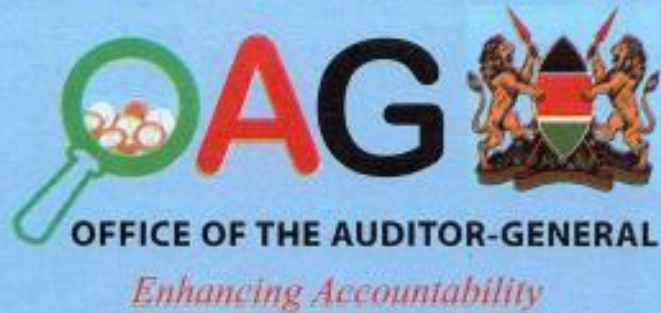


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

**NYANDARUA COUNTY CLIMATE
CHANGE FUND**

**FOR THE YEAR ENDED
30 JUNE, 2024**



NYANDARUA COUNTY CLIMATE CHANGE FUND
NYANDARUA COUNTY GOVERNMENT
FINANCING LOCALLY LED CLIMATE ACTION (FLLoCA)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2024

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



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*Nyandarua County Climate Change Fund
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1. Acronyms and Definition of Terms

CBK	Central Bank of Kenya
CRF	County Revenue Fund
CCCF	County Climate Change Fund; the Fund
CCRI	County Climate Resilience Investment
ECCNR	Environment, Climate Change and Natural Resources
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
NT	National Treasury
PCRA	Participatory Climate Risk Assessment
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
SPA	Special Purpose Account
WB	World Bank
Comparative FY	Financial year preceding the current financial year.

2. Project Information and Overall Performance

2.1 Name and registered office

The project's official name is Nyandarua County Climate Change Fund
Directorate of Climate Change

Objective

The key objective of the project is Deliver locally-led climate resilience actions and strengthen County and national governments' capacity to manage climate risk

County Executive Headquarters

P.O. Box 701 – 20303
County Head Office,
Ol Kalou, Kenya

County Executive Contacts

Telephone: (+254) 020 2660859
E-mail: info@nyandarua.go.ke
Website: www.nyandarua.go.ke

Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	01. 02. 2022
Project End Date:	31. 01. 2027
Project Coordinator:	Chief Officer in charge of Climate Change Directorate
Project Sponsor:	World Bank, International Development Association (IDA), Government of Denmark (DANIDA), Government of Sweden (SIDA) and Government of Kenya (GoK).

2.3 Project Overview

Line Ministry and State/ County Department	The National Treasury and Planning
Project number	IDA 6980; TF B6810 – KE (P173065)
Strategic goals of the project	<p>The strategic goals of the project are as follows:</p> <ol style="list-style-type: none"> i. Strengthen the County governments capacity to manage climate risks by building their capacity to plan, budget, implement and monitor resilience investments. ii. Make people at community level aware of the possible impact of climate change on their lives and, through increased awareness, enhance their resilience. iii. Implement the Climate Change Action Plans developed in a participatory manner iv. Incentivizing the County Governments to increase County contributions into the County Climate Change Fund (CCCF)
Summary of Project Strategies for achievement of strategic goals	<p>The project management aims to achieve the goals through the following means:</p> <ol style="list-style-type: none"> (i) Build capacity of the community (ii) Implementation of locally-led climate actions (iii) Resource mobilization for climate finance (iv) Incentivizing the County Governments to increase County contributions into the County Climate

Nyandarua County Climate Change Fund

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	Change Fund (CCCF) (v) Climate Finance Data Tracking and Reporting
Other important background information of the project	The project aims at improving the adaptive capacity of the communities to impacts of climate change by enhancing climate finance and building the capacity of the county governments in planning, budgeting, reporting and implementation of locally-led climate actions.
Areas that the project was formed to intervene	The project was formed to intervene in the following problems/gaps: <ul style="list-style-type: none">(i) Strengthen the County Governments' capacity to manage Climate risks(ii) Help the County Governments' conduct County Participatory Climate Risk Assessments and the develop the County Climate Change Action Plans(iii) Deliver locally-led climate resilience actions particularly in the areas of:<ul style="list-style-type: none">a) Water insecurityb) Climate hazards such as drought and floods reducing agricultural productivityc) Land degradation and deterioration of the environment
Project duration	5 Years

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the project:

Central Bank of Kenya

SPA- Nyandarua County Climate Change Fund Account

Account No: 1000528923

2.5 Independent Auditor

The project is audited by the office of the auditor general

2.6 Roles and Responsibilities

No	Names	Title designation	Key qualification	Responsibilities
1	Njeri Njoroge	Chief Officer	MSc Sustainable Urban Development BA. Lands Economics	Administration of the Fund and the accounting Officer
2	Mwanzia Kyambia	Director Climate Change	MSc Water Resources and Environment Management	Ensure implementation and coordination of climate change programs, action plans, policies and strategies
3	Joseph Mburu	Economist	BA. Economics and Sociology	Preparation of climate change budgets, monitoring, evaluation and reporting of climate actions; M&E Officer
4	Josphat Karanja	Climate Change Officer	BSc Environmental Conservation and Natural Resources Management	Coordinating the ward committees in implementation of locally-led climate actions and reporting thereof
5	Kevin Nderitu	Climate Change Officer	BSc Environmental Science	Coordination of public education, awareness strategies and implementation programs and reporting thereof
6	Phoebe Mbiyu	Chief Accountant	MSc Finance (Accounting)	Program Accountant; Climate finance tracking and reporting of the

Nyandarua County Climate Change Fund

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				County Climate Change Fund
7	Miriam Ngotho	Ag. Director Environment	Masters of Development Studies Post Graduate Certificate in Sustainable Environment Management	Environment Safeguards Focal Person: coordinating the screening and environmental compliance of projects in the implementation of the program
8	Daniel Nyongo	Social Development Officer	BA. Project Planning and Management	Social safeguards Focal Person; coordinating social inclusion, the Grievances Redress Mechanism and citizen engagement in the implementation of the program

2.7 Funding summary

The Project is for a duration of five (5) years from 28th February, 2022 to 31st January, 2027 with an approved budget of US\$ 1.04 million per year (use Development Partner Currency) equivalent to KShs 136 million per year as highlighted in the table below:

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment		Amount received to date – (30 th June 2024)		Undrawn balance to date	
	Donor currency	KShs	Donor currency KShs	KShs	Donor currency KShs	KShs
	(A)	(A')	(B)	(B')	(A)-(B)	(A') - (B')
(i) Grant						
World bank		115,537,952		11,000,000 ¹		104,537,952
(ii) Loan						
Insert name of development partner	-	-	-	-	-	-
	-	-	-	-	-	-
(iii) Counterpart funds						
Nyandarua County Contribution		36,100,000		36,100,000	-	-
Total		151,637,952		47,100,000		104,537,952

¹ The county received the full grant at the end of the financial year but amount transferred to SPA reflected in July and September 2024.

Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2024)		Cumulative amount paid to date – (30 th June 2024)		Unutilised balance to date (30th June 2024)	
	<i>Donor currency</i>	<i>KShs</i>	<i>Donor currency</i>	<i>KShs</i>	<i>Donor currency</i>	<i>KShs</i>
	<i>(A)</i>	<i>(A')</i>	<i>(B)</i>	<i>(B')</i>	<i>(A)-(B)</i>	<i>(A')-(B')</i>
(i) Grant						
World bank		11,000,000	-	11,000,000		-
(i) Loan						
Insert name of development partner	-	-			-	-
(ii) Counterpart funds						
Nyandarua County Contribution		36,100,000	-	4,497,070		31,602,930
Total		47,100,000		15,497,070		

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

- i) The County received a CCRI grant amounting to KES104,525,952 in the CRF at the end of FY 2023/2024 (25th and 28th June 2024) hence the amount will be utilized in FY 2024/2025.
- ii) Some of the implementation challenges include delayed disbursements of the conditional grants to the counties which in turn delayed implementation of proposed projects

2.9 Summary of Project Compliance:

The County Government met all the Minimum Access and Performance Conditions to qualify for the CCRI grant by allocating at least 1.5 % of the county development budget to the County Climate Change Fund.

3. Statement of Performance against Project's Predetermined Objectives

Introduction

Section 81(2)(f) and *Section 164 (2)(f)* of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national government entity's performance against predetermined objectives at the end of each financial year.

The key development objectives of the project's agreement/ plan are to:

- a) Make people at community level aware of the possible impact of climate change on their lives and, through increased awareness, enhance their resilience.
- b) Implement the Climate Change Action Plans developed in a participatory manner
- c) Incentivizing the County Governments to increase County contributions into the County Climate Change Fund (CCCF)

Progress on the attainment of strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurement.

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Project	Objective	Outcome	Indicator	Performance
The Lake Ol Bolossat conservation	To restore and rehabilitate degraded catchment areas	Springs protected and rehabilitated, households provided with fruit trees, primary schools supplied with trees	1 Springs protected (Chepalungu) and rehabilitated, 500 households and 2 Schools	<i>To be implemented in FY 2024/2025</i>
Silibwet Secondary School Roof water harvesting	To enhance water security	40 Cubic metres of water harvesting	Improved tree seedlings production	<i>To be implemented in FY 2024/2025</i>
North Kinangop Green Energy Project	To reduce GHGs emissions	Clean cooking and heating energy	1 School unit, 30 households supplied with Biogas	<i>To be implemented in FY 2024/2025</i>
Gathanji Green Energy Project	To reduce GHGs emissions	Clean cooking and heating energy (Gathanji Sec)	1 School unit, 30 households supplied with Biogas	<i>To be implemented in FY 2024/2025</i>
Gathiriga Borehole community water project	To enhance water security	Enhanced water supply	200 households served	<i>To be implemented in FY 2024/2025</i>
Thindi borehole borehole community water project	To enhance water security	Enhanced water supply	300 households served	<i>To be implemented in FY 2024/2025</i>
Upgrade of Distribution Pipelines in Ol Kalou Municipality (Juakali - Kariamu) of 5.1 Km	To curb Non-Revenue Water (NRW), Increase the water supply coverage in Ol Kalou municipality	Enhanced water supply	Supply of water to 3000 households through 570 connections	<i>To be implemented in FY 2024/2025</i>
Njabini Ngwataniro Water Project	To enhance water security	Enhanced water supply and promotion of small -scale irrigation	1000 people served	<i>To be implemented in FY 2024/2025</i>
Mwiyumia Community Water Project	To enhance water security	Enhanced water supply	Supply water to 300 households	<i>To be implemented in FY 2024/2025</i>

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Ex major Dam water project	To enhance water security	Enhanced water supply, improved livelihoods through small scale farming	1000 people served	<i>To be implemented in FY 2024/2025</i>
Michore Borehole community water project	To enhance water security	Enhanced water supply	300 households served	<i>To be implemented in FY 2024/2025</i>
Mbuyu Community Water Project	To enhance water security	Enhanced water supply	300 households served	<i>To be implemented in FY 2024/2025</i>
Field Vehicle	To enhance mobility and	Supervision, inspection, Monitoring and evaluation of climate resilience projects	Supplied field Vehicle	<i>To be implemented in FY 2024/2025</i>

4. Environmental and Sustainability Reporting

As stated in the County's mission statement, Nyandarua County seeks to transform the lives of its people through sustainable development. Accordingly, the County has anchored its development strategy on the three pillars of sustainability; the economy, environment and society. The County is cognizant that for progress to be sustainable it must not degrade the environment and should make the most economical use of available resources while impacting a high percentage of the population. With this in mind, the county has adopted various practices and commissioned a variety of programmes to realize this vision.

i. Sustainability strategy and profile

Since the adoption of the Sustainable development Goals (SDGs) by Kenya in 2015 and its official launch in 2016, Kenya has made considerable progress in the implementation of these goals. The 17 goals constitute an ambitious plan to shift the planet towards sustainable development. As a result of Kenya's unwavering commitment to meeting these goals, the SDGs have been mainstreamed in Kenya's vision 2030 and County Integrated Development Plans (CIDP) through extensive consultation with all stakeholders. Nyandarua County has not been left behind and has integrated these goals with the BETA and H.E the Governor's manifesto in the five-year CIDP 3.

A key component in the implementation of sustainable development in the County is the inclusion of all stakeholders in determining the development priorities. To this end, the County Climate Change Unit regularly holds public participation fora to ensure that all opinions and views are collected before the implementation of projects. This was also ensured during development of the participatory County Climate Risk Assessment and County Climate Change Action Plan, 2023-2027.

Furthermore, a Monitoring and Evaluation team will inspect and give a report on all projects implemented through the Fund before payment can be processed. This will ensure that the set standards are met and the projects are carried out as per the contract terms.

ii. Environmental performance

The Fund and the Program are anchored under the Nyandarua county Climate Change Act, 2021. The Act then gives a leeway for development of the Participatory Climate Risk Assessment which was conducted in 2023. This highlighted the Most prevalent risks and hazards and the most dominant areas within the County. This then provided for development of the Nyandarua County Climate Change Action plan, 2023-2027 which provides mechanisms and measures to achieve low carbon climate resilient development in a manner that prioritizes adaptation. It gears towards carbon neutrality while at the same time fostering collaboration and partnership to achieve the goal. The Plan creates an avenue for climate finance through resource mobilization hence establishment of the Fund.

The Public Finance Management (Nyandarua County Climate Change Fund) Regulations are aimed at ringfencing utilization of the County climate Change Fund and guide on the operationalization of the Fund. They have also ensured tracking, reporting and mobilization of more resources into the Fund. This Regulations are anchored on The Public Finance Management Act, 2012.

iii. Employee welfare

The Nyandarua County Public Service Board endeavours to establish a competent, efficient and motivated workforce within the county. To achieve this, all the program vacancies are advertised in the daily newspapers and applications are vetted based on merit to determine the best suited candidates for the positions advertised. Some of the Program staff have been seconded from other units into the County Climate change Unit

The Program staff have been trained in a number of areas including Grievance Redress Mechanism (GRM) climate finance, Environmental and Social Safeguards (ESS) among others. The Program ensures the safety, health and welfare of all its employees at work working in his/her workplace in compliance with the policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

iv. Market place practices

In pursuit of sustainability our efforts are outlined as:

a) Responsible Supply chain and supplier relations-

It is estimated that public procuring accounts for up to 30% of the total Gross Domestic Product (GDP) in many developing countries. It is therefore paramount that County Governments

leverage this power by adopting sustainable procuring practices. The Nyandarua County procurement department adheres to The Public Procurement and Asset Disposal Act, 2015 and The Public Procurement and Disposal (Preference and Reservations) Regulations, 2011 which requires that 30% of all procuring opportunities be set aside for vulnerable groups. By strict adherence and compliance to these acts, the County Government ensures equitable and fair distribution of the county resources. This is essential in fostering inclusivity.

b) Responsible ethical practices-

All the county government employees are bound by the code of ethics as stipulated by the Public Officer Ethics Act, 2003 as well as the Human Resource Policy and Procedures Manual (Part V). The County maintains a strict no tolerance attitude to corruption and all officers found culpable are personally answerable for their misdeeds.

c) Regulatory impact assessment-

To safeguard citizen and stakeholders' rights, public participation is conducted before commencement of the projects. The citizens provide the views to guide the project designs and implementation. This ensures ownership of projects by the community, reduces conflicts and brings a sense of inclusivity especially to the vulnerable population groups. All projects to be implemented through the program are anchored on the Nyandarua County PCRA Report, 2023 and The Nyandarua County Climate Change Action Plan, 2023-2027.

v. Community Engagements

The overarching goal of the FLLoCA Program and the Fund is to improve the lives of the citizenry be it through climate resilient development projects, policy formulation, service delivery all aimed at improving community resilience and adaptive capacity to impacts of climate change. The County Government recognizes that sustainable development requires adaptability and innovation to ensure that scarce resources are utilized optimally and benefit all the residents of the county and more so the vulnerable population groups.

The Program has majored on community engagement hence the name, "locally-led climate action" meaning the proposal have to be drawn from the local citizens. All projects are proposed by the community through the Ward Climate change Committees as anchored in the Participatory County Climate Change Action Plan 2023-2027. This reduces conflicts arising

from implementation of the program and ensures a sense of ownership as well as promoting nature-based solutions.

In the spirit of community engagement, all the county offices are equipped with a suggestion box through which complaints and new ideas can be communicated to the county. The County has established the Grievance Redress Mechanism System to community concerns pertaining to implementation of the program including a county website with outlined process as well as complaints lodging forms. All the Ward Climate Change Committees have established Ward Grievance Redress Mechanisms (GRM) to address conflicts arising from implementation of the projects. Each committee has a Conflicts Lodging Book held at the Ward Administrator's office to keep track of the raised complaints.

5. Statement of Project Management Responsibilities

The Chief Officer for the County Government of Nyandarua department of Water Environment Climate Change and Natural Resources and the Director Climate Change are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for the financial year ended on June 30, 2024.

This responsibility includes (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

The Chief Officer for the County Government of Nyandarua department of Water Environment Climate Change and Natural Resources and the Director Climate Change accept responsibility for the Project's financial statements, which have been prepared on Cash basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Chief Officer for the County Government of Nyandarua department of Water Environment Climate Change and Natural Resources and the Director Climate Change are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June 30, 2024, and of the Project's financial position as at that date. The Chief Officer for the County Government of Nyandarua department of Water Environment Climate Change and Natural Resources and the Director Climate Change further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control.

The Chief Officer for the County Government of Nyandarua department of Water Environment Climate Change and Natural Resources and the Director Climate Change confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing

***Nyandarua County Climate Change Fund
Annual Report and Financial Statements for the financial year ended June 30, 2024***

covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project Financial Statements

The Project financial statements were approved by The Chief Officer for the County Government of Nyandarua department of Water Environment Climate Change and Natural Resources and the Director Climate Change on 13/12/ 2024 and signed by:



Njeri H. Njoroge

**Chief Officer – Environment, Climate Change and Natural Resources
(ECCNR)**

Mwanzia Kyambia

Director Climate Change

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Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NYANDARUA COUNTY CLIMATE CHANGE FUND FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Nyandarua County Climate Change Fund set out on pages 1 to 35, which comprise of the statement of receipts and payments, financial assets and liabilities as at 30 June, 2024 and the statement of cash

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Nyandarua County Climate Change Fund as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance Public Sector Accounting Standards Cash Basis and comply with the and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Nyandarua County Climate Change Fund Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total income budget and actual on comparable basis of Kshs.150,006,477 and Kshs.47,100,000 respectively resulting to budget under-funding of Kshs.102,906,477 or 68.6% of the budget. Out of the actual funding of Kshs.47,100,000, only Kshs.15,497,970 was utilized resulting into an unabsorbed amount of Kshs.31,602,030 or 67%

The budget under-performance affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. I have determined that there are no other key audit matters to communicate in my report.

Other Information

Conclusion

The Management is responsible for the other information set out on page to iii to xix which comprise of Key Entity Information and Management, Statement by the CECM Finance,

Management Discussion and Analysis, Overview of the Fund Operations and Statement of Management Responsibility.

The Other Information does not include the financial statements and my audit report thereon.

Basis for Conclusion

In connection with my audit on the Fund financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent 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.

My Opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Adherence to Expenditure Control Guidelines

Review of documents supporting the domestic and subsistence allowances amount of Kshs.991,198 paid to various officers indicated that, the facilitation was for conferences and meetings outside the confines of the County headquarters to prepare financial statements instead of choosing a cheaper alternative. It was further noted that, the majority of the participants were drawn from the staff working for the Fund contrary to Section 93(4)(a) of the Public Finance Management (County Government) which provides that before issuing temporary imprest the Accounting Officer shall ensure that the main objective of the journey cannot be achieved by other cheaper means.

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

2. Late Submission of Financial Statements to the Office of the Auditor-General

The financial statements for the year ended 30 June, 2024 for the Fund were submitted on 12 November, 2024 to the Office of the Auditor-General forty-two (42) days after the

statutory date of 30 September provided under Section 146 of the Public Finance Management Act, 2012.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Untagged Assets

The assets register provided for audit revealed that the Climate Change Unit owned assets including workstations, chairs, desktops, laptops, projector, projector screen and printer. However, physical verification revealed that, the assets had not been tagged posing doubt on whether the assets are secure and trackable in case of loss.

In the circumstances, the effectiveness of the controls in place in regard to asset management could not be confirmed.

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

Responsibilities of the Management and the Project Management

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

In preparing the financial statements, Management is responsible for assessing the Fund 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 is aware of the intention to cease operations.

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

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

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


Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP 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.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

30 December, 2024

7. Statement of Receipts and Payments for the Year Ended 30th June 2024

	Note	Receipts and payments controlled by the entity	Payments made by third parties	Total	Receipts and payment controlled by the entity	Payments made by third parties	Total	Cumulative to-date (From inception)
				FY 2023.24		FY 2022.23		
				KShs.	KShs.	KShs.	KShs.	KShs.
Receipts								
Transfer from Government entities	1	47,100,000	-	47,100,000	-	-	-	47,100,000
Proceeds from domestic and foreign grants	2	-	-	-	-	-	-	-
Loan from external development partners	3	-	-	-	-	-	-	-
Miscellaneous receipts	4	-	-	-	-	-	-	-
Total receipts		47,100,000	-	47,100,000	-	-	-	47,100,000
Payments								
Compensation to employees	5	-	-	-	-	-	-	-
Purchase of goods and services	6	15,497,070	-	15,497,070	-	-	-	15,497,070
Social security benefits	7	-	-	-	-	-	-	-
Acquisition of non-financial assets	8	-	-	-	-	-	-	-
Transfers to other government entities	9	-	-	-	-	-	-	-
Other grants and transfers /payments	10	-	-	-	-	-	-	-
Total payments		15,497,070	-	15,497,070	-	-	-	15,497,070
Surplus (deficit)		31,602,930	-	31,602,930	-	-	-	31,602,930

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

17 DEC 2024
Njeri H. Njoroge
Chief Officer - ECCNR

Mwanzia Kyambia
Project Coordinator

Phoebe Mbiyu
Project Accountant
ICPAK Member No: 16267

*Nyandarua County Climate Change Fund
Annual Report and Financial Statements for the financial year ended June 30, 2024*

8. Statement of Financial Assets and Liabilities as at 30th June 2024

Description	Note	FY 2023,24
		KShs
Financial Assets		
Cash and Cash equivalents	11	33,234,405
Imprests and Advances	12	-
Total Financial Assets (A)		33,234,405
Financial Liabilities		
Third party Deposits and Retention	13	-
Total Financial Liabilities (B)		-
Net Financial Assets (A-B)		33,234,405
Represented By		
Fund Balance B/fwd.	14	1,631,475
Prior Year adjustments		-
Surplus/(Deficit) for the Year		31,602,930
Net Financial Assets		33,234,405

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13/12/ 2024 and signed by

CHIEF OFFICER
ENVIRONMENT, CLIMATE CHANGE
AND NATURAL RESOURCES
13 DEC 2024
Njeri H. Njoroge
Chief Officer, ECCNR


.....
Mwanzia Kyambia
Project Coordinator


.....
Phoebe Mbiyu
Project Accountant
ICPAK Member No: 16267

9. Statement of Cash flows for the year ended 30th June 2024

Description	Note	FY 2023.24
Cashflow from operating activities		KShs
Receipts		
Transfer from government entities	1	47,100,000
Proceeds from domestic and foreign grants	2	-
Miscellaneous receipts	4	-
Total receipts		47,100,000
Payments		
Compensation of employees	5	-
Purchase of goods and services	6	15,497,070
Social security benefits	7	-
Transfers to other government entities	9	-
Other grants and transfers	10	-
Total Payments		15,497,070
Net receipts/(payments)		31,602,930
Adjustments during the year		
Prior year adjustments	15	-
Decrease/(increase) in accounts receivable	16	-
Increase/(decrease) in accounts payable:	17	-
Net cash flow from operating activities		-
Cashflow from investing activities		
Acquisition of non-financial assets	8	-
Net cash flows from investing activities		-
Cash flow from financing activities		
Proceeds from foreign borrowings	3	-
Net cash flow from financing activities		-
Net increase in cash and cash equivalents		31,602,930
Cash & cash equivalent at beginning of the year	11	1,631,475
Cash and cash equivalent at end of the year	11	33,234,405

10. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 24

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	KShs	KShs	KShs	KShs	KShs	
Receipts						
Transfer from Government entities	183,100,000	33,093,523	150,006,477	47,100,000	102,906,477	31%
Proceeds from domestic and foreign grants	-	-	-	-	-	0
Proceeds from borrowings	-	-	-	-	-	0
Miscellaneous receipts	-	-	-	-	-	0
Total Receipts	183,100,000	33,093,523	150,006,477	47,100,000	102,906,477	31%
Payments						
Compensation to employees	-	-	-	-	-	-
Purchase of goods and services	15,100,000	1,631,475	16,731,475	15,497,070	1,234,405	93%
Social security benefits	-	-	-	-	-	-
Acquisition of non-financial assets	168,000,000	31,462,048	136,537,952	-	-	-
Transfers to other government entities	-	-	-	-	-	-
Other grants and transfers	-	-	-	-	-	-
Total Payments	183,100,000	33,093,523	150,006,477	15,497,070	1,234,405	93%
Surplus				31,602,930		

11. Significant Accounting Policies

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

a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted have been consistently applied to all the years presented.

b) Reporting entity

The financial statements are for Nyandarua County Climate Change Fund under the County Department of Water, Environment and Natural Resources. The financial statements are for the reporting entity as required by Section 164 of the PFM Act, 2012.

c) Reporting currency

The financial statements are presented in Kenya Shillings (KShs), the project's functional and reporting currency all values are rounded to the nearest Kenya Shilling.

d) Recognition of receipts

Nyandarua County Climate Change Fund recognizes all receipts from various sources when an event occurs, and the related cash is received.

i) Transfers from the Exchequer

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

ii) External Assistance

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

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Significant Accounting Policies (continued)

iii) Other receipts

This includes Appropriation-in-Aid and relates to receipts such as proceeds from the disposal of assets and the sale of tender documents. These are recognized in the financial statements when associated cash is received.

iv) Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when payment advice is received by the recipient entity or by the beneficiary. In the case of a grant/donation in kind, such grants are recorded upon receipt of the grant item and its value determined. The transaction date is the value date indicated on the payment advice.

v) Proceeds from borrowing.

Borrowing includes external loans acquired by the Project or any other debt the Project may take and will be treated on cash basis and recognized as a receipt during the year they were received.

vi) Undrawn external assistance

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

c) Recognition of payments

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

i) Compensation to employees

Salaries, wages, Allowances, and Statutory Contributions for employees are recognized when the compensation is paid.

ii) Use of goods and services

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

Significant Accounting Policies (continued)

iii) Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incur and paid for.

iv) Repayment of borrowing (principal amount)

Repayment of the principal amount of borrowing is recognized as payment in the period in which the repayment is made. The debt stock is disclosed as an annexure to the consolidated financial statements.

v) Acquisition of fixed assets

The payment on the acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items, respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as a receipt and as a payment. A fixed asset register is maintained by each public entity, and a summary is provided for consolidation purposes. This summary is disclosed as an annexure to the consolidated financial statements.

f) In-kind donations

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

g) Cash and cash equivalents

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

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officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

Significant Accounting Policies (continued)

h) Restriction on cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third part deposits.

i) Imprests and Advances

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

j) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public-Private Partnerships,

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

Significant Accounting Policies (continued)

k) Contingent Assets

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

l) Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance.' When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

m) Budget

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation

n) Third-party payments

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments.

Nyandarua County Climate Change Fund
Annual Report and Financial Statements for the financial year ended June 30, 2024

and are disclosed in the payment to third parties' column in the statement of receipts and payments.

Significant Accounting Policies (continued)

o) Exchange rate differences

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

p) Comparative figures

Where necessary comparative figures for the previous financial year/period have been amended or reconfigured to conform to the required changes in financial statement presentation.

q) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2024.

12. Notes to the Financial Statements

1. Transfers from Government entities

These represent counterpart funding and other receipts from the government as follows:

Description	FY 2023-2024	FY 2022-2023	Cumulative to-date (from inception)
	KShs	KShs	KShs
<i>Counterpart funding through County Department of WENRCC</i>			
Counterpart funds Quarter 1	3,000,000		3,000,000
Counterpart funds Quarter 3	32,000,000	-	32,000,000
Counterpart funds Quarter 4	1,100,000		1,100,000
Total	36,100,000	-	36,100,000
<i>Other transfers from government entities</i>			
<i>National Treasury</i>	11,000,000		11,000,000
Total	11,000,000		11,000,000
Total	47,100,000	-	47,100,000

Notes to the Financial Statements (Continued)

2. Proceeds From Domestic and Foreign Grants

During the financial period to 30 June 2024, we received grants from donors as detailed in the table below:

Name of Donor	FY 2023-2024						FY 2022-2023	Cumulative to date
	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Grants received in kind	Total amount	Total Amount	
			KShs	KShs	KShs	KShs	KShs	KShs
Grants Received from Bilateral Donors (Foreign Governments)	-	-	-	-	-	-	-	-
Insert name of foreign Government	-	-	-	-	-	-	-	-
Grants Received from Multilateral Donors (International Organizations)	-	-	-	-	-	-	-	-
Insert name of international organization	-	-	-	-	-	-	-	-
Grants Received from Local Individuals and organizations	-	-	-	-	-	-	-	-
Insert name of individual or local organization	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Notes to the Financial Statements (Continued)

3. Loan from External Development Partners

During the financial period to 30 June 2024, we received funding from development partners in the form of loans negotiated by the National Treasury, as detailed in the table below:

Description Name of Donor	FY 2023-2024				FY 2022-2023	Cumulative to date
	Date received	Amount in loan currency	Loans received in actual amount	Loans received as direct payment ⁺	Total amount in KShs	
			KShs	KShs	KShs	KShs
Loans received from bilateral Donors (Foreign Governments)	-	-	-	-	-	-
Insert name of foreign Government	-	-	-	-	-	-
Insert name of foreign Government	-	-	-	-	-	-
Loans received from Multilateral Donors (International Organizations)	-	-	-	-	-	-
Insert name of international organization	-	-	-	-	-	-
Insert name of international organization	-	-	-	-	-	-
Total	-	-	-	-	-	-

Notes to the Financial Statements (Continued)

4. Miscellaneous receipts

Description	FY 2023-2024			FY 2022-2023	Cumulative to- date (from inception)
	Receipts controlled by the entity in Cash	Receipts controlled by third parties	Total receipts	Total receipts	
	KShs	KShs	KShs	KShs	KShs
Property income	-	-	-	-	-
Sales of goods and services	-	-	-	-	-
Administrative fees and charges	-	-	-	-	-
Fines, penalties, and forfeitures	-	-	-	-	-
Voluntary transfers other than grants	-	-	-	-	-
Other receipts not classified elsewhere*	-	-	-	-	-
Total	-	-	-	-	-

Notes to the Financial Statements (Continued)

5. Compensation to Employees

Description	FY 2023-2024			FY 2022-2023	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total payments	Total payments	
	KShs	KShs	KShs	KShs	KShs
-					
Basic salaries of permanent employees	-	-	-	-	-
Basic wages of temporary employees	-	-	-	-	-
Personal allowances paid as part of salary	-	-	-	-	-
Personal allowances paid as reimbursements	-	-	-	-	-
Personal allowances provided in kind	-	-	-	-	-
Pension and other social security contributions	-	-	-	-	-
Compulsory national social security schemes	-	-	-	-	-
Compulsory national health insurance schemes	-	-	-	-	-
Social benefit schemes outside government	-	-	-	-	-
Other personnel payments	-	-	-	-	-
Total	-	-	-	-	-

Notes to the Financial Statements (Continued)

6. Purchase of Goods and Services

Description	FY 2023-2024			FY 2022-2023	Cumulative to- date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	KShs	KShs	KShs	KShs	KShs
Utilities, supplies and services	-	-	-	-	-
Communication, supplies and services	-	-	-	-	-
Domestic travel and subsistence	13,953,070	-	-	-	13,953,070
Foreign travel and subsistence	-	-	-	-	-
Printing, advertising, and information supplies	-	-	-	-	-
Rentals of produced assets	-	-	-	-	-
Training payments	-	-	-	-	-
Hospitality supplies and services	1,544,000	-	-	-	1,544,000
Insurance costs	-	-	-	-	-
Specialized materials and services	-	-	-	-	-
Other operating payments	-	-	-	-	-
Routine maintenance – vehicles and other transport equipment	-	-	-	-	-
Routine maintenance- other assets	-	-	-	-	-
Exchange rate losses/gains (net)	-	-	-	-	-
Total	15,497,070.00	-	-	-	15,497,070.00

Notes to the Financial Statements (Continued)

7. Social Security Benefits

Description	FY 2023-2024			FY 2022-2023	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	
Government pension and retirement benefits	-	-	-	-	-
Social security benefits in cash and in kind	-	-	-	-	-
Employer social benefits in cash and in kind	-	-	-	-	-
Total	-	-	-	-	-

Notes to the Financial Statements (Continued)

8. Acquisition of Non-Financial Assets

Description	FY 2023-2024			FY 2022-2023	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	KShs.	KShs.	KShs	KShs	KShs
Purchase of buildings	-	-	-	-	-
Construction of buildings	-	-	-	-	-
Refurbishment of buildings	-	-	-	-	-
Construction of roads	-	-	-	-	-
Construction of civil works	-	-	-	-	-
Overhaul & refurbishment of construction and civil works	-	-	-	-	-
Purchase of vehicles & other transport equipment	-	-	-	-	-
Overhaul of vehicles & other transport equipment	-	-	-	-	-
Purchase of household furniture & institutional equipment	-	-	-	-	-
Purchase of office furniture & general equipment	-	-	-	-	-
Purchase of specialized plant, equipment and machinery	-	-	-	-	-
Rehabilitation & renovation of plant, equipment & machinery	-	-	-	-	-
Purchase of certified seeds, breeding stock and live animals	-	-	-	-	-
Research, studies, project preparation, design & supervision	-	-	-	-	-
Rehabilitation of civil works	-	-	-	-	-
Acquisition of strategic stocks	-	-	-	-	-
Acquisition of land	-	-	-	-	-
Acquisition of other intangible assets	-	-	-	-	-
Total	-	-	-	-	-

Notes to the Financial Statements (Continued)

9. Transfers to other Government Entities

During the financial period to 30 June 2024, we transferred funds to reporting government entities as shown below:

Description	FY 2023-2024			FY 2022-2023	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	KShs	KShs	KShs	KShs	KShs
Transfers to National/County Government entities					
Project	-	-	-	-	-
Department	-	-	-	-	-
Transfers to County Governments					-
County	-	-	-	-	-
	-	-	-	-	-
Total	-	-	-	-	-

10. Other Grants, Transfers, and Payments

Description	FY 2023-2024			FY 2022-2023	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	KShs	KShs	KShs	KShs	KShs
Grants for scholarships	-	-	-	-	-
<i>Others Specify</i>	-	-	-	-	-
Total	-	-	-	-	-

Notes to the Financial Statements (Continued)

11. Cash And Cash equivalents

Description	FY 2023-2024	FY 2022-2023
	KShs	KShs
Bank accounts (Note 11A)	33,234,405	-
Cash in hand (Note 11B)	-	-
Cash equivalents (short-term deposits) (Note 11C)	-	-
Total	33,234,405	-

11. A Bank Accounts

Project Bank Accounts

Details	FY 2023-2024	FY 2022-2023
	KShs	KShs
<u>Foreign Currency Accounts</u>		
Central Bank of Kenya [A/c No.....]	-	-
Kenya Commercial Bank [A/c No.....]	-	-
Co-operative Bank of Kenya [A/c No.....]	-	-
Others (<i>specify</i>)	-	-
Total Foreign Currency balances	-	-
<u>Local Currency Accounts</u>		
Central Bank of Kenya [A/c No1000528923]	33,234,405	-
Kenya Commercial Bank [A/c No.....]	-	-
Co-operative Bank of Kenya [A/c No.....]	-	-
Others (<i>specify</i>)	-	-
Total local currency balances	33,234,405	-
Total bank account balances	33,234,405	-

Notes to the Financial Statements (Continued)

11 B Cash in hand

Description	FY 2023-2024	FY 2022-2023
	KShs	KShs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other locations (<i>specify</i>)	-	-
Total cash in hand balances	-	-

[Provide a cash count certificate for each location above]

11 C Cash equivalents (short-term deposits)

Description	FY 2023-2024	FY 2022-2023
	KShs	KShs
Kenya Commercial Bank [A/C No.....]	-	-
Co-Operative Bank of Kenya [A/C No.....]	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

12. Imprests and Advances

Description	FY 2023-2024	FY 2022-2023
	KShs	KShs
Government Imprests	-	-
Salary advances	-	-
Total	-	-

*Nyandarua County Climate Change Fund
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Notes to the Financial Statements (Continued)

13. Third-Party Deposits and Retention

Description	FY 2023-2024		FY 2022-2023	
	KShs		KShs	
Retention	-		-	
Deposits	-		-	
Total	-		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

14. Fund Balance Brought Forward

Description	FY 2023-2024 KShs	FY 2022-2023 KShs
Bank accounts	1,631,475	-
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
Outstanding imprests and advances	-	-
Deposits and retention	-	-
Total	1,631,475	-

Notes to the Financial Statements (Continued)

15. Prior Year Adjustment

	Balance b/f Previous FY (audited financial statements)	Adjustments	Adjusted balance b/f Previous FY
Description of the error	KShs	KShs	KShs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Imprests and advances	-	-	-
Deposits and retentions	-	-	-
Others (<i>specify</i>)	-	-	-
Total	-	-	-

16. Changes in Accounts Receivables (Imprests and Advances)

Description	FY 2023-2024 KShs	FY 2022-2023 KShs
Opening Receivables as at 1 st July 2022/23	-	-
Closing account receivables as at 30 th June 2023/24	-	-
Change in Imprests and advances	-	-

17. Changes in Accounts Payables (Deposits and Retention)

Description	FY 2023-2024 KShs	FY 2022-2023 KShs
Deposit and Retentions as at 1 st July 2022/24	-	-
Closing accounts payables as at 30 th June 2023/24	-	-
Changes in deposit and retention	-	-

Other Important Disclosures

18. Pending Accounts Payable (See Annex 4a)

	Balance b/f from Comparative FY	Additions for the year	Paid during the year	Balance c/f For Current FY
Description	KShs	KShs	KShs	KShs
Construction of buildings	-	-	-	-
Construction of civil works	-	-	-	-
Supply of goods	-	-	-	-
Supply of services	-	-	-	-
Total	-	-	-	-

19. Pending Staff Payables (See Annex 4b)

	Balance b/f from Comparative FY	Additions for the year	Paid during the year	Balance c/f for Current FY
Description	KShs	KShs	KShs	KShs
Senior management	-	-	-	-
Middle management	-	-	-	-
Union employees	-	-	-	-
Others	-	-	-	-
Total	-	-	-	-

20. Other Pending Payables (See Annex 4c)

	Balance b/f from Comparative FY	Additions for the year	Paid during the year	Balance c/f for Current FY
Description	KShs	KShs	KShs	KShs
Amounts due to National Government entities	-	-	-	-
Amounts due to County Government entities	-	-	-	-
Amounts due to third parties	-	-	-	-
Total	-	-	-	-

Other Important Disclosures (Continued)

21. External Assistance

	FY2023-2024	FY 2022-2023
Description	KShs	KShs
External assistance received as grants	11,000,000	-
External assistance received as loans	-	-
External assistance received in kind- as payment by third parties	-	-
Total	11,000,000	-

a). External assistance relating to loans and grants

	FY2023-2024	FY 2022-2023
Description	KShs	KShs
External assistance received as loans	-	-
External assistance received as grants	11,000,000	-
Total	11,000,000	-

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b) Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	FY2023-2024	FY 2022-2023
Description		KShs	KShs
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants	For County Climate Resilience Investments	104,537,952	-
Total		104,537,952	-

(This is a disclosure of the assistance not yet received as per donor agreements)

c) Classes of providers of external assistance

	FY2023-2024	FY 2022-2023
Description	KShs	KShs
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

d.) non-monetary external assistance

	FY2023-2024	FY 2022-2023
Description	KShs	KShs
Goods	-	-
Services	-	-
Total	-	-

Other Important Disclosures (Continued)

e) Purpose and use of external assistance

Payments made by third parties	FY2023-2024	FY 2022-2023
Description	KShs	KShs
Compensation to employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to other Government entities	-	-
Other grants and transfers	-	-
Social Security benefits	-	-
Acquisition of assets	-	-
Finance Costs including loan interest	-	-
Repayment of principal on domestic and foreign borrowing	-	-
Other payments	-	-
Total	-	-

(N/B The above sub-classification should be adopted based on the purpose of the external assistance and how it was used).

f). External Assistance paid by third parties on behalf of (the Entity) by Source

This relates to external assistance paid directly by third parties to settle obligations on behalf of (the entity This note should tie to line 3 of note 4 on external assistance).

	FY2023-2024	FY 2022-2023
Description	KShs	KShs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

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Other Important Disclosures (Continued)

22. Payments By Third Party on Behalf of The Project

This relates to payments done directly to suppliers on behalf of the project, such as; national government may fund the operation of a health or education program; a donor may pay directly for the construction of a given activity

22.1 Classification by Source

	FY2023-2024	FY 2022-2023
Description	KShs	KShs
<i>National/ County government</i>	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

22.2 Classification of payments made by Third Parties by Nature of expenses

Payments made by third parties	FY2023-2024	FY 2022-2023
Description	KShs	KShs
Compensation of employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to other government units	-	-
Other grants and transfers	-	-
Social security benefits	-	-
Acquisition of assets	-	-
Finance costs, including loan interest	-	-
Other payments	-	-
Total	-	-

Other Important Disclosures (Continued)

23. Related Party Disclosures

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS. The comprise of related parties to the Project.

- i) Key management personnel, including the program director/manager
- ii) The implementing entity/ministry/ County department
- iii) Other Ministries and Departments.
- iv) The National /County Treasury

Related party transactions:

	FY2023- 2024 KShs	FY 2022- 2023 KShs
Compensation to Key Management		
Compensation to the program manager/ director	-	-
Key Management Compensation others (specify)	-	-
Total Compensation to Key Management	-	-
Transfers to related parties	-	-
Transfers to other government entities	-	-
Total Transfers to related parties	-	-
Transfers from related parties	-	-
Transfers from the Ministry/ County department	-	-
Payments made on behalf of the project by other govt. entities	-	-
(Insert any other transfers received)	-	-
Total Transfers from related parties	-	-

1. Contingent Liabilities

Contingent liabilities	Insert Current FY KShs	Insert Comparative FY KShs
Court case against the project	-	-
Bank guarantees in favour of other govt. entities	-	-
Contingent liabilities arising from PPPs/ donor agreements	-	-
Total	-	-

1. Annexes

Annex 1: Variance explanations - Comparative Budget and Actual Amounts for Current FY

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance (below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
Receipts					
Transfer from Government entities	150,006,477	47,100,000	102,906,477	31	The Exchequer was released at the end of the FY
Proceeds from domestic and foreign grants	-	-	-	-	
Proceeds from borrowings	-	-	-	-	
Miscellaneous receipts	-	-	-	-	
Total Receipts	150,006,477	47,100,000	102,906,477	31	
Payments					
Compensation of employees	-	-	-	-	
Purchase of goods and services	16,731,475	15,497,070	1,234,405	93	
Social security benefits	-	-	-	-	
Acquisition of non-financial assets	136,537,952	-	-	-	
Transfers to other government entities	-	-	-	-	
Other grants and transfers	-	-	-	-	
Total payments	150,006,477	15,497,070	1,234,405	93	

Annex 2 Financing Locally-Led Climate Action Program

Name of PforR: Financing Locally-Led Climate Action Program	
Financing Partners: World Bank, IDA, DANIDA, SIDA and GoK.	
Purpose of the PforR: To deliver locally-Led climate resilience actions and strengthen County Governments' capacity to manage climate risks.	
Expenditure Details	Amount in KShs
Cumulative actual expenditures for the previous years	
Actual expenditure in the current financial year	
1. <i>County Climate Institutional Support</i>	15,497,070
2. <i>County Climate Resilience Investments</i>	-
3. <i>Project Supervision, Monitoring and Evaluation</i>	-
4. <i>Environmental and Social Risk Management</i>	-
5. <i>Community Capacity Building Activities</i>	-
6. <i>Others (Specify)</i>	-
Sub-total	15,497,070
Cumulative Actual Expenditures to date	15,497,070

Annex 3: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Source Of Funds				Implementing Partners	
				Q1	Q2	Q3	Q4		
The Lake Ol Bolosat conservation	Spring protection and rehabilitation of degraded areas in the catchment. Supply of fruit trees and supply of indigenous trees seedlings in schools around the lake	Springs protected and rehabilitated, households provided with fruit trees, primary schools supplied with trees	1 Springs protected (Chepalungu) and rehabilitated, 500 households and 2 Schools	To be implemented in FY 2024/2025				FLLoCA-CCRIG	FLLoCA, NCG
Silibwet Secondary School Roof water harvesting	Supply of tanks, guttering and tree nursery tree equipment	30 Cubic metres of water harvesting	Tanks supplied, guttering done, tree nursery established	To be implemented in FY 2024/2025				FLLoCA-CCRIG	FLLoCA, NCG
North Kinangop Green Energy Project	Construction of Individual/ community Biogas plant and school energy saving Jikos	Clean cooking and heating energy	1 School unit, 50 households supplied with Biogas	To be implemented in FY 2024/2025				FLLoCA-CCRIG	FLLoCA, NCG

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	assorted diameters					
Njabini Ngwataniro Water Project	Expansion of intake, Construction of storage tanks, Rehabilitation of gravity main and distribution pipelines	Enhanced water supply and promotion of small -scale irrigation	1000 people served with clean and irrigation water	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG
Mwiyumia Community Water Project	Borehole drilling, solar equipping, elevated storage tank and distribution pipelines	Enhanced water supply	Supply water to 300 households	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG
Ex major Dam water project	Storage tank and treatment plant, replacement of existing dilapidated pipelines, extension of distribution networks, pilot house hold fish	Enhanced water supply, improved livelihoods through small scale farming	1000 people served with clean and irrigation water	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG

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Gathanji Green Energy Project	Construction of institutional Biogas plant and School Energy Saving Jikos	Clean cooking and heating energy (Gathanji Sec)	1 School unit, 50 households supplied with Biogas	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG
Gathiriga Borehole community water project	Borehole drilling, solar equipping, elevated storage tank and distribution pipeline	Enhanced water supply	200 households served with water	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG
Thindi borehole community water project	Borehole drilling, solar equipping, storage tank and distribution pipelines	Enhanced water supply	300 households served with water	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG
Upgrade of Distribution Pipelines in OI Kalou Municipality (Juakali - Kariamu) of 5.1 Km	Upgrade of dilapidated Unplasticized Polyvinyl Chloride (uPVC) pipelines to High-Density Polyethylene (HDPE) pipes of	To curb Non-Revenue Water (NRW), Increase the water supply coverage, enhance uninterrupted hours of water supply in the municipality,)	Supply of water to 3000 households through 570 connections	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG

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	assorted diameters					
Njabini Ngwataniro Water Project	Expansion of intake, Construction of storage tanks, Rehabilitation of gravity main and distribution pipelines	Enhanced water supply and promotion of small -scale irrigation	1000 people served with clean and irrigation water	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG
Mwiyumia Community Water Project	Borehole drilling, solar equiping, elevated storage tank and distribution pipelines	Enhanced water supply	Supply water to 300 households	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG
Ex major Dam water project	Storage tank and treatment plant, replacement of existing dilapidated pipelines, extension of distribution networks, pilot house hold fish	Enhanced water supply, improved livelihoods through small scale farming	1000 people served with clean and irrigation water	To be implemented in FY 2024/2025	FLLoCA-CCRIG	FLLoCA, NCG

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	ponds and small-scale irrigation					
Michore Borehole community water project	Drilling of borehole, solar equipping, storage tank and distribution pipes	Enhanced water supply	300 households served with water	To be implemented in FY 2024/2025	County Contribution	FLLoCA, NCG
Mbuyu Community Water Project	Distribution network and installation of water meters in (Mithuri, Nyakinywa, Muthiga, Kanyagia, Kindipa)	Enhanced water supply	300 households served with water	To be implemented in FY 2024/2025	County Contribution	FLLoCA, NCG
Field Vehicle	Supply a 4x4 double cab pick-up through a Direct tender through Government Contract	Supervision, inspection, Monitoring and evaluation of climate resilience projects	Supplied field Vehicle	To be implemented in FY 2024/2025	County Contribution	FLLoCA, NCG