



**TAY**



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**AUDITORS' REPORT ON THE FINANCIAL STATEMENTS  
OF**

**MINISTRY OF INNOVATION AND TECHNOLOGY  
EASTERN AFRICA REGIONAL DIGITAL  
INTEGRATION PROJECT P (180931) IDA E2560**

**AS AT AND FOR THE YEAR ENDED 07 JULY 2024**

**TAY**

**Authorized Accountants & Auditors**

**Addis Ababa, Ethiopia**

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TAY

Authorized Accountants and Auditors  
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INDEPENDENT AUDITOR'S REPORT MINISTRY OF INNOVATION AND  
TECHNOLOGY 'EASTERN AFRICA REGIONAL DIGITAL INTEGRATION  
PROJECT P 180931 IDA E2560'

**Opinion**

We have audited the financial statements of Ministry of Innovation and Technology Eastern Africa Regional Digital Integration Project P 180931 IDA E2560 which comprise the statement of the financial position as at 07 July 2024, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 07 July 2024 and its financial performance for the year then ended in accordance with the Ethiopian government's manual of the federal accounting system which is based on the modified cash bases of accounting as described in the note 2 of the financial statements.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the minster office in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accounts (IESBA Code) together with the ethical requirement that is relevant to our audit of the financial statements in Ethiopia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Reports on other requirements**

As required by the term of reference for the financial audit and the world bank guidelines we report that to the extent we can asses

- a) World Bank financing (and all external financing where the World Bank is not the only financier) has been used in accordance with the conditions of the relevant financing agreement, with due attention to economy and efficiency, and only for the purposes for which the financing was provided
- b) Counterpart funds have been provided and used in accordance with the relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which they were provided.
- c) Goods works and services financed have been procured in accordance with relevant financing agreements, including specific provisions of the World Bank Procurement Framework.

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Registered Company Name: TAY Audit Service LLP

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- d) All necessary supporting documents, records, and accounts have been maintained in respect of all project activities, including expenditures reported using Interim Unaudited Financial Report (IFR) methods of reporting. The auditor is expected to verify that respective reports issued during the period were in agreement with the underlying books of account,
- e) Designated Accounts have been maintained in accordance with the provisions of the relevant financing agreements and funds disbursed out of the Accounts were used only for the purpose intended in the financing agreement,
- f) National laws and regulations have been complied with, and the financial and accounting procedures approved for the project (e.g. operational manual, financial procedures manual, etc.) were followed and used;
- g) Financial performance of the project is satisfactory,

### **Responsibilities of the Management and those Charged with Governance for the Financial Statements**

The management is responsible for the preparation and fair presentation of the financial statements in accordance with Ethiopian government's manual of the federal accounting system which is based on the modified cash bases of accounting system and for such internal control as management determines is necessary to enable the preparation of a project report that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the project report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 Company'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

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

The engagement partner on the audit resulting in this independent auditor's report is Yeheyis Bekele FCCA, BA

  
TAY Authorized  
Accountants & Auditors



Addis Ababa  
November 27, 2024

MINISTRY OF INNOVATION AND TECHNOLOGY  
EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (P180931) IDA E2560  
BALANCE SHEET  
AS AT 7 JULY 2024

Currency ETB  
JULY 7, 2024

Asset  
Cash at bank-

247,702,892.77

FUND BALANCE

Fund balance

247,702,892.77

Prepared By Haimu Feseon  
Signature [Signature]  
Date [Signature]





**MINISTRY OF INNOVATION AND TECHNOLOGY**  
**EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (P180931) IDA E2560**  
**CONSOLIDATED-STATEMENT OF SOURCE AND USE OF FUNDS**  
**FOR THE PERIOD FROM 12 DECEMBER 2023 TO 7, JULY 2024**

|   | Currency USD        |                                 |                                 |
|---|---------------------|---------------------------------|---------------------------------|
|   | CURRENT<br>QUARTER  | CUMMULATI<br>VE CURRENT<br>YEAR | CUMMULATIV<br>E PROJECT<br>LIFE |
| <b>RECEIPTS:</b>  |                     |                                 |                                 |
| Deposit to the DA   | 4,328,570.00        | 4,328,570.00                    | 4,328,570.00                    |
| <b>TOTAL RECEIPTS</b>   | <b>4,328,570.00</b> | <b>4,328,570.00</b>             | <b>4,328,570.00</b>             |
| <b>PROJECT EXPENDITURES BY COMPONENT</b>  |                     |                                 |                                 |
| <b>Component 4: Project management</b>  |                     |                                 |                                 |
| Project Management and Implementation Support                                       | 10,000.00           | 10,000.00                       | 10,000.00                       |
| <b>TOTAL EXPENDITURE FOR THE PERIOD</b>   | <b>10,000.00</b>    | <b>10,000.00</b>                | <b>10,000.00</b>                |
| EXCESS OF RECEIPT OVER EXPENDITURES (Income<br>Less expenditures)                   | 4,318,570.00        | 4,318,570.00                    | 4,318,570.00                    |
| ADD: FOREIGN EXCHANGE DIFFERENCE Gain/Loss  | -                   | -                               | -                               |
| <b>Closing balance (Net Excess of income over<br/>Expenditure+openinng Balance)</b> | <b>4,318,570.00</b> | <b>4,318,570.00</b>             | <b>4,318,570.00</b>             |
| <b>OPENING BALANCE</b>  | -                   | -                               | -                               |
| <b>Closing balance represented By:</b>  |                     |                                 |                                 |
| Cash on hand  | -                   | -                               | -                               |
| Cash at bank- Designated Account  | 3,318,570.00        | 3,318,570.00                    | 3,318,570.00                    |
| Cash at bank - Local Account  | 1,000,000.00        | 1,000,000.00                    | 1,000,000.00                    |
| Less: Account payable   | -                   | -                               | -                               |
| <b>Total Closing balance</b>  | <b>4,318,570.00</b> | <b>4,318,570.00</b>             | <b>4,318,570.00</b>             |

Prepared By Haileu Feyera  
 Signature [Signature]  
 Date \_\_\_\_\_



Approved By \_\_\_\_\_  
 Signature [Signature]  
 Date 19/12/24

Tessema Geda,  
 MSc,PMP Director,  
 Ethiopia Digital Foundation &  
 Eastern Africa Regional Digital  
 Integration Projects

**MINISTRY OF INNOVATION AND TECHNOLOGY**  
**EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (P180931) IDA E2560**  
**CONSOLIDATED-STATEMENT OF SOURCE AND USE OF FUNDS**  
**FOR THE PERIOD FROM 12 DECEMBER 2023 TO 7, JULY 2024**

|   | Currency ETB          |                                 |                             |
|---|-----------------------|---------------------------------|-----------------------------|
|   | CURRENT<br>QUARTER    | CUMMULATIV<br>E CURRENT<br>YEAR | CUMMULATIVE<br>PROJECT LIFE |
| <b>RECEIPTS:</b>  |                       |                                 |                             |
| Deposit to the DA   | 247,809,766.79        | 247,809,766.79                  | 247,809,766.79              |
| <b>TOTAL RECEIPTS</b>   | <b>247,809,766.79</b> | <b>247,809,766.79</b>           | <b>247,809,766.79</b>       |
| <b>PROJECT EXPENDITURES BY COMPONENT</b>  |                       |                                 |                             |
| <b>Component 4: Project management</b>  |                       |                                 |                             |
| Project Management and Implementation Support   | 573,162.00            | 573,162.00                      | 573,162.00                  |
| <b>TOTAL EXPENDITURE FOR THE PERIOD</b>   | <b>573,162.00</b>     | <b>573,162.00</b>               | <b>573,162.00</b>           |
| expenditures)   | 247,236,604.79        | 247,236,604.79                  | 247,236,604.79              |
| ADD: FOREIGN EXCHANGE DIFFERENCE Gain/Loss  | 466,287.98            | 466,287.98                      | 466,287.98                  |
| <b>Closing balance (Net Excess or income over<br/>Expenditure+openinning Balance)</b> | <b>247,702,892.77</b> | <b>247,702,892.77</b>           | <b>247,702,892.77</b>       |
| <b>Closing balance represented By:</b>  |                       |                                 |                             |
| Cash on hand  | -                     | -                               | -                           |
| Cash at bank- Designated Account  | 190,386,692.76        | 190,386,692.76                  | 190,386,692.76              |
| Cash at bank - Local Account  | 57,316,200.00         | 57,316,200.00                   | 57,316,200.00               |
| Account receivable  | -                     | -                               | -                           |
| Less: Account payable   | -                     | -                               | -                           |
| <b>Total Closing balance</b>  | <b>247,702,892.76</b> | <b>247,702,892.76</b>           | <b>247,702,892.76</b>       |

Prepared By Hailu Feyera  
 Signature [Signature]  
 Date [Signature]



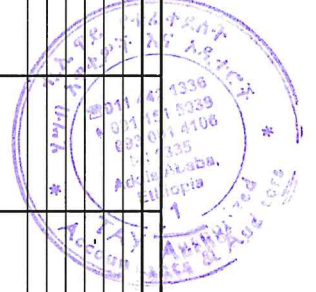
Approved By Tessema Geda  
 Signature [Signature]  
 Date 19/11/24

Tessema Geda,  
 MSc,PMP Director,  
 Ethiopia Digital Foundation &  
 Eastern Africa Regional Digital  
 Integration Projects

MINISTRY OF INNOVATION AND TECHNOLOGY  
EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (P180931) IDA E2560  
USES OF FUNDS BY PROJECT COMPONENT AND CATEGORIES  
FOR THE PERIOD FROM 12 DECEMBER 2023 TO 7, JULY 2024

Currency in ETB

| Project Components & Category   | 15 Plan               | CURRENT QUARTER-IV  |               |                     | CUMMULATIVE CURRENT YEAR |               |                     | CUMMULATIVE PROJECT LIFE |               |                     |
|---|-----------------------|---------------------|---------------|---------------------|--------------------------|---------------|---------------------|--------------------------|---------------|---------------------|
|   |                       | Planned<br>ETB      | Actual<br>ETB | Variance<br>ETB     | Planned<br>ETB           | Actual<br>ETB | Variance<br>ETB     | Planned<br>ETB           | Actual<br>ETB | Variance<br>ETB     |
| <b>Component 1: Connectivity Market Development and Integration</b>               |                       |                     |               |                     |                          |               |                     |                          |               |                     |
| <b>Sub-component 1.1: Cross-border and national backbone network connectivity</b> |                       |                     |               |                     |                          |               |                     |                          |               |                     |
| a) Goods  | 22,681,600.00         |                     |               | -                   |                          |               | -                   |                          |               |                     |
| b) Works  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| c) Non consulting service   |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| d) Consulting Service   | 112,840,960.00        | 2,835,200           |               | 2,835,200           | 2,835,200                |               | 2,835,200           | 2,835,200                |               | 2,835,200           |
| e) Training and Workshop  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| f) Operating costs  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| <b>Sub total</b>  | <b>135,522,560.00</b> | <b>2,835,200.00</b> | <b>-</b>      | <b>2,835,200.00</b> | <b>2,835,200.00</b>      | <b>-</b>      | <b>2,835,200.00</b> | <b>2,835,200.00</b>      | <b>-</b>      | <b>2,835,200.00</b> |
| <b>Sub-component 1.2: Last Mile Connectivity, including in borderland areas</b>   |                       |                     |               |                     |                          |               |                     |                          |               |                     |
| a) Goods  | 100,618,299.39        | 33,025,192          |               | 33,025,192          | 33,025,192               |               | 33,025,192          | 33,025,192               |               | 33,025,192          |
| b) Works  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| c) Non consulting service   | 510,336,000.00        |                     |               | -                   |                          |               | -                   |                          |               |                     |
| d) Consulting Service   | 11,510,912.00         | 1,063,200           |               | 1,063,200           | 1,063,200                |               | 1,063,200           | 1,063,200                |               | 1,063,200           |
| e) Training and Workshop  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| f) Operating costs  | 4,366,208.00          |                     |               | -                   |                          |               | -                   |                          |               |                     |
| <b>Sub total</b>  | <b>626,831,419.39</b> | <b>34,088,392</b>   | <b>-</b>      | <b>34,088,392</b>   | <b>34,088,392</b>        | <b>-</b>      | <b>34,088,392</b>   | <b>34,088,392</b>        | <b>-</b>      | <b>34,088,392</b>   |
| <b>Sub-component 1.3: Enabling Legal, Regulatory, and Institutional ICT</b>       |                       |                     |               |                     |                          |               |                     |                          |               |                     |
| a) Goods  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| b) Works  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| c) Non consulting service   |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| d) Consulting Service   | 114,258,560.00        |                     |               | -                   |                          |               | -                   |                          |               |                     |
| e) Training and Workshop  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| f) Operating costs  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| <b>Sub-Total</b>  | <b>114,258,560.00</b> | <b>-</b>            | <b>-</b>      | <b>-</b>            | <b>-</b>                 | <b>-</b>      | <b>-</b>            | <b>-</b>                 | <b>-</b>      | <b>-</b>            |
| <b>Component 2: Data Market Development and Integration</b>                       |                       |                     |               |                     |                          |               |                     |                          |               |                     |
| <b>Sub-component 2.1: Cybersecurity Frameworks, Infrastructure, and Capacity</b>  |                       |                     |               |                     |                          |               |                     |                          |               |                     |
| a) Goods  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| b) Works  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| c) Non consulting service   |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| d) Consulting Service   | 223,980,800.00        | 17,578,240          |               | 17,578,240          | 17,578,240               |               | 17,578,240          | 17,578,240               |               | 17,578,240          |
| e) Training and Workshop  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| f) Operating costs  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| <b>Sub-Total</b>  | <b>223,980,800.00</b> | <b>17,578,240</b>   | <b>-</b>      | <b>17,578,240</b>   | <b>17,578,240</b>        | <b>-</b>      | <b>17,578,240</b>   | <b>17,578,240</b>        | <b>-</b>      | <b>17,578,240</b>   |
| <b>Sub-component 2.2: Data exchange, Governance, and Protection</b>               |                       |                     |               |                     |                          |               |                     |                          |               |                     |
| a) Goods  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| b) Works  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| c) Non consulting service   |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| d) Consulting Service   | 22,681,600.00         |                     |               | -                   |                          |               | -                   |                          |               |                     |
| e) Training and Workshop  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| f) Operating costs  |                       |                     |               | -                   |                          |               | -                   |                          |               |                     |
| <b>Sub-Total</b>  | <b>22,681,600.00</b>  | <b>-</b>            | <b>-</b>      | <b>-</b>            | <b>-</b>                 | <b>-</b>      | <b>-</b>            | <b>-</b>                 | <b>-</b>      | <b>-</b>            |





MINISTRY OF INNOVATION AND TECHNOLOGY  
EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (P180931) IDA E2560  
USES OF FUNDS BY PROJECT COMPONENT AND CATEGORIES  
FOR THE PERIOD FROM 12 DECEMBER 2023 TO 7, JULY 2024

Currency in ETB

| Project Components & Category   | 15 Plan          | CURRENT QUARTER-IV |               |                 | CUMULATIVE CURRENT YEAR |               |                 | CUMULATIVE PROJECT LIFE |               |                 |
|---|------------------|--------------------|---------------|-----------------|-------------------------|---------------|-----------------|-------------------------|---------------|-----------------|
|   |                  | Planned<br>ETB     | Actual<br>ETB | Variance<br>ETB | Planned<br>ETB          | Actual<br>ETB | Variance<br>ETB | Planned<br>ETB          | Actual<br>ETB | Variance<br>ETB |
| Component 3 – Online Market Development and Integration                           |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| Subcomponent 3.1 Digital Enablers for Cross-border Trade and Service Delivery     |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| a) Goods  |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| b) Works  |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| c) Non consulting service   |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| d) Consulting Service   |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| e) Training and Workshop  |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| f) Operating costs  |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| Sub-Total   |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| Sub-component 3.2 Research and Education Networks and Training for Digital Skills |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| a) Goods  | 25,289,984.00    |                    |               | -               |                         |               | -               |                         |               | -               |
| b) Works  |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| c) Non consulting service   | 28,352,000.00    |                    |               | -               |                         |               | -               |                         |               | -               |
| d) Consulting Service   | 562,503,680.00   |                    |               | -               |                         |               | -               |                         |               | -               |
| e) Training and Workshop  | 23,758,976.00    |                    |               | -               |                         |               | -               |                         |               | -               |
| f) Operating costs  | 5,670,400.00     |                    |               | -               |                         |               | -               |                         |               | -               |
| Sub-Total   | 645,575,040.00   | 5,427,707          |               | -               |                         |               | -               |                         |               | -               |
| Component 4: Project management   |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| a) Goods  | 4,354,867.20     |                    |               | -               |                         |               | -               |                         |               | -               |
| b) Works  |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| c) Non consulting service   |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| d) Consulting Service   | 8,505,600.00     |                    |               | -               |                         |               | -               |                         |               | -               |
| e) Training and Workshop  | 13,603,289.60    |                    |               | -               |                         |               | -               |                         |               | -               |
| f) Operating costs  | 24,350,512.13    |                    |               | -               |                         |               | -               |                         |               | -               |
| Sub total   | 50,814,268.93    | 5,427,707          |               | -               |                         |               | -               |                         |               | -               |
| Financing agreement Category costs  |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| Goods   | 152,944,750.59   | 33,025,192         |               | -               | 33,025,192              |               | -               | 33,025,192              |               | -               |
| Works   |                  |                    |               | -               |                         |               | -               |                         |               | -               |
| Non-Consulting services   | 538,688,000.00   |                    |               | -               |                         |               | -               |                         |               | -               |
| Consultant's services   | 1,056,282,112.00 | 21,476,640         |               | -               | 21,476,640              |               | -               | 21,476,640              |               | -               |
| Training and workshops  | 37,362,265.60    | 567,040            |               | -               | 567,040                 |               | -               | 567,040                 |               | -               |
| Operating costs   | 34,387,120.13    | 5,597,819          |               | -               | 5,597,819               |               | -               | 5,597,819               |               | -               |
| Total category costs  | 1,819,664,248.32 | 60,666,691         | 573,162       | 60,093,529      | 60,666,691              | 573,162       | 60,093,529      | 60,666,691              | 573,162       | 60,093,529      |

Prepared By Hajiro Remya  
Signature \_\_\_\_\_  
Date \_\_\_\_\_




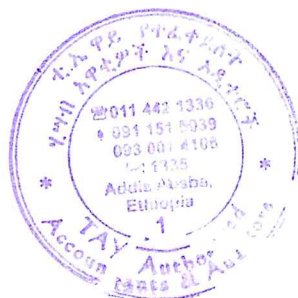
Approved By Tassema Gada  
Signature \_\_\_\_\_  
Date 19/12/2023  
Tassema Gada  
MSc. PMAF  
Ethiopia Digital  
Eastern Africa Regional Digital  
Integration Projects

MINISTRY OF INNOVATION AND TECHNOLOGY  
EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (P180931) IDA E2560  
STATEMENT OF DESIGNATED ACCOUNT, ACCOUNT NO:0102291300004  
FOR THE PERIOD FROM 12 DECEMBER 2023 TO 7, JULY 2024

| Discriptions                                  | USD                  | Exchange Rate     | Birr                  |
|---|----------------------|-------------------|-----------------------|
| A   | B                    | C                 | D                     |
| BBF -From Previous Month                      | -                    | -                 | -                     |
| Add:Income                                    | 4,328,570.00         | 57.2498           | 247,809,766.79        |
| <b>Total Income</b>                           | <b>4,328,570.00</b>  | <b>57.25</b>      | <b>247,809,766.79</b> |
| <b>Less:Expense/Transfer</b>                  |                      |                   | -                     |
| PV# 001                                       | 1,000,000.00         | 57.3162           | 57,316,200.00         |
| PV# 035                                       | 10,000.00            | 57.3162           | 573,162.00            |
| <b>Total Expense /Transfer</b>                | <b>1,010,000.00</b>  |                   | <b>57,889,362.00</b>  |
| <b>Ending Balance</b>                         | <b>3,318,570.00</b>  |                   | <b>189,920,404.79</b> |
| <b>Ending Bank Balance</b>                    | <b>3,318,570.00</b>  | <b>57.3701</b>    | <b>190,386,692.76</b> |
| Gain =Ending Bank Balance less Ending Balance |                      |                   | <b>466,287.98</b>     |
|   | <b>Journal Entry</b> |                   |                       |
| 4102  | Cash at Bank         | <b>466,287.98</b> |                       |
| 3199-02                                       | Realized Gain        |                   | <b>466,287.98</b>     |
|   |                      | <b>466,287.98</b> | <b>466,287.98</b>     |

Prepared By  
Simret Akalu





Checked By  
Hailu Feyera



**MINISTRY OF INNOVATION AND TECHNOLOGY**  
**EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (P180931) IDA**  
**E2560**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 12 DECEMBER 2023 TO 7, JULY 2024**

**1. BACKGROUND**

The Ministry of Innovation and Technology (MinT) (formerly known as the Ministry of Science and Technology (MoST), Ministry of Communication & Information Technology, Ministry of Science and Technology) is an Ethiopian government agency responsible for science and technological development in Ethiopia as well as a governing body of communications. It was established as a commission in December 1975 by directive No.62/1975

**PROJECT INFORMATION**

The Objective of Eastern Africa Regional Digital Intergration project is to advance digital market integration in the eastern Africa region by increasing affordable access to regional broadband Connectivity, Strengthening the enabling enviroment and policy convergence for cross-border Digital trade and data flows, and Developing Digital Skills. The project Designed to Enhance the following major Components

1. Connectivity Market Development and Integration
2. Data Market Development and Integration
3. Online Market Development and Integration
4. Project Management and Implmentation Support
5. Contingent Emergency Response.

**2. ACCOUNTING POLICIES**

The principal accounting policies adopted by the project are stated hereunder.

**a) BASES OF PREPARATION.**

These statements has been prepared in accordance with ethiopian Government manual of federal accounting system which is based on the modified cash bases of accountiong.

**b) currency**

These financial statements are prepraed in ethiopian birr.

Transaction at foreign currency are translated to birr at approximate rate of exchange at the date of transaction.asset and liabilities denominated at foreign currency are translated to birr at exchange rate at the date of balance sheet.

**C) Fixed assets are directly expensed up on purchase**





**MINISTRY OF INNOVATION AND TECHNOLOGY**  
**EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (P180931) IDA E2560**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 12 DECEMBER 2023 TO 7, JULY 2024**

Currency in ETB

**3. CASH AT BANK**

**Descriptions**

Cash at bank in USD  
Cash at bank NBE-ETB

**Balance 2024**

190,386,692.77

57,316,200.00

**Sub total**

247,702,892.77

**4. FUND BLANCE**

Begning fund balance  
EXPENDITURE FOR THE PERIOD  
Balance difference

**Balance 2024**

248,276,054.77

573,162.00

-

**TOTAL FUND BALANCE**

247,702,892.77

