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THE REPUBLIC OF UGANDA

OFFICE OF
 THE AUDITOR GENERAL
 APOLLO KAGWA ROAD,
 PLOT 2C,
 P.O. Box 7083,
 KAMPALA.

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

FIIT.151/253/01/2115th December, 2021

The Permanent Secretary
 Ministry of Lands, Housing and Urban Development
Kampala

**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF
 COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP) COMPONENT
 1- LAND ADMINISTRATION (IDA CREDIT AGREEMENT CR 52690-UG) PROJECT ID
 P130471 FOR THE YEAR ENDED 30TH JUNE 2021**

I am enclosing herewith a report which I have already sent to the Speaker in terms of Article 163 (4) of the Constitution.

John F. S. Muwanga
AUDITOR GENERAL

Copy to: The Permanent Secretary/ Secretary to the Treasury
 Ministry of Finance, Planning and Economic Development

The Executive Director
 Private Sector Foundation Uganda (PSFU)

The Accountant General
 Ministry of Finance, Planning and Economic Development

The International Development Agency/World Bank

The Project Coordinator, CEDP

The Managing Partner M/S Backhouse, Certified Public Accountants

OFFICE OF THE AUDITOR GENERAL



THE REPUBLIC OF UGANDA

**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF
COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
COMPONENT 1- LAND ADMINISTRATION
(IDA CREDIT AGREEMENT CR 52690-UG) PROJECT ID P130471
FOR THE YEAR ENDED 30TH JUNE 2021**

**OFFICE OF THE AUDITOR GENERAL
UGANDA**

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LIST ACRONYMS

ACRONYM	MEANING
AG	Accountant General
AGO	Accountant General's Office
BIK	Benefits in Kind
BoU	Bank of Uganda
CEDP	Competitiveness and Enterprise Development Project
CG	Central Government
DA	Designated Account
DP	Développement Partner
DST	Deputy Secretary to Treasury
FA	Financing Agreement
GoU	Government of Uganda
HQ	Headquarters
HTTI	Hotel and Tourism Training Institute
IDA	International Development Association
IECS	Information Education and Communication Strategy
IESBA	International Ethics Standards Board for Accountants
IFMS	Integrated Financial Management System
IFRS	Interim Financial Reports
ITA	Income Tax Act
KCCA	Kampala Capital City Authority
LARC	Land Administration Reform Component
LIS	Land Information System
M&E	Monitoring and Evaluation
MDA	Ministries, Departments and Agencies
MGF	Matching Grant Facility
MICE	Meeting Incentives Conventions and Events
MLHUD	Ministry of Lands Housing and Urban Development
MOFPED	Ministry of Finance, Planning and Economic Development
MOU	Memorandum of Understanding
MZOs	Ministry Zonal Offices
UGNLIS	Uganda National Lands Information System
URSB	Uganda Registration Services Bureau

**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF
COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
COMPONENT 1-LAND ADMINISTRATION REFORM (IDA CREDIT AGREEMENT CR
52690-UG) PROJECT ID P130471
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2021**

THE RT. HON. SPEAKER OF PARLIAMENT

Opinion

I have audited the accompanying financial statements of the Competitiveness and Enterprise Development Project (CEDP) Land Administration Reform Component (IDA Credit Agreement CR. 52690 – UG) Project ID P130471 for the year ended 30th June 2021. These financial statements comprise of the Statement of Financial Position as at 30th June 2021, Statement of Income and Expenditure and Statement of Cash Flows for the year ended, which have been prepared on the basis of the accounting policies set out under Note 8.6 to the financial statements.

In my opinion, the financial statements for the Competitiveness and Enterprise Development Project (CEDP) Component 1-Land Administration Reform (IDA Credit Agreement CR. 52690-UG) Project ID P130471, for the year ended 30th June 2021 are prepared, in all material respects, in accordance with the terms of the financing agreement, and in conformity with the basis of Accounting described under Note 8.6 of the financial statements.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). 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 Project Management in accordance with the Constitution of the Republic of Uganda (1995) as amended, the National Audit Act (NAA) 2008, the International Ethics Standards Board for Accountants' (IESBA) Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements in Uganda, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period.

I have determined that there are no key audit matters to communicate in my report

Other Matters

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

1.0. BUDGET PERFORMANCE

It was noted that out of the UGX.12.73Bn budget allocated for the project activities during the fiscal year 2020/2021, UGX.11.86 Bn (93%) was spent, leaving a balance of UGX.0.87Bn as summarized in the table below;

S/n	Component	Budget allocation (UGX) Bn	Spent (UGX) Bn	Unspent Funds (UGX) Bn	% of Spent funds (UGX)
1	LIS Design Enhancement & Roll-Out to all 21 MZOs (including supply of equipment, HW/SW)	9.943	9.25	0.693	93
2	Strengthening Land Use Planning	0.107	0.103	0.004	97
3	Strengthening to Surveys and Mapping	0.201	0.105	0.096	53
4	Accelerating Registration of Individual and Communal Land	1.946	1.939	0.007	100
5	Implementing a Program of actions for strengthening Land administration	0.011	0.004	0.007	34
6	Project Management of Land Administration reform component	0.524	0.46	0.064	88
	Total	12.732	11.861	0.871	93

The under absorption negatively affected the timely completion of the planned project activities. This could lead to failure to fully implement the project activities within the project duration, hence delayed service delivery.

Management explained that the absorption was caused by the COVID 19 lockdown, which could not enable 100% achievement of all activities. However, efforts shall be made to ensure that all planned activities are implemented and funds absorbed, going forward.

I advised management to roll over the activities and fast track their implementation in the subsequent period.

2.0. FLAWS AND CHALLENGES WITH THE LAND INFORMATION SYSTEM

One of the project's objectives was to reduce errors resulting from multiple titling and land disputes.

From examination of a sample of titles, I noted that one plot of land has multiple titles while others are plotted in the middle of the road and wetlands. Such inaccurate/wrong sketches captured on the Uganda National Lands Information System (UGNLIS) may lead to land wrangles, and Government may face challenges from title holders with land titles in roads and wetlands.

Management explained that the UGNLIS now developed and deployed, does not permit a single plot to have multiple titles because each parcel is linked to its respective title. This is due to the fact that the comprehensive system directly links the parcel to the title. In Addition, Data was captured as-is, during the scanning process from the manual cadastral sheets of the parcels that appear to be in the main road and wetlands. This may have been caused by wrong controls or poorly drawn parcels on cadastral sheets. All these types of errors happened before the implementation of UGNLIS. There is a planned data cleaning for this, and some will be handled case by case when detected.

I advised management to expedite this action and also consider seeking guidance from the system developers to clean up the system effectively, if necessary.

Other Information

Management 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 Responsibility for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the project's ability to continue delivering its mandate, disclosing, as applicable, matters related to affecting the delivery of the mandate of the Competitiveness and Enterprise Development Project (CEDP) Component 1-Land Administration Reform (IDA Credit Agreement CR. 52690 – UG) Project ID P130471, and using the Project Funding Guidelines, unless the Accounting Officer has a realistic alternative to the contrary.

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

As part of an audit in accordance with ISAs, I exercise professional judgment 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 our 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 project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 project's ability to deliver its mandate. 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 Competitiveness and Enterprise Development Project (CEDP) Component 1- Land Administration Reform (IDA Credit Agreement CR. 52690 – UG) Project ID P130471 to fail to deliver its mandate.
- 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 management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with him/her 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 management, 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

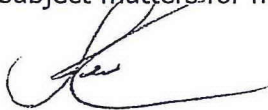
In accordance with Sections 19 (1) of the National Audit Act (NAA) 2008, I report to you, based on my work described on the audit of Financial Statements that;

- i) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of our audit.
- ii) In my opinion, proper books of account have been kept by the project, so far as appears from our examination of those books.
- iii) The Project's Financial Statements are in agreement with books of account.

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 Project management with specific matters in key legislations. I performed procedures to identify findings but not to gather evidence to express assurance.

There were no material findings in respect of the compliance criteria for the applicable subject matters for me to report.



John F.S. Muwanga
AUDITOR GENERAL

15th December, 2021

**REPORT OF THE AUDITOR GENERAL ON THE DESIGNATED ACCOUNT
OPERATIONS OF THE COMPETITIVENESS AND ENTERPRISE DEVELOPMENT
PROJECT (CEDP) COMPONENT 1-LAND ADMINISTRATION REFORM (IDA CREDIT
AGREEMENT CR 52690-UG) PROJECT ID P130471
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2021**

THE RT. HON. SPEAKER OF PARLIAMENT

Opinion

I have audited the Designated Account Statement of the Competitiveness and Enterprise Development Project (CEDP) Component 1-Land Administration Reform (IDA Credit Agreement CR 52690-UG) Project ID P130471 for the year ended 30th June 2021, which is set out on pages 20 to 28 of the financial statements.

In my opinion, Project Management complied in all material respects with IDA rules and procedures and that the Designated Account Statement for Competitiveness and Enterprise Development Project (CEDP) Component 1-Land Administration Reform (IDA Credit Agreement CR 52690-UG) Project ID P130471 presents fairly in all material respects the account transactions and the closing balance as at 30th June 2021.


Management Responsibility for the Designated Account Statement

Project management is responsible for preparation of the designated statement and its fair presentation in accordance with the requirements for the Government of Uganda regulations, and loan (IDA) guidelines. Management is also responsible for designing and implementing internal controls relevant to the preparation of the designated account statement that is free from material misrepresentation, whether due to fraud or error and selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the designated account statement based on my audit. I conducted my audit in accordance with International Standards on Auditing (ISAs) and the IDA guidelines on auditing. Those standards and the loan guidelines require that I plan and perform the audit to obtain reasonable assurance about whether the designated account statement is free from material misstatement.

I believe that the audit evidence I have obtained provides a reasonable basis for my opinion.


John F. S. Muwanga
AUDITOR GENERAL

15th December, 2021

FINANCIAL STATEMENTS

**MANAGEMENT REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**



LANDS ADMINISTRATION REFORM COMPONENT 1 (PROJECT ID P130471)

FOR THE YEAR ENDED 30 JUNE 2021

**PROJECT IMPLEMENTING UNIT: MINISTRY OF LANDS, HOUSING AND URBAN
DEVELOPMENT. (MLHUD)**



On Behalf of



**By
Your Ultimate Partner**



Backhouse CPA-U

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Audit Report on the Financial Statements As At Year End 30th June 2021

ACRONYMS

AG	-	Accountant General
AGO	-	Accountant General's Office
BIK	-	Benefits in Kind
BoU	-	Bank of Uganda
CEDP	-	Competitiveness and Enterprise Development Project
CEDP-AF	-	Competitiveness and Enterprise Development Project Additional Financing
CG	-	Central Government
DA	-	Designated Account
DP	-	Development Partner
DST	-	Deputy Secretary to Treasury
FA	-	Financing Agreement
GoU	-	Government of Uganda
HQ	-	Headquarters
HTTI	-	Hotel and Tourism Training Institute
IDA	-	International Development Association
IECS	-	Information Education and Communication Strategy
IFMS	-	Integrated Financial Management System
IFRs	-	Interim Financial Reports
ITA	-	Income Tax Act
KCCA	-	Kampala Capital City Authority
LARC	-	Land Administration Reform Component
LIS	-	Land Information System
M&E	-	Monitoring and Evaluation
MDA	-	Ministries, Departments and Agencies
MGF	-	Matching Grant Facility
MICE	-	Meeting Incentives Conventions and Events
MLHUD	-	Ministry of Land Housing and Urban Development
MOPPED	-	Ministry of Finance, Planning and Economic Development
MOU	-	Memorandum of Understanding

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Audit Report on the Financial Statements As At Year End 30th June 2021

ACRONYMS

MTEF	-	Medium Term Expenditure Framework
MTWA	-	Ministry of Tourism Wildlife and Antiquities
NSSF	-	National Social Security Fund
OAG	-	Office of the Auditor General
PA	-	Project Agreement
PAYE	-	Pay As You Earn
PCU	-	Project Coordination Unit
PDE	-	Procuring and Disposing Entity
PPDA	-	Public Procurement and Disposal of Public Assets Authority
PS/ST	-	Permanent Secretary/Secretary to Treasury
PSC	-	Project Steering Committee
PSCF II	-	Second Private Sector Competitiveness Project
PSFU	-	Private Sector Foundation Uganda
PTC	-	Project Technical Committee
SGA	-	Subsidiary Grant Agreement
TIMS	-	Tourism Information Management System
UGX	-	Uganda Shillings
UIA	-	Uganda Investments Authority
URA	-	Uganda Revenue Authority
URSB	-	Uganda Registration Services Bureau
USD	-	United States Dollars
UTB	-	Uganda Tourism Board
UWA	-	Uganda Wildlife Authority
VAT	-	Value Added Tax

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Audit Report on the Financial Statements As At Year End 30th June 2021

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COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Audit Report on the Financial Statements As At Year End 30th June 2021

1.0 Project Information.

FUNDERS.

International Development Association
1818 H Street, NW
Washington DC 20433
United States of America

COUNTERPART

Government of Uganda by MoFPED
Plot 2-12 Apollo Kagwa Road
P.O Box 8147
Kampala Uganda

OFFICE AND PLACE OF BUSINESS

Ministry of Lands, Housing and Urban Development.
CEDP Land Administration Reform component.
Parliament Avenue
P.O Box 7069
KAMPALA, UGANDA

PROJECT COORDINATION UNIT AND FUNCTION/COMPONENT MANAGERS.

Mrs. Dorcas W. Okalany	-	Permanent Secretary – MLHUD
Mr. Richard Juuko	-	Under Secretary – MLHUD.

PROJECT COORDINATION UNIT/COMPONENT TEAM

Grace Kagoro	-	Project Coordinator.
Joseph Kawuma	-	Financial & Accounting Specialist
John Obore	-	Procurement Specialist
Nicholas Ndawula	-	Monitoring and Evaluation Officer.

BANKERS

Bank of Uganda
Plot 37/45, Kampala RD
P.O Box 7120
Kampala, Uganda

Auditors (On Behalf of Auditor General).

Backhouse-CPA U
Plot 7, Mackinnon RD
P.O Box 25573
Kampala, Uganda

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Audit Report on the Financial Statements As At Year End 30th June 2021

2.0 Introduction to Competitiveness and Enterprise Development Project.

2.1 Background.

Government of Uganda is implementing Competitiveness and Enterprise Development Project. This Project was approved by IDA (World Bank) in May 2013, **CEDP Financing Agreement** was signed on 31st January 2014. **CEDP-Additional Financing agreement (CEDP-AF)** was signed by GoU represented by MoFPED on 9th November, 2020. The project's Development Objective (PDO) is to improve competitiveness of enterprises in Uganda by providing support for:

- i. Implementation of business environment reforms, and
- ii. Development of priority productive and service sectors.

Competitiveness and Enterprise Development Project is comprised of the following five (5) components;

Component 1-Land Administration Reform,

Component 2-Business Registration and Business Licensing Reforms,

Component 3-Tourism Competitiveness Development,

Component 4-Matching Grant Facility,

Component 5-Project Implementation – Government of Uganda.

Government of Uganda is implementing this Project through two Executing Agencies namely: Ministry of Lands, Housing and Urban Development (MLHUD), which is implementing Component 1 and Private Sector Foundation Uganda (PSFU), which is implementing components 2–5. Funding is shared between these two implementing agencies. Land Administration Reform Component 1 has committed funds amounting to US\$ 107.7 Million and PSFU-CEDP Components 2-5 have committed funds amounting to US\$ 91.1 Million these balances include CEDP Additional Financing Commitment approved by IDA (World Bank Group) on 2nd March 2020 and this approved additional commitment is reflected in the Detailed Financial Activity Balances for this project as at 20th March 2020 on world bank's website. To put this into context CEDP has two financing agreements, A Financing Agreement which was signed on 31st January 2014 ,that has total Committed Funds amounting to SDR 66.1 Million or US\$ 100 Million of which, Land Administration Reform Component 1 is allocated SDR 36 or US\$ 54 Million with Components 2-5 allocated SDR 30.1 Million or USD\$ 46 Million . CEDP Additional Financing Agreement (CEDP-AF) which was signed by MoFPED on 9th, November 2020 has total committed Funds amounting SDR 72.7 Million US\$ 99.8 Million . These funds are allocated as follows; Land reform Component 1 SDR 39.5 Million or US\$ 53.7 million and CEDP Components 2-5 SDR 33.2 Million or US\$ 45.1 Million.

This report provides the current status of implementing component 1 – Land Administration Reform. This component focuses on Land Administration Reforms .This component also supports implementation of Land Sector Strategic Plan (LSSP) II, it has four (4) sub-components which are;

Sub-Component 1-Improving land administration,

Sub-Component 2-Undertaking systematic registration of communal and individually owned land,

Sub-Component 3-Implementing a program of actions for strengthening institutions and mechanism for land dispute resolution, and

Sub-Component 4-Implementing a program of actions for strengthening land administration and management institutions.

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
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Land administration reforms envisioned under this project are intended to reduce land disputes and uncertainties in land ownership which should result in improved land security, productivity and Investment.

2.2 Governance.

Project Steering Committee (PSC)

This is the top most policy organ of CEDP, it is mandated to provide policy/strategic guidance and oversight to ensure delivery of the Project's Development Objective. The Committee receives and takes action on reports from the Project's Technical Committee (PTC). PSC provides a mechanism for GoU to plan and effectively monitor CEDP implementation towards attainment of the PDO.

It is chaired by Permanent Secretary/Secretary to Treasury/ (PS/ST) and comprises of Permanent Secretaries from ministries responsible for each respective project component and private sector representatives from PSFU.

Project Technical Committee (PTC)

PTC is responsible for providing day-to-day technical guidance and supervision of this project's implementation including:

- i) Review of consolidated annual work plans, budget, and procurement plan, as well as regular reviews of project M & E data to determine progress and propose any adjustments to the steering committee to ensure effectiveness and satisfactory achievement of end-of-project outcomes;
- ii) Consensus building on key policy issues related to implementation; and
- iii) Monitoring of issues related to implementation of reforms and environmental and social safeguard and due diligence work.

PTC, whose secretariat is at PSFU, meets on a monthly basis and prepares quarterly reports for presentation to the PSC. The technical committee is chaired by Executive Director, PSFU and comprises of all component Heads/Project Coordinators of implementing agencies.

2.3 Institutional Implementation Arrangements and Project Financing Agreements .

MLHUD is responsible for implementation of Land Administration Reform component of Competiveness and Enterprise development project.

Coordination.

Permanent Secretary, MLHUD is the designated Accounting officer For CEDP Component 1 and has overall responsibility. Project Coordinator together with a team of experts/consultants technically support the Accounting Officer in executing her role.

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Audit Report on the Financial Statements As At Year End 30th June 2021

b) Project Funding

Source of funding	Government of Uganda	IDA (World Bank)
Channel	Treasury	IDA Credit Account
Access	MoFPED Treasury Single Account /CEDP-GoU Counterpart Account	Designated Account
Legal Documents	CEDP Financing Agreement Dated 31 January 2014 (CR. 5269 UG) / Subsidiary Grant Agreement & CEDP Additional Financing Agreement signed on 9 th November 2020, (CR6538-UG) by MoFPED	CEDP Financing Agreement Dated 31 January 2014 (CR.5269 UG) / Project Agreement & CEDP Additional Financing Agreement signed on 9 th November 2020 (CR6538-UG) by MoFPED

CEDP Financing Agreement-CR 5269 UG between CEDP and IDA. This agreement was signed and approved on 31st January 2014 and discloses IDA funding for the entire CEDP project as follows;

Source	SDR	US\$ Equivalent
IDA (World Bank)	66,100,000	100,000,000

Subsidiary Grant agreement (SGR) between MoFPED and PSFU allocates funds to each component as tabulated below;

Details	US\$
Financing for Land Administration Reform Component 1	54,000,000
Component 2-5 Funding	
IDA Funding for components 2-5	46,000,000
GoU Uganda Funding to PSFU**	2,500,000
Total financing for CEDP Component 2-5	48,500,000
Total Project Funding	102,500,000

** These are Funds Contributed by GoU and are not part of Funds Disbursed by IDA (World Bank).

Project Extension and CEDP-Additional Financing Agreement (CEDP-AF) Credit Number 6538-UG.

The entire project (CEDP) was supposed to end on 31st March 2019. Its closing date was extended to 30th May 2022. Additional Financing for Components 1, 2 & 5 amounting to **SDR 72,700,000** or **USD 98,800,000** was approved by IDA (World Bank) on **2nd March 2020** and it was reflected as part of project's commitments as at that date within IDA's Detailed Financial Activity balances. Parliament of Uganda ratified this agreement for additional financing. The recipient (GoU) represented by MoFPED and IDA (World Bank) signed CEDP Additional Financing Agreement (CEDP-AF) on **9th November 2020** and **16th October 2020** respectively.

Total IDA Project Funding including CEDP-Additional Financing			
	Financing agreement-5269	CEDP-AF-6538	
Details	US\$	US\$	Total
Land Administration Reform Component	54,000,000	53,700,000	107,700,000
PSFU CEDP - Components 2-5	46,000,000	45,100,000	91,100,000
Total Additional Financing from IDA	100,000,000	98,800,000	198,800,000

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3.0 Project Component & Financial Performance Highlights for this Fiscal Year 2020/ 2021

3.1 Project Component Performance Highlights.

Key activities implemented during F/Y 2020/2021 as presented in the project progress report 30th June 2021.

No.	Activity	Budget (UGX)	Spent (UGX)	Achievements
1	Modernising systems and infrastructure Land Administration	10,250,496,154	9,458,811,510	<ul style="list-style-type: none"> · Supported and maintained the National Land Information System (NLIS) · Monitored and supervised operations of the 22 Ministry Zonal Offices · Continuously Operating Reference Stations maintained · Indexed 15,000 Luweero MZO backlog files to speed up LIS implementation · Sorted files and other records in preparation for upload on LIS · Problem analysis for harmonizing overlaps in the LIS Data Base undertaken · Retention fee in regard to contract for Supply, Installation and Design of National Land Information Centre paid · Mukono MZO records re-organisation
2	Accelerating registration of individual communal land	1,945,499,031	1,939,222,268	<ul style="list-style-type: none"> · SLAAC operated in 5 districts of Rwampara, Mbarara, Oyam, Ibanda and Kiruhura. · 22,684 parcels adjudicated and surveyed during the reporting period bringing the overall total to 66,148 parcels demarcated and surveyed to date. · 1,149 land applications were submitted to Kiruhura District Local Government for approval by the District Physical Planning Committee and District Land Board · 11,000 land title file applications were submitted to Oyam District Local Government for processing. · 1,153 applications cleared by Oyam District Land Office · 400 land titles have been produced · SLAAC activities in the 5 districts monitored and supervised. · Data capture for development of RAPPAs in Rugando - Mbarara District undertaken · Community sensitization, training, mapping and registration of communal land parcels in Namutumba undertaken · Final RAPPAs frameworks for Oyam, Ibanda & Rwampara Districts approved · Induction of newly recruited Data Processing Centre staff undertaken
3	Reviewing and developing capacity of land administration institutions	10,836,117	3,724,000	<ul style="list-style-type: none"> · Tuition and functional fees paid
4	Project implementation and management Land administration reform	524,036,654	460,163,240	<ul style="list-style-type: none"> · Project vehicles repaired, serviced and maintained · Contract staff salaries and gratuity paid · Project vehicle tyres procured · Project equipment engraved

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3.2 Financial Performance Highlights for Project Component for this Fiscal Year 2019/2020.

(I). Financial Performance for this fiscal year 2020/2021.

During this current Fiscal year 2020/2021 component 1 had funds amounting to **UGX 12.70 Billion (US\$ 3.4 Million)**, these balances comprised of opening UGX account balances totaling **UGX 0.443 Billion (US\$ 0.127 Million)** and IDA account balances of **UGX 12.229 Billion (US\$ 3.28 Million)**.

Expenditure incurred amounted to **UGX58.8 Billion (US\$ 11.9 Million)**, Bank Balances available at year end were **UGX 0.76 Billion (US\$ 0.13 Million)**.

(II). Comparison of Actual Expenditure against Budget for Fiscal Year 2020/2021.

This project component budgeted to incur Expenditure amounting to **UGX 12.73 Million** during current fiscal year but actually Incurred **UGX 11.9 Million**.

In terms of Performance this represented an absorption rate of **93% (UGX 11.9 Million/ UGX 12.73 Million)** of budgeted Funds. **7% (UGX 0.76 Million / UGX 11.9 Million)** of budgeted funds were not spent. These unspent funds partially relate to retainer fees which were set aside before the close of this fiscal year. The remaining outstanding balances were unspent due to disruptions caused by Covid-19 pandemic lockdown that resulted in implementation delays of two major activities SLAAC and Base Mapping.

(III). Actual Funds utilization against Commitments in accordance with Credit Agreement 5269 UG.

Total Committed Allocated Funds to CEDP Land Component 1 amount to **SDR 36 Million or US\$ 54 Million** this commitment fund balance does not include additional financing. During this current fiscal year **2019/2020, UGX 14.5 Billion or US\$ 3.8 Million** was received from IDA representing **7% (US\$ 3.8/ US\$54)** of IDA committed funds to this project .This project has received funding totaling to **US\$ 50.7 Million** since inception from IDA/World Bank representing **93.9% (USD50.7/ US\$54)**, of total committed funds. Take note that all Committed Funds Figures used are exclusive of Fees charged on balances and disbursements by IDA (World Bank Group).

(IV). Actual Funds Utilization against Commitments taking into account both Financing Agreements CEDP-5269 and CEDP-AF-6538.

Total Committed Allocated Funds for CEDP Land Administration Reform Component 1 amount to **SDR 75.5 Million (SDR 36 Million plus SDR 39.5 Million) or US\$ 107.7 Million (\$54 Million Plus \$53.7Million)**, these figures include Funds from CEDP-Additional Financing Agreement. During this current fiscal year 2019/2020, **UGX 14.5 Billion or US\$ 3.8 Million** was received from IDA representing **3.5% (US\$ 3.8/ US\$107.7)** of total funds committed to this project .This project has received funding amounting **US\$ 50.7 Million** from IDA/World Bank from 2015 to date, representing **47.1% (USD50.7/ US\$107.7)**, of total Committed funds. Take note that all committed fund balances used are **exclusive of Fees** charged on balances and disbursements by IDA (World Bank Group).

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4.0 Management's Responsibility for Presentation of these Financial Statements.

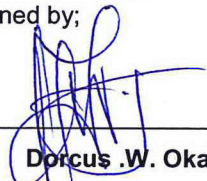
Government of Uganda and World Bank require that project component's management to prepare financial statements for each accounting period that give a true and fair view of the current state of affairs of this project and its operating results.

Management of Competitiveness and Enterprise Development Project (CEDP)-Land Administration and Reform component are responsible for preparing financial statements each year end, which give a true and fair view of the project's state of affairs. It's also their responsibility to Maintain and keep proper accounting records which support and disclose with reasonable accuracy the financial position of this project-component, they also ensure that assets of the project component are protected and maintained in accordance with the component's objectives.

It is Management's responsibility to maintain an adequate internal control system that ensure that the projects objectives are achieved. Management may delegate responsibility for internal controls to other members of the project component team. Standards and systems of internal controls are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of these financial statements and to adequately safeguard, verify and maintain accountability of the project component's assets. Appropriate accounting policies supported by reasonable and prudent judgments and estimates, are applied on a consistent basis. These systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

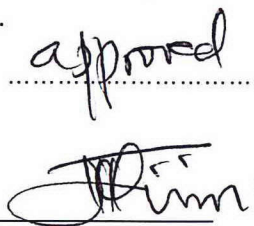
Management of this Project Component accepts responsibility for preparation and presentation of the statement of funds & expenditures, statement of financial position and IDA statement are prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates. Management are of the opinion that the statement of funds & expenditure , statement of financial position and IDA statement gives a true and fair view of the state of the financial affairs of this project component and of the results of its activities. Management of this project component accepts responsibility for maintenance of accounting records which are used in preparation of the component's financial statements. .

This for Management responsibility for Presentation of these financial statements was *approved* and signed by;



Dorcus .W. Okalany
ACCOUNTING OFFICER

Grace Kagoro
PROJECT COORDINATOR



Kawuma Joseph
FINANCE & ACCOUNTING SPECIALIST

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Audit Report on the Financial Statements As At Year End 30th June 2021

5.0 Audit Objectives, Scope & Approach.

Auditor General appointed Backhouse-CPA (U) to carry out an audit review of Competitiveness and Enterprise Development Project (CEDP) Component 1, (IDA Credit Agreement CR.5269-UG) for the year ending 30th June 2021.

5.1 Audit Objectives.

The audit objectives were:

- To recommend an opinion to Auditor General on whether the project's financial statements present fairly, in all material respects, Funds received, costs incurred and commodities and technical assistance directly procured by IDA for the period audited are in conformity with terms of the agreement and generally accepted accounting principles or other comprehensive basis of accounting (including cash receipts and disbursements basis and modifications of cash basis).
- To evaluate and obtain a sufficient understanding of the project's internal controls and assess soundness and adequacy of the project's procedures, and whether those procedures are consistently applied by the project in the normal course of operations.
- To perform tests to determine whether the project has complied, in all material respects, with agreement terms (including cost-sharing) and applicable laws and regulations related to IDA - funded projects. All instances of non-compliance and illegal acts that have occurred or are likely to have occurred should be identified. Such tests should include compliance requirements related to required costs-sharing contributions.
- To establish whether all external funds have been used in accordance with conditions of relevant legal agreements, with due attention to economy and efficiency and only for purposes for which financing was provided;
- To establish whether counterpart funds have been provided and used only for purposes for which they were provided and in accordance with the relevant financing agreements, with due attention to economy and efficiency;
- To establish whether goods and services financed have been procured in accordance with relevant financing agreements;
- To establish whether proper books of account were duly kept in accordance with the generally accepted accounting principles.

5.2 Audit Scope.

The audit scope required us to design and carry out sufficient audit steps and procedures in accordance with International Standards on Auditing to ensure that audit objectives were met for the year ending 30th June 2021.

Scope of the assignment covered loan by IDA and GoU contribution for implementation of Competitiveness and Enterprise Development Project (CEDP) Land Administration Component 1, (IDA Credit Agreement CR.5269-UG).

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Audit Assignment Geographical Location.

Audit assignment was carried out at the following Geographical location: -

Country office, Ministry of Lands, Housing & urban Development, CEDP Coordination Unit, Parliament Avenue, Kampala Uganda, location for all accounting records of the Project where the audit was conducted.

5.3 Audit Approach.

We designed our audit approach in accordance with International Standards on Auditing in order to achieve audit objectives outlined in section 5.1 Page 12.

During the audit process the following audit procedures were performed:

- Held initial entry meeting with management of the Project on 9th August 2021.
- Performed audit procedures to ensure that financial statements provided by management reflected operations of the Project's activities;
- Performed audit procedures on transactions of the Project's activities to ensure Expenditure were in line with the project's objectives ,were properly authorized and adequately supported;
- Performed audit procedures to check validity of funds received from IDA are properly reflected in the bank account, General Ledgers, and financial statements.
- Requests for independent confirmations were sent to confirm bank balances and Funds disbursed by World Bank (IDA);
- Reviewed internal control structure of the project, assessed extent to which good financial management practices and reporting were adhered to;
- Reviewed progress reports, contract agreements and other important correspondences.
- Examined bank statements, cash books to determine that funds were properly controlled and accounted for; investigated any unusual reconciling items in bank reconciliations statements.
- Carried out a detailed review of procurement transactions to ensure adherence to control procedures required by IDA.
- Assessed completeness of records and inquired from Project management any changes during the period
- Reviewed and assessed compliance with applicable laws, regulations and procedures.
- Carried out verification of expenditure incurred during the period under review and obtained an understanding of the Project accounting system, assessed its adequacy as a basis for preparation of the Project financial statements and established whether adequate records were maintained.

Paid particular attention to establish whether;

- All Bank funds were used in accordance with conditions of the financing agreement, with due attention to economy and efficiency and only in line with project's budgeted expenditure;
- Government contributions were provided for and used in accordance with conditions of the funding agreement, with due attention to economy and efficiency and in line with budgeted Expenditure;
- Goods, works and services financed were procured in accordance with the funding agreement and in accordance with the Bank's rules and procedures; and have been properly accounted for;
- Appropriate supporting documents, records and books of account relating to all Project activities are kept and clear linkages exist between the books of accounts and the financial statements presented

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
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- to the Bank. In particular, the accuracy and propriety of Expenditure withdrawn under IDA procedures were reviewed to provide assurance that the Project had maintained adequate supporting documentation to support claims for reimbursement of Expenditure incurred.
- Designated Account is maintained in accordance with provisions of the financing agreement.
- The financial statements are prepared by Project management in accordance with applicable accounting standards mentioned above and give a true and fair view of regarding the financial position of the Project as at the year end and its Funds Received and expenditures.
- Comprehensive assessment of adequacy and effectiveness of the accounting and overall internal control system to monitor Expenditure and other financial transactions and ensure safe custody of project-financed assets and that they are being used for the intended purposes;
- Project fixed assets are real, properly evaluated and Project property rights or related beneficiaries' rights are established in accordance with loan conditions; and
- Ineligible expenditure identified during the audit will be reflected in a separate paragraph of the Management Letter (audit report) and if material, the issue should be reflected in the auditor's opinion.

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COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
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Audit Report on the Financial Statements As At Year End 30th June 2021

8.0 Financial Statements.


8.1 Statement for Funds and Expenditure for this Fiscal Year 2020/2021.

Income	Notes	FY2020/21		FY2020/21		FY2019/20	
		UGX	USD	UGX	USD	UGX	USD
Fund balance at 01-07-2020							
Funds received during the year		12,719,791,779	3,428,549	57,056,843,887	15,461,344	14,506,039,740	3,825,725
Total funds available	9.1	12,719,791,779	3,428,549	71,562,883,627	19,287,069		
Expenditure							
Modernizing systems and infrastructure Land Administration	9.2	9,458,811,510	2,548,184	49,119,503,846	13,237,963		
Accelerating registration of individual communal land	9.3	1,939,222,268	522,422	7,958,358,886	2,144,819		
Strengthening institutions and mechanism for land dispute Resolution	9.4	-	-	300,000,000	80,852		
Reviewing and developing capacity of land administration institutions	9.5	3,724,000	1,003	219,163,883	59,066		
Project implementation and management – Land administration reform	9.6	460,163,240	123,967	1,175,963,346	316,928		
Exchange Loss	9.7	97,423,339	26,246	70,101,887	18,893		
Total expenditure for the year		11,959,344,357	3,221,822	58,843,091,848	15,858,521		
Excess of income over expenditure for the year		760,447,422	206,726	12,719,791,779	3,428,549		

This Statement of Financial Position was approved by management on 16/12/21 and signed by;


 Dorcas W. Okalany
 ACCOUNTING OFFICER

Grace Kagoro
 PROJECT COORDINATOR


 Kawuma Joseph
 FINANCE & ACCOUNTING SPECIALIST

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
 Land Administration Reform Component
 (IDA Credit Agreement CR 5269-UG) Project ID P130471
Financial Statements As At Year End 30th June 2021


8.2 Statement of Financial Position as at 30th June 2021.

	Notes	F/Y 2020/21 UGX	F/Y 2020/21 USD	F/Y 2019/20 UGX	F/Y 2019/20 USD
Current assets					
Bank balances	9.8	760,447,422	214,267	12,702,791,779	3,409,843
Receivables		-	-	17,000,000	4,563
Total assets		760,447,422	214,267	12,719,791,779	3,414,407
Represented by:					
Fund balance	9.8	760,447,422	214,267	12,719,791,779	3,414,407
Total funds		760,447,422	214,267	12,719,791,779	3,414,407

This Statement of Financial Position was approved by management on 16/12/21 and signed by;


 Dorcus W. Okalany
 ACCOUNTING OFFICER

Grace Kagoro
 PROJECT COORDINATOR


 Kawuma Joseph
 FINANCE & ACCOUNTING SPECIALIST


COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)


Land Administration Reform Component
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8.3 Statement of Cash Flows for this Fiscal year 2020/ 2021.

Notes	F/Y 2020/21 UGX	F/Y 2020/21 UGX	F/Y 2019/20 UGX	F/Y 2019/20 UGX
Total income received during the year	-	-	14,506,039,740	3,825,725
Realised exchange Rate Gain/(Loss)	-97,423,339	-	(70,101,887)	18,893
Total expenditure for the year	-11,861,921,018	3,221,822	(58,772,989,961)	15,858,521
Receivable	17,000,000	-	17,000,000	-4,563
Increase/(decrease) in cash during the	- 11,942,344,357	3,221,822	(44,354,052,108)	19,698,575
Bank balances at 01-07-2020	12,702,791,779	3,428,549	57,056,843,886	15,461,344
Bank balances at 30-06-2021	760,447,422	214,267	12,702,791,779	3,414,407

This Statement of Cash flows was approved by management on 16/12/21 and signed by;


Dorcus W. Okalany
ACCOUNTING OFFICER


Kawuma Joseph
FINANCE & ACCOUNTING SPECIALIST

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Financial Statements As At Year End 30th June 2021

8.4 IDA Statement / Designated Account Statement for this Fiscal Year 2020/2021.

	Year Ended		Year Ended		Cumulative	
	30 Jun.21	USD	30 Jun.20	USD	30 Jun.20	USD
Opening balance						
World Bank Loan Designated Accounts (UGX & USD)	3,409,843		15,442,639		-	
Add: Funds Received by Source						
IDA Loan (Funds to Designated Account)	-		3,825,725		50,695,725	
Total Funds for the Project	3,409,843		19,268,364		50,695,725	
Less: Expenditure by Category						
Modernizing systems and infrastructure Land Administration	2,548,184		13,237,963		44,366,959	
Accelerating registration of individual communal land	522,422		2,144,819		3,274,595	
Strengthening institutions and mechanism for land dispute Resolution	-		80,852		132,887	
Reviewing and developing capacity of land administration institutions	1,003		59,066		778,232	
Project implementation and management – Land administration reform	123,967		335,821		1,928,786	
Total Expenditure from Designated Account	3,195,577		15,858,521		50,481,458	
Surplus/(Deficit)	214,267		3,409,843		214,267	
Bank Balances as at 30th June						
BOU IDA UGX 00120088000056	23,828		127,066		23,828	
BOU IDA USD 00120088400025	190,439		3,282,778		190,439	
World Bank Designated Account	214,267		3,409,843		214,267	

The financial statements were approved by CEDP management on 16/12/21 and signed on its behalf by:

Dofcus W. Okalany
 ACCOUNTING OFFICER

Grace Kagoro
 ACTING PROJECT COORDINATOR

Kawuma Joseph
 FINANCE & ACCOUNTING SPECIALIST

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471
Financial Statements As At Year End 30th June 2021

8.6 Notes to the Financial Statements

a) Basis of accounting

The financial statements are prepared on a modified cash basis. The day today transactions are recorded on a cash basis. Adjustments are made at the end of the accounting period including outstanding accounts payable and receivable.

a) Receipts and payments

The receipts are recorded when physically received and payments recorded when actually paid.

b) Fixed assets

Fixed assets are expensed in full in the year of purchase. No depreciation is charged in the accounts. A memorandum record / fixed assets register is maintained for the record and safeguard of assets acquired for the Project.

d) Reporting Currency

Funds from the IDA are translated into the reporting currency (UGX) using the Bank of Uganda ruling rates on the respective dates of transactions. Payment transactions in foreign currency are translated in reporting currency at BOU transfer rate to which the transactions relate. Bank account balances denominated in foreign currency are translated into reporting currency using the Bank of Uganda rates at which the transfers were made. Exchange differences are realized in the Statement of Comprehensive Income in the year in which they arise.

Reporting Currency

The financial statements are prepared in Uganda Shillings.

The IDA Designated Account is maintained in US dollars and Project Account into which transfers from DA are made is maintained in Uganda Shillings. Foreign exchange gains/losses are related to conversion of transactions on USD account to Uganda Shillings for reporting purposes. Comparative reporting in USD does not have a significant effect of forex rates except for translation differences especially on opening and closing cash balances on local currency compared to transactional rates of inter account transfers (IAT).

c) **Exchange Rate Gains and Losses**

Opening as at 1 July 2020 and Closing balances as at 30 June 2021 are translated using the spot exchange rate between USD and UGX. All other transactions that are recorded in the financial statements between the 1 July 2020 to 30 June 2021 are translated using the spot rates applicable on the date of transaction (Average exchange rates). Gains occur when the average exchange rate is higher than Spot rates used to translate opening and closing bank balances. Losses occur when the average exchange rate is lower than spot rate used to translate opening or closing Bank balances. Closing balances at year end, when carried forward to 1 operating day of the next financial year are translated again using the spot exchange rate as at opening day.

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Land Administration Reform Component
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Financial Statements As At Year End 30th June 2021

Notes to Financial Statements

9.1 Funds received during the year

IDA/World Bank disbursement
Total

FY 2020/21 UGX	FY 2019/20 UGX
-	14,506,039,740
-	14,506,039,740

9.2 Modernizing Systems and Infrastructure Land Administration

Construction of zonal land offices in Mpigi, Luwero, Mityana, Kabale, Rukungiri, Tororo, Soroti, Moroto, Mukono, Wakiso

LIS Design Enhancement & Roll-Out to all 21 MZOs (includes supply of Equipment, HW/SW)

Strengthening Land Use Planning

Strengthening to Surveys & Mapping

Total

FY 2020/2021 UGX	FY 2019/2020 UGX
-	1,739,169,551
9,250,281,910	39,426,697,201
103,153,600	354,256,034
105,376,000	7,599,381,060
9,458,811,510	49,119,503,846

9.3 Accelerating Registration of Individual Communal Land

Communal Land Registration Activities

Total

1,939,222,268	7,958,358,886
1,939,222,268	7,958,358,886

9.4 Strengthening Institutions and Mechanism for Land Dispute Resolution

Dispute resolution in Land matters

Total

-	300,000,000.00
-	300,000,000

9.5 Reviewing and Developing Capacity of Land Administration Institutions

Capacity & Institutional Development of survey college Entebbe

Total

3,724,000	219,163,883
3,724,000	219,163,883

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
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Financial Statements As At Year End 30th June 2021

Notes to Financial Statements Cont...

**9.6 Project Implementation and Management –
Land Administration reform**

Operational Expenses

Total

FY 2020/2021	FY 20219/2021
UGX	UGX
460,163,240	1,175,963,346
460,163,240	1,175,963,346

9.7 Exchange Rate Differences (Loss)

Book value of cash balance on Designated Account as at 30th

Carrying Amount of Cash on USD account translated at closing

Prior year adjustment of closing rates at end of FY 2020/21 FY

Loss/(Gain)

773,304,468	12,240,506,837
(675,881,129)	(12,229,430,659)
-	59,025,709
97,423,339	70,101,887

9.8 Cash & Cash Equivalents

Cash on Designated Account (USD)

Cash on Local Currency Account (UGX)

Loss/(Gain)

675,881,129	12,229,430,659
84,566,293	473,361,120
760,447,422	12,702,791,779

9.9 Foreign Exchange Rates UGX/USD

Transaction Rates

Closing foreign exchange rate

Opening foreign exchange rate

FY 2020/21	FY 2019/20
Spot	Spot
3,549.07	3690.29
3,725.33	3725.33

**COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP) Land Administration Reform Component
(IDA Credit Agreement CR 5269-UG) Project ID P130471 Financial Statements As At Year End 30th June 2021**

10.0 Cumulative IDA Statement Balances as at 30th June 2021.

	Year Ended 30 Jun.21 USD	Year Ended 30 Jun.20 USD	Year Ended 30 Jun.19 USD	Year Ended 30 Jun.18 USD	Year Ended 30 Jun.17 USD	Year Ended 30 Jun.16 USD	Year Ended 30 Jun.15 USD	Cumulative 30 Jun.21 USD
Opening balance								
World Bank Loan Designated Accounts (UGX & USD)	3,409,843	15,442,639	16,254,999	9,384,865	10,600,231	5,742,307	-	-
Add: Funds Received by Source								
IDA Loan (Funds to Designated Account)	-	3,825,725	9,000,000	15,730,000	5,000,000	10,000,000	7,140,000	50,695,725
Total Funds for the Project	3,409,843	19,268,364	25,254,999	25,114,865	15,600,231	15,742,307	7,140,000	50,695,725
Less: Expenditure by Category								
Modernizing systems and infrastructure Land Administration	2,548,184	13,237,963	9,125,667	7,778,404	5,880,864	4,541,843	1,254,034	44,366,959
Accelerating registration of individual communal land	522,422	2,144,819	226,312	62,363	43,005	232,031	43642	3,274,595
Strengthening institutions and mechanism for land dispute Resolution	-	80,852	210,538	50,276	1,759	-	-	132,887
Reviewing and developing capacity of land administration institutions	1,003	59,066	249,843	325,657	-	153,311	28,657	778,232
Project implementation and management – Land administration reform	123,967	335,821	249,843	643,166	289,738	214,891	71,360	1,928,786
Total Expenditure from Designated Account	3,195,577	15,858,521	9,812,360	8,859,866	6,215,366	5,142,076	1,397,693	50,481,458
Surplus/(Deficit)	214,267	3,409,843	15,442,639	16,254,999	9,384,865	10,600,231	5,742,307	214,267
Bank Balances as at 30th June								
BOU IDA UGX 00120088000056	23,828	127,066	2,237,782	994,717	496,703	149,240	383,310	23,828
BOU IDA USD 00120088400025	190,439	3,282,778	13,204,857	15,260,282	8,888,162	10,450,991	5,358,997	190,439
World Bank Designated Account	214,267	3,409,843	15,442,639	16,254,999	9,384,865	10,600,231	5,742,307	214,267

COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)
Component 1 (IDA Credit Agreement CR 5269-JG) Project ID P130471
Financial Statements for the Year End 30 June 2021

11.0 Comparison of Budget Expenditure to Actual Expenditure for Fiscal year 2020/2021.

Component	Allocation (UGX)	Spent (UGX)	Unspent Funds (UGX)	Funds Spent % Budget
Modernizing systems and infrastructure Land Administration	10,250,496,154	9,458,811,510	791,684,644	92
Accelerating registration of individual communal land	1,945,499,031	1,939,222,268	6,276,763	100
Reviewing and developing capacity of land administration institutions	10,836,117	3,724,000	7,112,117	34
Project implementation and management – Land administration reform	524,036,654	460,163,240	63,873,414	88
Total	12,730,867,956	11,861,921,018	868,946,938	93