


REPUBLIC OF KENYA



Enhancing Accountability

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|  THE NATIONAL ASSEMBLY PAPERS LAID | |
| DATE: 13 NOV 2024 | DAY: WED. |
| TABLED BY: | DE MAJORITY PARTY WHIP HON. NAOMI WAQO MP |
| CLERK-AT THE-TABLE: | MS. MERCY CHOMO |

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REPORT

OF

THE AUDITOR-GENERAL

ON

ADB-AFRICA CLIMATE SUMMIT PROJECT

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

THE NATIONAL TREASURY

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30684 - 00100, NAIROBI
REGISTRY

30 SEP 2024



PROJECT NAME: ADB AFRICA CLIMATE SUMMIT PROJECT
IMPLEMENTING ENTITY: THE NATIONAL TREASURY

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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1. Acronyms and Definition of Terms

| | |
|----------------|---|
| ADB | Africa Development Bank |
| CBK | Central Bank of Kenya |
| CF&GEU | Climate Finance & Green Economy Unit |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IMF | International Monetary Fund |
| IMTC | Inter-Ministerial Technical Committee |
| IPSAS | International Public Sector Accounting Standards |
| NDA | National Designated Authority |
| NDC | Nationally Determined Contribution |
| NDE | National Designated Entity |
| NCCAP | National Climate Change Action Plan |
| CT | County Treasury |
| NT | National Treasury |
| PFM | Public Finance Management. |
| PSASB | Public Sector Accounting Standards Board |
| UN | United Nations |
| UNFCCC | United Nations Framework Convention on Climate Change |
| WB | World Bank |
| Comparative FY | Financial year preceding the current financial year. |

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is ADB Africa Climate Summit Project.

Objective

The main objective of the project is to unlock the mobilization of more diverse resources of funding, especially from the private sector, for the implementation of impactful adaptation and resilience projects in Kenya.

Address

The project office is The National Treasury (Climate Finance & Green Economy Unit) situated in 7th Floor Reinsurance Plaza, Taifa Road, Nairobi

Contacts: The following are the project contacts:

The National Treasury

P.O. Box: 30007-00100 NAIROBI

Telephone: +254 20 2252299

E-mail: pstnt@treasury.go.ke; odhengo@gmail.com

Website: <https://www.treasury.go.ke/>

Project information and overall performance (continued)

2.2 Project Information

| | |
|----------------------|--------------------------------|
| Project Start Date: | 4.01.2024 |
| Project End Date: | 3.01.2025 |
| Project Coordinator: | Mr. Peter Odhengo |
| Project Sponsor: | African Development Bank (ADB) |

2.3 Project Overview

| | |
|--|---|
| Line Ministry | The National Treasury |
| Strategic goals of the project | The main objective of the project is to unlock the mobilization of more diverse resources of funding, especially from the private sector, for the implementation of impactful adaptation and resilience projects in Kenya. |
| Summary of Project Strategies for achievement of strategic goals | Establish Climate Adaptation Country Compacts to enable African countries to strengthen their climate change adaptation agenda, allow them to meet their financial needs, and fill their adaptation funding gaps. Support green investments |
| Other important background information of the project | <p>Enhancing investments in adaptation in Africa is critical to accelerate the implementation of NDCs and NAPs and provide an opportunity for coordination of adaptation efforts at all levels while scaling up resources dedicated to adaptation finance in Africa.</p> <p>In this regard, the AfDB mooted the establishment of Climate Adaptation Country Compacts to enable African countries to strengthen their climate change adaptation agenda, allow them to meet their financial needs, and fill their adaptation funding gaps.</p> <p>The Compact will Kenya with a solid foundation for decision making, resource allocation, and greater investments in their adaptation projects and programs.</p> |

| | |
|--|--|
| Areas that the project was formed to intervene | Support adaptation and resilience actions. |
| Project duration | 1 Year (12 months). |

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the project:

Central Bank of Kenya
 Haile Selassie Avenue
 P.O. Box 60000 – 00200, Nairobi Kenya
 Tel: +254 20 286 0000
NAIROBI

2.5 Independent Auditor

The project is audited by the:

Auditor General
 Office of the Auditor General
 Anniversary Towers, University Way
 P.O. Box 30084-00100
NAIROBI

2.6 Roles and Responsibilities

The following officers from the Climate Finance and Green Economy Unit, The National Treasury were responsible for the project implementation during the period under review. The project has not recruited a dedicated project officer.

| No | Names | Title designation | Key qualification | Responsibilities |
|----|---------------------|--|---|--------------------------------|
| 1. | Mr. Peter Ochengo | Head, Climate Finance & Green Economy Unit | Master of Science in Environmental Protection and Sustainable Development | Project Coordinator |
| 2. | Mr. Hillary Koirir | Senior Economist | Master's degree in Agricultural and Applied Economics | Project Technical Officer |
| 4. | Ms. Janet Chelangat | Economist I | Bachelor's degree | Support project implementation |

2.7 Funding summary

The Project is for a duration of 1 year from 2024 to 2025 with an approved funding of US\$ 500,000 equivalent to Kshs 75,000,000 as highlighted in the tables below:

A. Source of Funds

| Source of funds | Donor Commitment | | Amount received to date – (30 th June 2024) | | Undrawn balance to date | |
|--------------------------------|------------------|-------------------|--|------------------|-------------------------|-------------------|
| | USD | Kshs | USD | Kshs | USD | Kshs |
| | (A) | (A') | (B) | (B') | (A)-(B) | (A') - (B') |
| (i) Grant - Green Climate Fund | 500,000 | 75,000,000 | 37,500 | 4,917,765 | 462,500 | 69,375,000 |
| (ii) Counterpart funds - GoK | - | - | - | - | - | - |
| Total | 500,000 | 75,000,000 | 37,500 | 4,917,765 | 462,500 | 69,375,000 |

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 (30 th June 2024) | |
|------------------------|--|------------------|---|----------|---|------------------|
| | USD | Kshs | USD | Kshs | USD | Kshs |
| | (A) | (A') | (B) | (B') | (A)-(B) | (A')-(B') |
| (i) Grant | | | | | | |
| Green Climate Fund | 37,500 | 4,917,765 | - | - | 37,500 | 4,917,765 |
| (ii) Counterpart funds | | | | | | |
| Government of Kenya | - | - | - | - | - | - |
| Total | 37,500 | 4,917,765 | - | - | 37,500 | 4,917,765 |

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

- i) Budget performance against actual amounts for the current year and for cumulative to-date,*

During the year under review, the project requested a total of **Kshs 5,000,000** for implementation but received **Kshs 4,917,765**. However, there was zero utilisation under FY 2023/24, hence the project activities will be undertaken in FY 2024/25.

- ii) Physical progress based on outputs and outcomes since project commencement,*

During the year under review there were no outputs and outcomes achieved due to delayed disbursement.

- iii) Indicate the absorption rate for each year since the commencement of the project.*

There was no absorption for ADB Africa Climate Summit Project for FY 2023/24.

- iv) List the implementation challenges and recommend the next steps.*

The project did not commence and this was occasioned by delayed disbursement.

2.9 Summary of Project Compliance:

There were no cases of non-compliance with the applicable laws and regulations, and essential external financing agreements/covenants.

3. Statement of Performance against Project's Predetermined Objectives

Introduction

During the year under review there were no activities implemented.

4. Environmental and Sustainability Reporting

The Project exists to enable Kenya to take advantage of the opportunities to address climate change. The project focuses on taking conscious steps aimed at building capacities and developing clear coordination mechanisms for climate financing including ADB Africa Climate Summit Project access in Kenya. The most immediate actions include leveraging private sector financing through creating awareness and removing fiscal barriers to green technology proliferation. In this regard, the project has supported the development of the Kenya's Green Fiscal Incentives Policy and will facilitate the development of the ADB Africa Climate Summit Project aligned with the national development strategies and goals to boost Kenya's ability to access financing from ADB.

The project will enhance understanding of climate change and its impacts nationally and at the county level, tracking and reporting of climate finance flows, and ensure a conducive and enabling policy, legal and institutional framework to address climate change. Below is a brief highlight of our activities that drive towards sustainability.

i. Sustainability strategy and profile

Program sustainability will be achievable through:

- Capacity building to strengthen sector wide capacity building focusing on ADB Africa Climate Summit Project and climate finance access modalities. Addressing the needs at these different levels calls for a multi-pronged approach that enhances co-ordination, collaboration, coherence while at the same time address sustainability;
- Stakeholder engagement is a key component of the project that applies to all activities. In line with the Government of Kenya's laws and ADB Africa Climate Summit Project's procedures, meaningful consultation and engagement processes is embedded in the project implementation.
- Inculcate sustainability into all aspects of the project (planning, budgeting, implementation & monitoring).

ii. Environmental performance

The Climate Change Act, 2016 aims to promote low-carbon economic development that is resilient to climate change. The Act provides for mobilization and reporting of climate finance flows in the country. The National Climate Change Action Plan (NCCAP) 2023-2027 aims to further Kenya's " development goals by providing mechanisms and measures to achieve low carbon climate resilient development in a manner that prioritizes adaptation. The Action Plan emphasizes sustainability, while prioritizing adaptation and enhanced climate resilience for vulnerable groups, including women, youth, persons with disabilities. The National Policy on Climate Finance on the other hand aims to enhance and streamline the implementation of public finance management in relation to climate financing. The Policy enhances mobilization of resources for adaptation and mitigation actions.

In implementing the project, a paradigm shift towards low-emission and climate-resilient development pathways in the context of sustainable development is being adhered to. The project, in line with Government's Environmental Policies and the ADB Africa Climate Summit Project's Environmental and Social Safeguards Policy is effectively and equitably managing environmental and social risks and impacts, and improve outcomes of project deliverables.

iii. Employee welfare

The Project is yet to finalize on the hiring of the project officer. The Project staff is being hired as per the GoK employment procedures that takes into account the gender balance, and in close consultation with the ADB Africa Climate Summit Project officers. The staff have been trained in a number of areas. The Project ensures the safety, health and welfare of all 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. Marketplace practices-

a) Responsible Supply chain and supplier relations-

During the year under review, the program maintained required practices on responsible competition practice; responsible supply chain and supplier relations; responsible marketing and advertisements.

b) Responsible ethical practices

The Project commits to observe all laws governing Fraud and Corruption through the contracts signed under the ADB Africa Climate Summit Project. The Project actively engages suppliers through a Grievance Redress Mechanism to promptly address any complaint arising out of a procurement process. Suppliers are sensitized on the process of submitting procurement related complaints through the Intention to award letters. Further, prior to contract signing, successful suppliers disclose information on their Beneficial Ownership.

c) Regulatory impact assessment

To safeguard and stakeholder rights, some contracts require the contractor/consultant to submit a Sexual Exploitation and Abuse (SEA) and/or Sexual Harassment (SH) Performance Declaration, Environmental Impact Assessment certificate.

5. Statement of Project Management Responsibilities

The Principal Secretary for the National Treasury and the Project Coordinator for the ADB Africa Climate Summit Project 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.

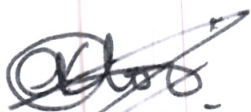
The Principal Secretary for the National Treasury and the Project Coordinator for the ADB Africa Climate Summit Project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Principal Secretary for the National Treasury and the Project Coordinator are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June 30, 2024, and of the Project's financial position as at that date. The Principal Secretary for the National Treasury and the Project Coordinator further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control.

The Principal Secretary for the National Treasury and the Project Coordinator confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project Financial Statements

The Project financial statements were approved by the Principal Secretary for the National Treasury and the Project Coordinator for the ADB Africa Climate Summit Project on 30th September 2024 and signed by:



.....
Dr. Chris K. Kiptoo, CBS
Principal Secretary



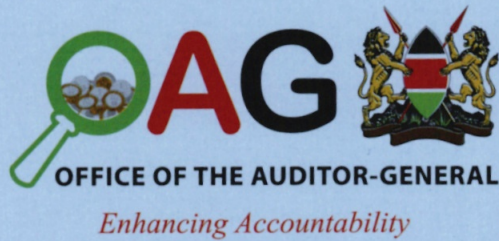
.....
Peter Odhengo
Project Coordinator



.....
CPA Lilian Atieno
Project Accountant
ICPAK Member No: 10696

REPUBLIC OF KENYA

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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ADB AFRICA CLIMATE SUMMIT PROJECT OR THE YEAR ENDED 30 JUNE, 2024 - THE NATIONAL TREASURY

PREAMBLE

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

- A. Report on the 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 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.
- C. Report on the 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 adverse opinion is issued when the Auditor-General determines that the financial statements are materially misstated and do not present a true and fair view in accordance with the applicable financial reporting framework. An adverse opinion indicates that the financial statements exhibit significant misstatements with the books of accounts and the underlying accounting records. There is significant disagreement between the financial statements and the underlying books of accounts and/or standards. These problems are widespread, persistent and require considerable intervention by the Management to rectify.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General 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

Adverse Opinion

I have audited the accompanying financial statements of ADB Africa Climate Summit Project set out on pages 1 to 15, which comprise of the statement of financial assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of ADB Africa Climate Summit Project as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the grant agreement for funding eligible activities of the Africa Climate Summit and the Africa Climate Week and the Public Finance Management Act, 2012.

In addition, the special account statement does not present fairly, the special account transactions and the ending balance has not been reconciled with the books of account.

Basis for Adverse Opinion

1. Accuracies and Completeness of Financial Statements

Review of financial statements submitted for audit revealed the following anomalies;

- i. The statement of receipts and payments reflects receipts of Kshs.4,917,765 which remained unspent as at the end of the year. However, the statement does not report any surplus for the year. Further, the statement of financial assets and liabilities does not reflect any cash and cash equivalents and surplus as at the end of the year.
- ii. The project financial statements have been prepared for a whole year instead of the period from 15 November, 2023 when the grant agreement was signed to 30 June, 2024.
- iii. Statement of cash flows does not reflect cash and cash equivalents balance as at the end of the year, therefore incomplete.
- iv. The statement of comparison of budget and actual amounts is incomplete.
- v. Note 11 to the financial statements reflects cash and cash equivalents of Kshs.4,917,765 which is neither disclosed in the statement of financial assets and liabilities nor the statement of cash flows. Further, the Note reflects balances movement for the project account instead of special (designated) deposit account.

- vi. The funding summary reflects undrawn balance in the funding summary is carried at an exchange rate of Kshs.150 to USD.1 Instead of the exchange rate as at 30 June, 2024 of Kshs.130.4669 to USD.1. The undrawn balance is therefore overstated by Kshs.9,034,059.
- vii. A letter to Head of Climate Finance & Green Economy Unit from the Ag. Head of Disbursement Unit dated 22 May, 2024 indicates that the approved exchequer release was of USD.375,000 being equivalent to Kshs.4,917,765. This contradicts with the remittance approval of 21 May, 2024 which has USD 37,500.
- viii. An unidentified person signed the financial statements on behalf of the project coordinator.

In the circumstances, the accuracy and completeness of balances reflected in the financial statements could not be confirmed.

2. Unconfirmed Project Funds

The special account reconciliation statement reflects withdrawals totaling to USD.2,537,500 (Equivalent to Kshs.330,238,981) was withdrawn to finance project activities during the year. However, only USD 37,500 (Equivalent to Kshs.4,917,765) been reflected in the project financial statements as proceeds from domestic and foreign grant leaving a balance of USD.2,500,000 (Equivalent to Kshs.325,321,216) not reported. The amount may have been utilized for expenditures other than activities provided for in the financing agreement.

In the circumstances, the eligibility of expenditure of USD.2,500,000 (Equivalent to Kshs.325,321,216) could not be confirmed.

3. Eligibility of Expenditure Incurred by the Project

The Republic of Kenya entered into a grant agreement amounting to USD.3,000,000 with the African Development Bank on 15 November, 2023. According to the agreement, the grant was to be used exclusively for meeting the cost of eligible activities of the African Climate Summit held between 4 and 8 September, 2023 and thereafter adaptation compacts as detailed in annex 4 to the financing agreement. The agreement further provided that the proceeds of the grant were to partially cover expenses on flight travel, hotel accommodation and conference for participants included in the total budget of the summit. Under the agreement, any financial resources of the grant that remain unexpended after all eligible commitments and liabilities had been satisfied, were to be reimbursed to the Bank.

It was noted that the financing agreement was signed after the summit had taken place, and USD.3,000,000 (Equivalent to Kshs.475,515,000) disbursed to the project's special account on 3 January, 2024. The special account reconciliation statement reflects withdrawals totaling to USD.2,537,500 (Equivalent to Kshs.330,238,981) was withdrawn to finance project activities during the year. However, only USD 37,500 (Equivalent to Kshs.4,917,765) been reflected in the project financial statements as proceeds from domestic and foreign grant leaving a balance of USD.2,500,000 (Equivalent to Kshs.

325,321,216) not reported. The amount may have been utilized for expenditures other than activities provided for in the financing agreement.

In the circumstances, the eligibility of expenditure of USD.2,500,000 (Equivalent to Kshs.325,321,216) could not be confirmed.

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. Except for the matters described in the Basis Opinion section of my report, there were no key audit matters to report in the year under review.

Other Information

Conclusion

The Management is responsible for the other information set out on page (ii) to (xi) which comprise of Acronyms and Glossary of Terms, Project Information and Overall Performance, Statement of Performance against Project's Predetermined Objectives and Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

Basis for Conclusion

In connection with my audit on the Africa Development Bank-Africa Climate Summit Project 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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAIs 3000 and 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matters described in the Basis for Adverse opinion section of my report, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAIs 2315 and 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by the African Development Bank, I report based on my audit that I have obtained all information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit. In my opinion, Information given in the managements report pages (iii) to (xi) is consistent with the financial statements.

Basis for Conclusion

African Development Bank requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the African Development Bank-Africa Climate Summit Project compliance with laws and regulations. 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 those Charged with Governance

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as the 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, the Management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management is aware of the intention to cease operations.

The 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, the 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 Project's financial reporting process, reviewing the effectiveness of how the 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 INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires 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 also 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

04 November, 2024

1. 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. | Kshs. | Kshs. |
| Receipts | | | | | | | | |
| Transfer from Government entities | 1 | - | - | - | - | - | - | - |
| Proceeds from domestic and foreign grants | 2 | 4,917,765 | - | - | - | - | - | 4,917,765 |
| Loan from external development partners | 3 | - | - | - | - | - | - | - |
| Miscellaneous receipts | 4 | - | - | - | - | - | - | - |
| Total receipts | | 4,917,765 | - | - | - | - | - | 4,917,765 |
| Payments | | | | | | | | |
| Compensation to employees | 5 | - | - | - | - | - | - | - |
| Purchase of goods and services | 6 | 0 | - | 0 | 0 | - | 0 | 0 |
| Social security benefits | 7 | - | - | - | - | - | - | - |
| Acquisition of non-financial assets | 8 | - | - | - | - | - | - | - |
| Transfers to other government entities | 9 | - | - | - | - | - | - | - |
| Other grants and transfers /payments | 10 | - | - | - | - | - | - | - |
| Total payments | | 0 | - | 0 | 0 | - | 0 | 0 |
| Surplus/ (deficit) | | 0 | - | 0 | 0 | - | 0 | 0 |



Dr. Chris K. Kiptoo, CBS
Principal Secretary/ NT



Peter Odhengo
Project Coordinator





CPA Lilian Atieno
Project Accountant
ICPAK Member No: 10696

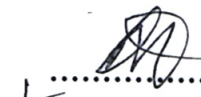
2. Statement of Financial Assets and Liabilities as of 30th June 2024

| Description | Note | FY 2023/24 | FY 2022/23 |
|--|------|------------|------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash and Cash equivalents | 11 | - | - |
| Imprests and Advances | 12 | - | - |
| Total Financial Assets (A) | | - | - |
| | | - | - |
| Financial Liabilities | | - | - |
| Third party Deposits and Retention | 13 | - | - |
| Total Financial Liabilities (B) | | - | - |
| Net Financial Assets (A-B) | | - | - |
| | | - | - |
| Represented By | | - | - |
| Fund Balance B/fwd. | 14 | - | - |
| Prior Year adjustments | 15 | - | - |
| Surplus/(Deficit) for the Year | | - | - |
| Net Financial Assets | | - | - |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30th September 2024 and signed by:


.....
Dr. Chris K. Kiptoo, CBS
Principal Secretary / NT


.....
Peter Odhengo
Project Coordinator


.....
CPA Lilian Atieno
Project Accountant
ICPAK Member No: 10696

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

| Description | Note | FY 2023/24 | FY 2022/23 |
|--|-----------|------------------|-------------|
| Cashflow from operating activities | | Kshs | Kshs |
| Receipts | | | |
| Transfer from government entities | 1 | - | - |
| Proceeds from domestic and foreign grants | 2 | 4,917,765 | - |
| Miscellaneous receipts | 4 | - | - |
| Total receipts | | 4,917,765 | - |
| Payments | | | |
| Compensation of employees | 5 | - | - |
| Purchase of goods and services | 6 | - | - |
| Social security benefits | 7 | - | - |
| Transfers to other government entities | 9 | - | - |
| Other grants and transfers | 10 | - | - |
| Total Payments | | - | - |
| Net receipts/(payments) | | - | - |
| 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 | | - | - |
| Cash & cash equivalent at beginning of the year | 11 | - | - |
| Cash and cash equivalent at end of the year | 11 | - | - |

10. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2024

| 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 | - | - | - | 0 | - | 0% |
| Proceeds from domestic and foreign grants | 5,000,000 | - | 5,000,000 | 0 | 5,000,000 | 0% |
| Proceeds from borrowings | - | - | - | - | - | - |
| Miscellaneous receipts | - | - | - | 0 | - | - |
| Total Receipts | 5,000,000 | | 5,000,000 | | 5,000,000 | 0% |
| Payments | | | | | | |
| Compensation to employees | - | - | - | - | - | - |
| Purchase of goods and services | 0 | - | 0 | - | 0 | - |
| Social security benefits | - | - | - | - | - | - |
| Acquisition of non-financial assets | 0 | - | 0 | - | 0 | 0% |
| Transfers to other government entities | - | - | - | - | - | - |
| Other grants and transfers | - | - | - | - | - | - |
| Total Payments | 0 | - | 0 | - | 0 | 0% |
| Surplus or Deficit | - | - | - | - | - | - |

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

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 the ADB Africa Climate Summit Project under the National Treasury as required by Section 81/ 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

ADB Africa Climate Summit Project 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.

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.

Significant Accounting Policies (continued)

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.

e) 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.

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.

Significant Accounting Policies (continued)

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

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.

Significant Accounting Policies (Continued)

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. **Annex 6** of this financial statement is a register of the contingent liabilities in the year.

k) Contingent Assets

The Project 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 Project 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. A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been *included in an annex to these financial statements*.

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

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.

r) Prior period adjustments

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s).

12. Notes to the Financial Statements

1. Transfers from Government entities

During the financial period ending 30th June 2024, the project did not receive any transfers from the government. The table below gives the comparative for the prior year:

| Description | FY2023/24 | FY2022/23 | Cumulative to-date (from inception) |
|--|-----------|-----------|-------------------------------------|
| | Kshs | Kshs | Kshs |
| <i>Counterpart funding through The National Treasury</i> | | | |
| Counterpart funds Quarter 1 | - | - | - |
| Counterpart funds Quarter 2 | - | - | - |
| Counterpart funds Quarter 3 | - | - | - |
| Counterpart funds Quarter 4 | - | - | - |
| Total | 0 | = | 0 |

2. Proceeds From Domestic and Foreign Grants

| Name of Donor | Date received | Amount received in donor currency | FY 2023/24 | | | | FY 2022/23 | Cumulative to date |
|-----------------------------------|---------------|-----------------------------------|-------------------------|------------------------------------|-------------------------|--------------|--------------|--------------------|
| | | | Grants received in cash | Grants received as direct payment* | Grants received in kind | Total amount | Total Amount | |
| | | | Kshs | Kshs | Kshs | Kshs | Kshs | |
| ADB Africa Climate Summit Project | - | - | 4,917,765 | - | - | - | - | 4,917,765 |
| Total | - | - | - | - | - | - | - | 4,917,765 |

3. Loan from External Development Partners

The project is financed through grants from the ADB Africa Climate Summit Project.

4. Miscellaneous receipts

During the financial period to June 2024, we did not have any miscellaneous receipts.

5. Compensation to Employees

During the financial year under review, the project did not have any employees.

Notes to the Financial Statements (Continued)

6. Purchase of Goods and Services

During the financial year under review there were no purchase of goods and services.

7. Social Security Benefits

During the financial year under review, there were no social security benefits payment made.

8. Acquisition of Non-Financial Assets

During the financial period to June 2024, there were no acquisition of non-financial assets.

9. Transfers to other Government Entities

During the Financial period to 30th June 2024, there were no transfers to other Government Entities.

10. Other Grants, Transfers, and Payments

During the Financial Period to 30th June 2024, there were no Other Grants, Transfers, and Payments made.

Notes to the Financial Statements (Continued)

11. Cash And Cash equivalents

| Description | FY 2023-2024 | FY 2022-2023 |
|---|-------------------------|-----------------|
| | Kshs | Kshs |
| Bank accounts (Note 11A) | 4,917,765 | 0 |
| Cash in hand (Note 11B) | 0 | 0 |
| Cash equivalents (short-term deposits) (Note 11C) | 0 | 0 |
| Total | <u>4,917,765</u> | <u>0</u> |

The ADB Africa Climate Summit Project has one project account, and one foreign currency designated account managed by the National Treasury as listed below:

11. A Bank Accounts

Project Bank Account

| Details | FY 2023-2024 | FY 2022-2023 |
|--|-------------------------|-----------------|
| | Kshs | Kshs |
| <u>Local Currency Account</u> | | |
| Central Bank of Kenya [A/c No. 1000741236] | 4,917,765 | 0 |
| Total local currency balances | <u>4,917,765</u> | <u>0</u> |

Special Deposit Account

The balances in the Project's Special Deposit Account as of 30th June 2024 are not included in the Statement of Financial Assets since the line items are yet to be drawn into the Exchequer Account

ADB – Africa Climate Summit Project

Annual Report and Financial Statements for the financial year ended June 30, 2024

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

Special Deposit Accounts Movement Schedule

| Description | FY 2023/24 | FY 2022/23 |
|--|-----------------------|-----------------|
| | USD | USD |
| (i) A/C Name: ADB Africa Climate Summit Project [A/c No. 1000741236] | | |
| Opening balance | 0 | 0 |
| Total amount deposited in the account | 500,000 | 0 |
| Total amount withdrawn (as per Statement of Receipts & Payments) | <u>37,500</u> | <u>0</u> |
| Closing balance (as per SDA bank account reconciliation attached) | <u>462,500</u> | <u>0</u> |

(The Special Deposit Account reconciliation statements has been attached as Appendix 9 support these closing balance.)

Notes to the Financial Statements (Continued)

11. B Cash in hand

During the Financial Period to 30th June 2024, there were no cash in hand.

11. C Cash equivalents (short-term deposits)

During the Financial Period to 30th June 2024, there were no short-term deposits.

12. Imprests and Advances

During the Financial Period to 30th June 2024, there were no short-term deposits.

13. Third-Party Deposits and Retention

During the Financial Period to 30th June 2024, there were no third-party deposits and retention.

14. Fund Balance Brought Forward

| Description | FY 2023/24 | FY 2022/23 |
|--|------------------|------------|
| | Kshs | Kshs |
| Bank accounts (A/c No. 1000741236) | 4,917,765 | - |
| Cash in hand | - | - |
| Cash equivalents (short-term deposits) | - | - |
| Outstanding imprests and advances | - | - |
| Deposits and retention | - | - |
| Total | 4,917,765 | 0 |

15. Prior Year Adjustment

ADB – Africa Climate Summit Project
Annual Report and Financial Statements for the financial year ended June 30, 2024

There were no prior adjustments resulting from last year which were made during the year ended June 30, 2024.

16. Changes in Accounts Receivables (Imprests and Advances)

There were no changes in accounts receivable during the financial period ended June 30, 2024.

17. Changes in Accounts Payables (Deposits and Retention)

There were no deposits and retention during the financial period ended June 30, 2024.

Other Important Disclosures

18. Pending Accounts Payable (See Annex 4a)

| | Balance b/f from FY 2022/23 | Additions for the year | Paid during the year | Balance c/f For Current FY 2023/24 |
|-----------------------------|-----------------------------------|---------------------------|-------------------------|--|
| Description | Kshs | Kshs | Kshs | Kshs |
| Construction of buildings | - | - | - | - |
| Construction of civil works | - | - | - | - |
| Supply of goods | - | - | - | - |
| Supply of services | - | - | - | - |
| Total | 0 | 0 | 0 | 0 |

19. Pending Staff Payables (See Annex 4b)

During the financial period to June 2024, there were no pending staff payables.

20. Other Pending Payables (See Annex 4c)

During the financial period to June 2024, there were no other pending payables.

21. External Assistance

During the period to June 2024, there were no other external assistance to the project.

22. Payments By Third Party on Behalf of The Project

During the period to June 2024, there were no payments made by third party on behalf of the project.

23. Related Party Disclosures

The project did not undertake any related party transactions during the period under review.

24. Contingent Liabilities

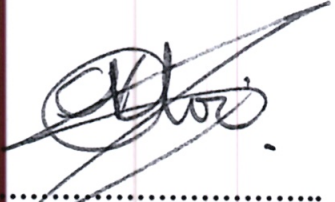
The project did not incur any contingent liabilities in the period under review.

13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

This being the first audit of the project, there were no follow-up audit issues.

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: |
|--|-----------------------------------|---------------------|-----------------------------------|------------|
| - | - | - | - | - |



.....
Dr. Chris K. Kiptoo, CBS
Principal Secretary



.....
Peter Odhengo
Project Coordinator

Annex 2: Variance explanations - Comparative Budget and Actual Amounts for FY 2023/24

| | 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 | 0 | 0 | 0 | 0% | |
| Proceeds from domestic and foreign grants | 5,000,000 | 0 | 5,000,000 | 0% | |
| Proceeds from borrowings | 0 | 0 | 0 | - | |
| Miscellaneous receipts | 0 | 0 | 0 | - | |
| Total Receipts | 5,000,000 | | 5,000,000 | 0% | |
| Payments | | | | | |
| Compensation of employees | 0 | | 0 | - | |
| Purchase of goods and services | 0 | 0 | 0 | 0% | |
| Social security benefits | 0 | | 0 | - | |
| Acquisition of non-financial assets | 0 | 0 | 0 | 0% | |
| Transfers to other government entities | 0 | 0 | 0 | - | |
| Other grants and transfers | 0 | 0 | 0 | - | |
| Total payments | 5,000,000 | 0 | 5,000,000 | 0% | |

Annex 3: Reconciliation of inter-entity transfers

| Project Name: | | ADB Africa Climate Summit Project | | |
|-------------------------|---|-----------------------------------|------------------|------------|
| Break down of transfers | | | | |
| A. | Government Counterpart funding | | | |
| | | Bank Statement Date | Amount (Kshs) | FY 2023/24 |
| | | | - | |
| | | | - | |
| | | Total | 0 | |
| B. | Direct payments | | | |
| | | Bank Statement Date | Amount (Kshs) | FY 2023/24 |
| | | | - | |
| | | Total | 0 | |
| C. | Others | | | |
| | | Bank Statement Date | Amount (Kshs) | FY 2023/24 |
| | Transfer from the National Treasury Development Account | 05/06/2024 | 4,917,765 | |
| | | Total | 4,917,765 | |
| | | Total (A+B+C) | 4,917,765 | |

Project Coordinator

Sign 

Head of Accounting Unit
 The National Treasury

Sign 

Annex 4a: Analysis of Pending Bills

During the financial period to June 2024, there were no pending bills.

Annex 4b: Analysis of Pending: Staff Bills

During the financial period to June 2024, there were no pending staff payables.

Annex 4c: Analysis of Other Pending Payables

During the financial period to June 2024, there were no other pending payables.

Annex 5: Summary of Fixed Assets Register

The Project did not acquire any fixed asset in the period under review.

Annex 6: Contingent Liabilities Register

The Project did not incur any contingent liabilities in the period under review.

Annex 7: Reporting of Climate Relevant Expenditures

During the financial period ending June 2024, there were no climate relevant related expenditures.

Annex 8: Reporting Disaster Management Expenditures

During the financial period ending June 2024, there were no disaster management related expenditures.

Annex 9: Other Support Documents

- i. Bank Reconciliations Statement as at 30th June 2024**

- ii. Special Deposit Account Reconciliation Statement**

ADB – Africa Climate Summit Project
Annual Report and Financial Statements for the financial year ended June 30, 2024

(34)
17

AFRICA CLIMATE SUMMIT
 STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
 FOR THE YEAR ENDED 30TH JUNE 2024
 PART B: ACCOUNT RECONCILIATION STATEMENT

Bank Account No.1000740159 Held with Central Bank of Kenya

| | NOTES | AMOUNT | AMOUNT |
|---|-------|--------|--------------|
| | | USD | USD |
| 1 Amount advanced by ADB | | | 3,000,000.00 |
| Less | | | - |
| 2 Total amount justified to ADB | | | - |
| 3 Outstanding amount advanced to Designated Account | | | 3,000,000.00 |
| Represented by: | | | |
| 4 Ending Designated Account Balance at 30.06.2024 | | | 462,500.00 |
| 5 Amount claimed but not credited at 30.06.2024 | | | - |
| 6 Amount withdrawn and not claimed as at 30.06.2024 | | | 2,537,500.00 |
| 7 Service charges (if not included in 5 & 6 above) | | | - |
| Less | | | - |
| 8 Interest earning (if included in Designated Account) | | | - |
| 9 Total advance to Designated Account year ended 30.06.2024 | | | 3,000,000.00 |

Discrepancy between total appearing on lines 3 and 9

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by ADB and provide reasons for not claiming the expenditures

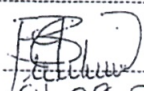
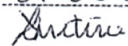
The amount appearing on line 6 is eligible for financing by ADB and shall be documented in subsequent IFRs/SOEs

Xutino

AUTHORIZED REPRESENTATIVE

RESOURCES MOBILIZATION DEPARTMENT - TREASURY DATE: 02-08-2024

(34)

| SPECIAL ACCOUNT STATEMENT | |
|--|--|
| For period ending | 30th JUNE, 2024 |
| Account No. | 1000740159 |
| Depository Bank | CENTRAL BANK OF KENYA |
| Address | CBK |
| Related Loan | ADB-AFRICA CLIMATE SUMMIT |
| Credit Agreement | |
| Currency | USD |
| Part A - Account Activity | |
| Beginning balance of 1st July, 2023 as per C.B.K. Ledger Account | 0.00 |
| Add: | |
| Total Amount deposited by World Bank | 3,000,000.00 |
| Total Interest earnings if deposited in account | |
| Total amount refunded to cover ineligible expenditure | |
| Deduct: | |
| Total amount withdrawn | 2,537,500.00 |
| Total service charges if not included above in amount withdrawn | |
| Ending balance on 30th June, 2024 | 462,500.00 |
| AUTHORISED REPRESENTATIVE CENTRAL BANK OF KENYA | SIGNATURE:  |
| AUTHORISED REPRESENTATIVE EXTERNAL RESOURCES DEPARTMENT-TREASURY | DATE: 01-08-2024 |
| | SIGNATURE:  |
| | DATE: 02-08-2024 |

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2024 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

ADB – Africa Climate Summit Project
Annual Report and Financial Statements for the financial year ended June 30, 2024

Results 1 - 4 of 4

Run Date: 05/08/2024 Run Time: 15:14:42
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI
 STATEMENT PERIOD: From 01/07/2023 To

STATEMENT OF ACCOUNT PAGE NO : 1
 ACCOUNT NUMBER : 1000740159
 ACCOUNT TITLE : ADB AFRICA CLIMATE SUMMIT
 30/06/2024

| NO. | DATE | REFERENCE NO | DETAILS | DEBIT | CREDIT BALANCE |
|---------------|------------|---------------|-----------|---------------|----------------|
| OPENING BAL : | | | 0.00 | | |
| NO. | Value Date | Reference.No | Details | Debit | Credit |
| 1 | 03/01/2024 | FT240034G8K6 | FUNDING | 0.00 | 3,000,000.00 |
| 2 | 04/04/2024 | FT24095YD97F | PA 133106 | -378,780.00 | 0.00 |
| 3 | 22/05/2024 | FT24143D11CWN | PA 133141 | -37,500.00 | 0.00 |
| 4 | 19/06/2024 | FT24171YSDKY | PA 131692 | -2,121,220.00 | 0.00 |
| | | | | | Balance |
| | | | | | 3000000 |
| | | | | | 2621220 |
| | | | | | 2583720 |
| | | | | | 462500 |

END OF ACCOUNT STATEMENT

CLOSING BALANCE : 462500

| | | | |
|----------------|-------------------------|-----------------|------------|
| Favourites | TAM.E.STMT.OF.ACCT.EPRM | Micro Actions | Find |
| Account | equals | Clear Selection | |
| Statement From | equals | | 1000740159 |
| Statement To | equals | | 20230701 |
| | | | 20240630 |
| | TAM.E.STMT.OF.ACCT.EPRM | | |

- iii. Board of Survey Report
- iv. GOK IFMIS comparison Trial Balance