrative fees and licenses	-	-	-	-	-	-
Court fines and Penalties	-	-	-	-	-	-
Other fines and Penalties	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-

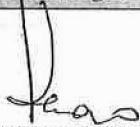


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Ministry of Education and Sports – USDP Project
Statement of contingent liabilities and guarantees
[Memorandum Statement]

	Schedule	30 June 2021 (Shs)	30 June 2020 (Shs)
DOMESTIC			
Legal proceedings		-	-
Guarantees and indemnities		-	-
Guarantees of bank overdrafts		-	-
Guarantees under Public Private Partnerships		-	-
Other contingent liabilities		-	-
Total Domestic Contingencies		-	-
FOREIGN			
Legal proceedings		-	-
Guarantees and indemnities		-	-
Guarantees of bank overdrafts		-	-
Guarantees under Public Private Partnerships		-	-
Other contingent liabilities		-	-
Total Foreign Contingencies		-	-
Total Contingent Liabilities		-	-



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Ministry of Education and Sports – USDP Project
Statement of non-quantifiable contingent liabilities

[Memorandum Statement]

Serial No.	Brief description of liability, its origin, nature, the uncertainty, and period of identification	Type of liability	Any other comment/responsibility
-		-	-
-		-	-
-		-	-
-		-	-
-		-	-
-		-	-
-		-	-
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Ministry of Education and Sports – USDP Project
Statement of Outstanding Commitments
[Commitments by nature of expenditure]

	Outstanding commitments at beginning of year 1 July 2020 (Shs)	Adjustments to the previous year's commitments (Shs)	Prior years commitments paid during the year (Shs)	New outstanding commitments incurred during the year (Shs)	Cumulative outstanding commitments 30 June 2021 (Shs)
Payables & Pension liabilities					
Operating Commitments					
Employee costs	-	-	-	-	-
Pensions	-	-	-	-	-
Goods and services consumed	-	-	-	-	-
Subsidies	-	-	-	-	-
Transfers to Other Organisations	-	-	-	-	-
Social benefits	-	-	-	-	-
Other operating expenses	-	-	-	-	-
Finance costs	-	-	-	-	-
Total Operating Commitments	-	-	-	-	-
Capital Commitments					
Non - produced assets	-	-	-	-	-
Property	-	-	-	-	-
Plant	-	-	-	-	-
Equipment	-	-	-	-	-
Total Capital commitments	-	-	-	-	-
Total Commitments (Operating & Capital)	-	-	-	-	-
Deposits Received					
Deposits received	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total Deposits Received	-	-	-	-	-
Total Commitments	-	-	-	-	-



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Ministry of Education and Sports – USDP Project

Statement of losses of public money and stores written off, and claims abandoned during the year

Reference number of reported loss/write off/claim abandoned.		Opening Balance as at 1 July 2020 (Shs)	Losses written-off in the YR ended 30 June 2021 (Shs)	Cumulative Losses written-off as at 30 June 2021 (Shs)
	Losses of public moneys (cash and cash equivalents)			
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total losses of cash written off	-	-	-
	Losses of stores			
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total losses of stores written off	-	-	-
	Losses of other assets (Property, Plant & Equipment)			
		-	-	-
		-	-	-
		-	-	-
	Total losses of other assets written off	-	-	-
	Claims abandoned			
		-	-	-
		-	-	-
		-	-	-
	Total value of claims abandoned	-	-	-
	Total losses of public funds, stores and claims abandoned	-	-	-

Ministry of Education and Sports – USDP Project

Statement of reported losses of public moneys, stores and other assets whether or not written off during the year

Reference number of reported loss/bad debt		Opening Balance as at 1 July 2020 (Shs)	Losses for the YR ended 30 June 2021 (Shs)	Cumulative Losses as at 30 June 2021 (Shs)
	Bad debts			
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total bad debts	-	-	-
	Losses of public moneys reported (cash and cash equivalents)			
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total losses of cash	-	-	-
	Losses of stores reported.			
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total losses of stores reported	-	-	-
	Losses of other assets (Property, Plant & Equipment)			
		-	-	-
		-	-	-
		-	-	-
	Total losses of other assets reported	-	-	-
	Total losses of public funds, stores and other assets reported	-	-	-

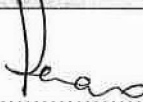


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Ministry of Education and Sports – USDP Project
Summary statement of stores and other assets (physical assets) as at the end of the year

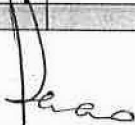
Category/ Description	Opening balance 1 July 2020 Cost (Shs)	Additions during the year 30 June 2021 Cost (Shs)	Disposals during the year 30 June 2021 cost (Shs)	Cumulative at 30 June 2021 Cost (Shs)
Non Produced Assets				
Land	-	-	-	-
Cultivated Assets	-	-	-	-
Other naturally occurring assets	-	-	-	-
Buildings & Structures				
Non Residential buildings	-	-	-	-
Residential buildings	-	-	-	-
Roads and bridges	-	-	-	-
Other structures	-	-	-	-
Transport equipment				
Motor Vehicles	-	-	-	-
Trailers/ Semi-trailers	-	-	-	-
Ships and other marine vessels	-	-	-	-
Railway locomotives	-	-	-	-
Aircrafts	-	-	-	-
Motor cycles and Bicycles	-	-	-	-
Other transport equipment	-	-	-	-
Machinery and equipment				
Office equipment	-	-	-	-
Medical equipment	-	-	-	-
ICT Equipment	-	-	-	-
Laboratory and research equipt	-	-	-	-
Other Machinery & equipment	-	-	-	-
Other Assets				
Furniture and fittings	-	-	-	-
Classified Assets	-	-	-	-
Others	-	-	-	-
Total value of physical assets acquired, disposed of and balances	-	-	-	-


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Schedule of Letters of Credit

Ministry of Education and Sports – USDP Project

Name of Supplier	LC Number	Date opened	Due date	Bank	Currency	Amount (Foreign currency)	Amount (U.Shs)
Eagle Scientific Ltd	991LCFC210200002	20.01.2021	30.11.2021	BOU	US\$	\$1,475,987.42	5,446,585,458
De Lorenzo SPA	991LCFC210200001	21.01.2021	30.11.2021	BOU	US\$	\$2,399,297.31	8,853,718,983
VENEFIR SRL	991LCFC210120001	12.01.2021	30.11.2021	BOU		\$2,768,593.26	10,296,038,417
Unique Intergrated Sytems Ltd - Lot 1	991LCFC211270003	07.05.2021	30.11.2021	BOU	US\$	\$224,119.83	816,352,001
Unique Intergrated Sytems Ltd - Lot 2	991LCFC211270004	07.05.2021	30.11.2021	BOU	UGX	\$91,673.95	333,920,529
Unique Intergrated Sytems Ltd - Lot 3	991LCFC211270002	07.05.2021	30.11.2021	BOU	UGX	\$216,633.18	789,082,014
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
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-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
Total	-	-	-	-	-	\$7,176,304.95	26,535,697,402



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Ministry of Education and Sports – USDP Project
Schedule of Project and Subvention Balances

Project /Subvention Name	End Date	Funding Source/ Agency	Currency	Balance as at 1 July 2020	Disbursements for the Year	Payments for the Year	Balance as at 30 June 2021
Project balances							
USDP Designated Acc	31/12/2022	IDA	US\$	62,496,644,475	46,531,909,494	82,512,299,893	26,516,254,076
USDP Project Acc	31/12/2022	IDA	UGX	1,869,197,987	48,493,746,000	43,576,860,929	6,786,083,058
UTC Bushenyi	31/12/2022	IDA	UGX	31,202,674	917,574,605	846,059,024	102,718,255
Karera VTI	31/12/2022	IDA	UGX	103,764	87,312,362	86,864,567	551,559
Nyamitanga VTI	31/12/2022	IDA	UGX	19,381	112,315,350	110,210,550	2,124,181
Lake Katwe VTI	31/12/2022	IDA	UGX	200,078	116,180,000	116,200,939	179,139
Bukalasa Agric. College	31/12/2022	IDA	UGX	57,646,814	648,000,000	551,960,307	153,686,507
Ssesa Farm Institute	31/12/2022	IDA	UGX	135,730	101,323,100	96,992,200	4,466,630
Rwentanga VTI	31/12/2022	IDA	UGX	4,188,598	206,496,800	197,661,384	13,024,014
Kaberaimaido VTI	31/12/2022	IDA	UGX	17,068,683	96,883,932	52,678,850	61,273,765
UTC Lira	31/12/2022	IDA	UGX	128,256,384	856,974,600	879,926,879	105,304,105
Ora VTI	31/12/2022	IDA	UGX	24,039,515	146,886,400	119,888,335	51,037,580
Kitgum VTI	31/12/2022	IDA	UGX	19,430,721	119,662,932	105,473,169	33,620,484
Kalongo VTI	31/12/2022	IDA	UGX	7,792,184	154,240,644	139,208,145	22,824,683
UTC Elgon	31/12/2022	IDA	UGX	24,248,551	640,265,014	331,956,885	332,556,680
Butaleja VTI	31/12/2022	IDA	UGX	42,408,220	67,641,042	105,763,040	4,286,222
Kasodo VTI	31/12/2022	IDA	UGX	14,850,321	200,497,670	121,154,400	94,193,591
Kaliro VTI	31/12/2022	IDA	UGX	10,934,580	152,567,098	126,366,229	37,135,449
Sub-total Project Balances				64,748,368,660	99,650,477,043	130,077,525,725	34,321,319,978
Subvention Balances	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Ministry of Education and Sports – USDP Project

Annexes to the Financial Statements

Annexes to the Financial Statements

Annex (i): Pension Payroll

	Name	Last Position held	IPPS no	Pension no.	Supplier no (IFMS)	Amount
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-

Annex (ii): Schedule of Inventory

	Category	Opening balance as at 1st July 2020 Cost Shs	Purchase/ Additions/ Cost Shs	Usage/Disposal Cost Shs	Obsolete Cost Shs	Closing balance 30 June 2021 Cost Shs
1	c.g Drug (a), Visa stickers, Passports					
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-

Annex (iii): Trial Balance

Annex (iv): Bank Reconciliations and list of all bank accounts

Annex (v): Schedule of Verified Arrears

Annex (vi): Summary Staff Payroll

Salary scale	Number of Employees at the beginning of the year 1st July 2020	New employees to the vote either through transfers or through recruitment	Number of employees transferred / retired/deceased	Number of Employees at the end of the year 30 June 2021
Specified scale	-	-	-	-
U1S	-	-	-	-
U1SE	-	-	-	-
U1E	-	-	-	-
U2	-	-	-	-
U3	-	-	-	-
U4	-	-	-	-
U5	-	-	-	-
U6	-	-	-	-
U7	-	-	-	-
U8	-	-	-	-
Contract Staff	35	7	2	40
Total	35	7	2	40

Ministry of Education and Sports – USDP Project

Annexes to the Financial Statements

USDP PROJECT			
TRIAL BALANCE AS AT 30 June 2021		IDA - UGX	
Item Particulars	Debit	Credit	
Reconciled Bank Balances	34,321,319,978	-	
Receivables	44,974,255,583	-	
Operating Revenue - External Assistance	-	46,531,909,494	
Operating Revenue - Transfers from Treasury	-	-	
Employee Costs	3,690,358,794	-	
Goods & Services Consumed	12,958,666,727	-	
Consumption of property, plant & equipment	28,243,794,908	-	
Accumulated Reserves as at 30 June	-	79,428,656,262	
Transfers to UCF	-	-	
Forex Differences	1,772,169,765	-	
	-	-	
TOTALS	125,960,565,756	125,960,565,756	

USDP PROJECT		
TRIAL BALANCE AS AT 30 June 2021		GOU - UGX
Item Particulars	Debit	Credit
Reconciled Bank Balances	-	-
Receivables	-	-
Operating Revenue - External Assistance	-	-
Operating Revenue - Transfers from Treasury	-	1,069,738,141
Employee Costs	-	-
Goods & Services Consumed	1,048,092,302	-
Consumption of property, plant & equipment	-	-
Accumulated Reserves as at 30 June	-	-
Transfers to UCF	21,645,839	-
Forex Differences	-	-
	-	-
	-	-
	1,069,738,141	1,069,738,141

Ministry of Education and Sports – USDP Project
Annexes to the Financial Statements

COMPLETE SCHEDULE OF RECEIVABLES AS AT 30 JUNE 2021			
A	<u>Advance Payment Guarantees for Civil Works contractors</u>		
	<u>Contractor</u>	<u>Amount in UGX</u>	<u>Equiv. in US\$</u>
	Prism Construction Ltd	2,318,548,281	\$634,674.45
	Sarick Construction Ltd	1,024,311,117	\$280,392.73
	Synergy Enterprises Ltd	581,149,404	\$159,082.60
	Zimu Construction Co. Ltd	676,313,469	\$185,132.60
	Vambeco Enterprises Ltd	1,764,433,535	\$482,992.27
	King Albert Constructions Ltd	1,021,860,258	\$270,205.44
	Rayna (U) Ltd	647,267,263	\$171,153.68
	BMK (U) Ltd	916,977,108	\$238,875.75
	Ambitious Construction Company Ltd	1,688,225,575	\$463,482.46
	Egiss Engineering Contractors Ltd	2,717,271,350	\$745,994.86
	Rayna (U) Ltd	701,327,669	\$192,541.25
	Roja (U) Ltd	748,407,792	\$205,466.55
	Busenzi Enterprises Ltd	807,742,353	\$221,756.15
	<i>Sub-Total Civil Works Advances</i>	<i>15,613,835,174</i>	<i>\$4,251,750.79</i>
B	<u>Advance Payment Guarantees from Equipment Suppliers</u>		
	Eagle Scientific Ltd	683,620,439	\$184,498.00
	De Lorenzo SPA	1,111,263,934	\$299,912.00
	Unique Intergrated Sytems Ltd - Lot 1	204,088,000	\$56,028.96
	Unique Intergrated Sytems Ltd - Lot 2	83,480,132	\$22,916.49
	Unique Intergrated Sytems Ltd - Lot 3	197,270,503	\$54,155.29
	<i>Sub-Total Equipment Advances</i>	<i>2,279,723,008</i>	<i>\$617,510.74</i>
C	<i>Fund for retooling Assessors advanced to UBTEB</i>	<i>545,000,000</i>	<i>\$149,306.07</i>
D	<u>Letters of Credit Outstanding</u>		
	Eagle Scientific Ltd	5,446,585,458	\$1,475,987.42
	De Lorenzo SPA	8,853,718,983	\$2,399,297.31
	VENEFIR SRL	10,296,038,417	\$2,768,593.26
	Unique Intergrated Sytems Ltd - Lot 1	816,352,001	\$224,119.83
	Unique Intergrated Sytems Ltd - Lot 2	333,920,529	\$91,673.95
	Unique Intergrated Sytems Ltd - Lot 3	789,082,014	\$216,633.18
	<i>Sub-Total Letters of Credit outstanding</i>	<i>26,535,697,402</i>	<i>\$7,176,304.95</i>
	TOTAL RECEIVABLES REPORTED	44,974,255,583	\$12,194,872.55