

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

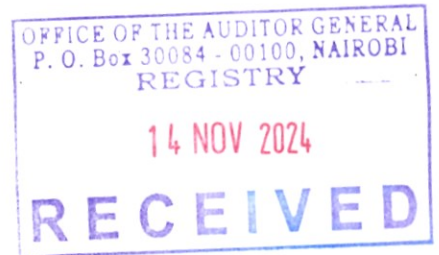
**KENYA INFORMAL SETTLEMENTS
IMPROVEMENT PROJECT (IDA CREDIT
NO.4873-KE, AFD CKE 1055 01J AND SIDA - TF:
018327)**

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

**STATE DEPARTMENT FOR HOUSING AND
URBAN DEVELOPMENT**

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PROJECT NAME: KENYA INFORMAL SETTLEMENT IMPROVEMENT PROJECT

**IMPLEMENTING ENTITY: STATE DEPARTMENT FOR HOUSING AND URBAN
DEVELOPMENT**

**PROJECT ID: P113542
CREDIT NUMBER: 4873**

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)**

TABLE CONTENTS

1.	ACRONYMS AND DEFINITION OF TERMS.....	ii
2.	PROJECT INFORMATION AND OVERALL PERFORMANCE	iii
3.	STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETERMINED OBJECTIVES.....	xiii
4.	ENVIRONMENTAL AND SUSTAINABILITY REPORTING.....	xv
5.	STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES	xvii
6.	REPORT OF THE AUDITOR GENERAL ON FINANCIAL STATEMENTS FOR KENYA INFORMAL SETTLEMENT IMPROVEMENT PROJECT	xviii
7.	STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2024	1
8.	STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30TH JUNE 2024	2
9.	STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30TH JUNE 2024	3
10.	STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2024.....	4
11.	SIGNIFICANT ACCOUNTING POLICIES	5
12.	NOTES TO THE FINANCIAL STATEMENTS	11
13.	ANNEXES.....	33

Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024

1. ACRONYMS AND DEFINITION OF TERMS

AFD	French Development Agency
CBK	Central Bank of Kenya
Comparative FY	Financial year preceding the current financial year.
ICPAK	Institute of Certified Public Accountants of Kenya
IDA	International Development Association
IPSAS	International Public Sector Accounting Standards
KISIP 2	Second Kenya Informal Settlement Improvement Project
LICW	Labour Intensive Cash for Work
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
SEC	Settlement Executive Committee
WB	World Bank

2. PROJECT INFORMATION AND OVERALL PERFORMANCE

2.1 Name and registered office

Name: The project's official name is Kenya Informal Settlement Improvement Project.

Objective: The key objective of the project is to improve living conditions of informal settlements in selected Counties in Kenya.

Address: The project headquarters office is located in Nairobi County, Kenya.

The address of its registered office is:

Ardhi House,
1st Ngong Avenue,
Nairobi

Contacts:

The following are the project contacts:

P. O. Box 30119, 00100

Nairobi

Website: www.housingandurban.go.ke

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

2.2 Project Information

Project Start Date:	The project start date is 01.07.2011
Project End Date:	The project end date is 30 12 2020
Project Manager:	The Project Coordinator is George Arwa.
Project Sponsor:	The project sponsor is IDA, AFD, SIDA and GoK.

2.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the State Department for Housing and Urban Development.
Project number	P113542, TF:18327
Strategic goals of the project	The strategic goals of the project are as follows: (i) Strengthening institutions and programme management (ii) Enhancing tenure security (iii) Investing in infrastructure and service delivery (iv) Planning for urban growth
Achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Strengthening institutions and programme management; (ii) Enhanced land tenure; (iii) Building of roads, floodlights, water and sewerage, and waste management; (iv) Extensive studies and planning on preventing informal settlements in future
Other important background information of the project	The project completed its eighth year of implementation.
Areas that the project was formed to intervene	The project was formed to intervene in the following areas: (i) lack of security of tenure (ii) lack of physical infrastructure e.g. roads, foot paths, lighting, water, sewer and waste disposal
Project duration	The project started on 1st July 2011 and is expected to run until 30 June 2016. The time was extended to December 2020

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

2.4 Bankers

The following are the bankers for the project:

Designated account: Equity Bank Limited
Head Office, Equity Centre Branch
Account No. 0810295112857

Central Bank of Kenya
Account No. 1000339888

Project Account: Cooperative Bank of Kenya
Upper Hill Branch
Account No. 01141161460400

2.5 Independent Auditors

The project is audited by the Auditor General

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
Nairobi

2.6 Roles and Responsibilities

Names	Title designation	Key qualification	Responsibilities
George Arwa	Project Coordinator SDS Physical Planning	MA Environmental Management Bsc Land Survey BA Urban Planning ISK, AAK	Overall programme coordination.
Stella Gitimu	Head of Component 1 DD Slum Upgrading	MBA, BA Land Economics ISK	Manage component 1 activities
Celestine Wanjala	Head of Component 2 Principal Cartographer	MA Planning, B-Tech Geoinformation.	Manage component 2 activities
Martha Namusonge	Head of Component 3 AD Estates	Msc Project Mgt, B/land scape Arch, AAK, PMP	Manage component 3 activities
Wagura Theuri	Project Accountant ADSUD	MA, BA (Econ), CPA(K) Member ICPAK	Financial Management

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

2.7 Funding summary

The Project duration was five years (from 2011 to 2017) with a further extension to December 2020. The financing budget of US\$ 157.3 Million equivalent to KES 15 Billion as highlighted in the table below:

Below is the funding summary:

A. Source of Funds

	US\$	KES	US\$	KES	US\$	KES
(i) Grant						
SIDA	\$8,300,000	847,179,454	8,300,000	847,179,454	-	-
(ii) Loan						
IDA	\$100,000,000	9,246,591,028	95,892,675	9,246,591,028	-	-
AFD	€35,000,000/ \$38,987,556	3,977,196,321	38,987,556	3,977,196,321	0	0
(iii) Counterpart funds						
Government of Kenya	\$10,000,000	1,010,000,000	14,554,079	1,059,058,301	0	0
NHP (Kazi Mtaani)				15,666,000,000	0	0
Total	158,300,000	15,080,966,803	157,734,310	30,796,025,103	0	0

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

B. Application of Funds

	US\$ million	Kenya Shs. million	US\$ million	Kenya Shs. million	US\$ million
(i) Grant					
SIDA	8,300,000	847,179,454	847,179,454	-	-
(ii) Loan					
IDA	95,892,675	9,246,591,028	9,246,591,028	-	-
AFD	38,987,556	3,977,196,321	3,977,196,321	-	-
(iii) Counterpart funds					
Government of Kenya	14,554,079	1,059,058,301	1,017,592,365	0	41,465,936
NHP (Kazi Mtaani)		14,227,894,367	14,227,894,367		-
Total	157,734,310	30,796,025,103	29,316,453,535	0	41,465,936

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

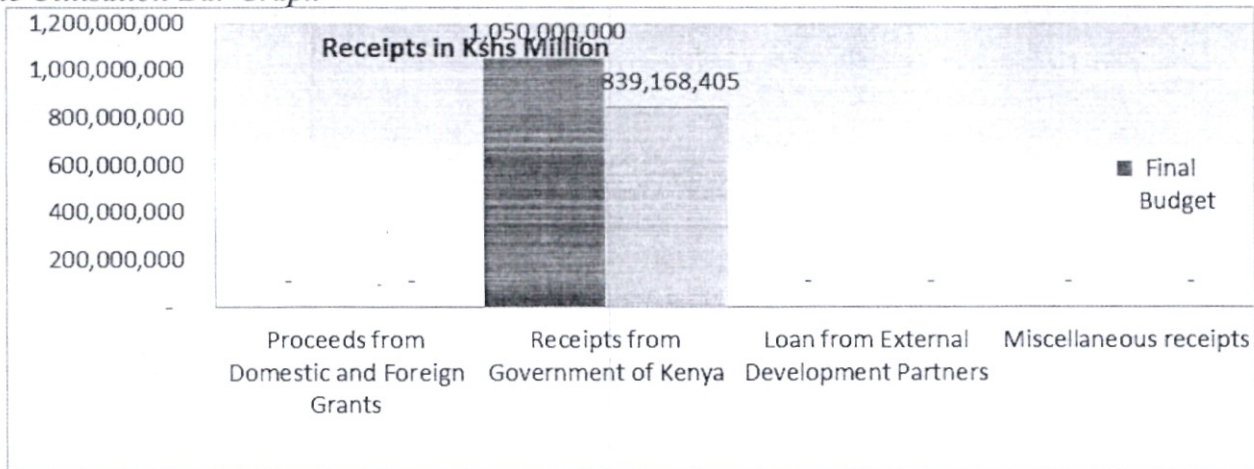
2.8 Summary of Overall Project Performance:

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

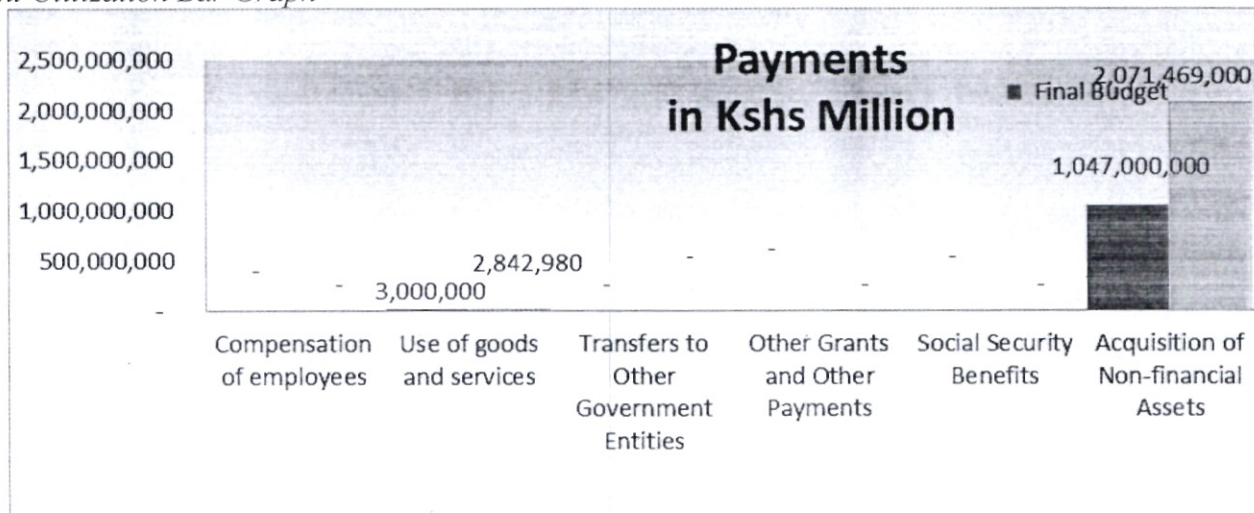
During the year under review, the Project received KShs 839,168,405 and incurred expenditure of KShs 2,074,311,980. The cumulative receipts and expenditures are KShs. 31,841,046,312 and KShs. 31,594,068,319 respectively.

Receipts & Payments Utilization

Revenue Utilisation Bar Graph



Payment Utilization Bar Graph



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

The period 2023-2024 was a year of enhanced actualization of issuance of titles under planning and survey component.

Infrastructure projects are complete in most of the urban areas and works handed over to counties for maintenance. The scope consisted of settlement access roads and footpaths; drainage canals, water and sanitation projects; and high mast floodlighting projects.

Completed infrastructure projects include: 98.289km of roads constructed to bitumen standards; 63.048km of sewer pipeline and 4,788 sewer connections done; 21 number ablution blocks; 9,312 number piped water connections; 112.494 km of water pipeline constructed; 109.812 km of drainage canals constructed 134 number 30-meter-high mast constructed; 120.078m of footpaths have been constructed.

People benefiting from improved tenure security (number); Under KISIP 80 settlements underwent tenure regularization where 127,200 people were direct project beneficiaries from tenure. This has been realized because 25,440 titles have been earmarked for issuance, with each title benefitting an average of 5 persons.

Direct project beneficiaries (number); A total of 1,389,980 people are benefitting from tenure and infrastructure components of KISIP. This is because some infrastructure services target similar audiences – water connections, sewer connections, high mast lighting and roads.

Female beneficiaries (percentage, core supplement); The project has endeavoured in its infrastructure and tenure options to ensure gender parity in projects. Currently, 694,990 number of females, translating to 50% of females are benefitting from KISIP projects; this has been validated by socioeconomic surveys by various components.

People in informal settlements provided with access to improved drainage infrastructure under KISIP (Number). Access to drainage facilities were prioritised by communities in all Counties owing to constant flooding and need for storm water management; storm water drainage canals were constructed in Mombasa, Embu, Kericho, Kitui, Kisumu, Eldoret, Nakuru, Machakos, Naivasha and Nairobi. This has benefitted approximately 1,000,000 people in these urban areas.

Number of People in urban areas provided with access to all-season roads within a 500-meter range under KISIP (number). Investments in access road network consist of settlement main access roads connecting the settlements and trunk roads, settlement roads providing access within the settlements, walkways and footpaths. A total of 98.289 km of settlement access roads and 120.078 km of footpaths have been constructed through KISIP benefitting 1,000,000 people.

Number of people in urban areas provided with access to improved water sources under KISIP (number). Construction of 112.494 km of water pipeline has been completed with 9,312 water connections done to date; 11 Water Kiosks have been constructed in providing additional access

Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024

to water. This has enabled 262,780 people to have access to water sources which are safe and clean. 21 ablution blocks have been completed under the project.

Kazi Mtaani (figures cumulative)

Item	Total
Bush cleared (sqm)	55,493,455
Drainage unclogged (Km)	177,632
Garbage collection and disposal (Tons)	142,362
Access path/street cleaned (Km)	143,634
Public offices uplifted/upgraded (No.)	842.00
Trees planted (No.)	4,334,114.00
Trees in nurseries (No.)	18,996,518.00
Potting for seedlings	-
Roads repaired (Km)	4,822.05
Cobblestone roads constructed (Km)	2.90
Drainage works undertaken (Km)	9,124,884.38
Low-cost buildings constructed (No.)	42.00
Non-motorized transport (NMT) constructed (Km)	10.00
Street furniture constructed (No.)	86.00
Desilting of dams (Tons)	-

iii) Absorption rate for each year since the commencement of the project.

The project has had a normally distributed absorption rate over the implementation period.

iv) Implementation challenges and recommended way forward

Issue/challenge	Lesson	Recommendation
1. Complex tenure security arrangements and operational delays occasioned by changes in land surveying information	Interpretation of legislation on roles and responsibilities of key actors in land management continue to negatively affect delivery of results.	KISIP national team is taking a more active role in supervision Involvement of the relevant county officials in identification and verification of list of beneficiaries.

2.9 Summary of Project Compliance:

The Program has ensured that all its activities carried out are within the laws of the Republic of Kenya and that all regulations and procedures have been followed. Among the regulations include the Environmental and Social Impact Assessment (ESIA) for which authority was issued for the implementation of the project. In cases of inconsistency between the GOK Regulations and those of the donors, the latter have been applied.

3. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETERMINED OBJECTIVES

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of the project are to:

- a) To complete tenure regularization for settlements under the project.
- b) To benefit persons living in selected settlements through both infrastructure and tenure options under KISIP
- c) To benefit females and males under the KISIP interventions.
- d) To provide people with access to improved drainage infrastructure under the project;
- e) To provide people living in urban informal settlements with access to all season roads within a 500-meter radius under KISIP;
- f) To provide people in urban areas with access to improved water sources under KISIP;

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading 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 for reasons of tracking progress and performance measurement. Below we provide the progress on attaining the stated objectives:

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Project	Objective	Outcome	Indicator	Performance
Tenure security enhancement	To enhance tenure regularization under the project	Enhanced ownership of land to pave way for infrastructure and housing development	Enhanced security of tenure	Tenure security improved in 80 informal settlements
Project beneficiaries by gender	To benefit females and males under the KISIP interventions	Females and males benefitted from KISIP interventions alike	Gender parity in project beneficiaries	50% of males and females benefitted from the project
People with access to improved drainage infrastructure	To provide people with access to improved drainage infrastructure under the project	Improved access to drainage infrastructure within settlements	Number of people with improved drainage infrastructure under the project	1,000,000 people with improved drainage infrastructure resulting from drainage canals constructed under the project
People with access to all season road within a 500 meter radius	To provide people living in urban informal settlements with access to all season roads within a 500-meter radius under KISIP	Improved access to all season roads within 500-meter radius	Number of people with improved access to all season roads within 500-meter radius	1,000,000 people with access to improved all season road within a 500-meter radius
People within urban areas with access to improved water sources	To provide people in urban areas with access to improved water sources under KISIP	Improved access within urban areas to improved water sources	Number of people with access to improved water sources within urban areas	262,780 persons benefitted with improved water sources within urban areas under the project
Total project beneficiaries – tenure and infrastructure	To benefit persons living in selected settlements through both infrastructure and tenure options under KISIP	Improved living conditions of people living in slums and informal settlements through tenure security and installation of infrastructure and service delivery	Number of people benefiting from the project – tenure and infrastructure	1,389,980 persons have benefitted from both tenure and infrastructure installation from the project.

4. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

KISIP exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on three pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar:

(i) Sustainability strategy and profile

KISIP is being implemented in the fastest growing urban areas in Kenya which have witnessed increased number of people living and working in informal settlements. The five major urban areas per population and contribution to the GDP are: Nairobi, Mombasa, Kisumu, Eldoret and Nakuru. Mombasa works were completed and handed over by H.E President on 5th January 2017. Works in the Counties of Nairobi, Nakuru, Kericho, Kisumu, Machakos, Embu, Kitui have been completed. As a result of KISIP, 1,389,980 people are currently benefitting from KISIP interventions, of which 694,990 are females. The urban transition is well under way in Kenya and urbanization is projected to continue to grow at a rapid pace. Devolution will further speed up the rate of urbanization for the country. Due to the growth and entrenchment of devolution, the urban areas of Nakuru and Eldoret are currently being prepared to assume city status, which will increase Kenyan cities from three to five: Nairobi, Mombasa, Kisumu, Nakuru and Eldoret. KISIP has intervened in all the major five urban areas and hence supporting efforts aimed at sustainable urbanization. The urban transition in Kenya will play an important role in determining the country 's growth prospects and social stability. KISIP was formulated to bridge and contribute to improving the living conditions of people living in informal settlements in Kenya and make urban areas more liveable.

(ii) Environmental performance

The project developed and implements an effective Environmental and Social Management Framework. This has facilitated resettlement of project affected persons including resettlement of structures and businesses. Compliance with the environmental policies and concerns are addressed through environmental impact assessments (EIAs), which further have the provisions for an effective Environmental Management Plans (EMP) to ensure sustainability of the KISIP projects.

(iii) Employee welfare

Projects implemented adhered to the provisions of the Occupational Safety and Health Act of 2007, (OSHA) and have enforced the same in construction and office environments in collaboration with the relevant agencies. Contractors are instructed to adhere to its provisions and also show evidence of compliance with the same.

The Public Service Commission (PSC) is in charge of hiring staff on behalf of MDA's. All staff are appraised on a yearly basis. Training is given especially for courses required for promotion or career progression.

The State Department conducted training projections at the beginning of every financial year to guide the Human resource department in nominating and selecting officers for training. Additionally, due to the dynamic nature of the economy the department undertook steps to proactively engage staff in training to ensure their skills conforms to the current needs. Staff performance appraisal is done annually to ensure that productivity meets the required standards upon which employee with exemplary performance are given priority for promotions.

(iv) Market place practices-

The organisation should outline its efforts to:

a) Responsible Supply chain and supplier relations-

The State Department proactively engaged stakeholders to ensure vital flow of information regarding payments. This ensures that accountability and transparency in procurement of goods and services is maintained between the involved parties. Upon completion of a project, the department ensures timely issuance of the completion certificate

b) Responsible ethical practice

The State department ensured fair competition among the bidders while issuing the tenders. The bidders are evaluated on set guidelines and given equal opportunity

The State Department for Housing and Urban Development has a Corruption Prevention Committee in place whose functions amongst others include:

- Setting priorities in the prevention of corruption within the State Department
- Planning and coordinating corruption prevention strategies
- Integrating all corruption prevention initiatives in the State Department
- Receiving and reviewing reports on corruption reports made by staff and other stakeholders. Evidence of concrete measures taken must be made available and referrals to other agencies well documented.
- Spearheading corruption prevention campaigns within the State Departments
- Monitoring and evaluating the impact of corruption prevention campaigns within the State Department

c) Regulatory impact assessment

The project has a robust safeguard mechanism to safeguard citizen and stakeholder's rights. A manual was developed in consultation with the participating county governments and the lenders. Dissemination of the manual has been done across participating counties for implementation.

(v) Community Engagements

The communities were greatly involved throughout the year through the Settlement Executive Committees (SECs) in resolving various issues pertaining to operationalization of bio digesters in Nairobi and Naivasha; participation in planning and survey activities of RAP implementation and infrastructure development.

5. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

The Principal Secretary for the State Department for Housing and Urban Development and the Project Coordinator for Kenya Informal Settlement Improvement 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 arrangement 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 State Department for Housing and Urban Development and the Project Coordinator for Kenya Informal Settlement Improvement 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 State Department for Housing and Urban Development and the Project Coordinator are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2024, and of the Project's financial position as at that date. The Principal Secretary for the State Department for Housing and Urban Development 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 as well as the adequacy of the systems of internal financial control.

The Principal Secretary for the State Department for Housing and Urban Development 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/period 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 State Department for Housing and Urban Development and the Project Coordinator for Kenya Informal Settlement Improvement Project on 27th September, 2024 and signed by them.



Principal Secretary
Name: Charles M. Hinga, CBS CA(SA)



Project Coordinator
Name: George Arwa



Project Accountant:
Name: Wagura Theuri
ICPAK No: 13047

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KENYA INFORMAL SETTLEMENTS IMPROVEMENT PROJECT (IDA CREDIT NO.4873-KE, AFD CKE 1055 01J AND SIDA - TF: 018327) FOR THE YEAR ENDED 30 JUNE, 2024 - STATE DEPARTMENT FOR HOUSING AND URBAN DEVELOPMENT

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 Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable 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 Kenya Informal Settlements Improvement Project set out on pages 1 to 33, which comprise of the statement of

Report of the Auditor-General on Kenya Informal Settlements Improvement Project (IDA Credit No.4873-KE, AFD CKE 1055 01J and SIDA - TF: 018327) for the year ended 30 June, 2024 - State Department For Housing and Urban Development

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, the financial statements present fairly, in all material respects, the financial position of Kenya Informal Settlements Improvement 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 comply with the Public Finance Management Act, 2012 and the Financing Agreements between Republic of Kenya and International Development Association (IDA) No.4873-KE and Agence Francaise De Developpement (AFD) CKE 1055 01J and Grant Agreement with Swedish International Agency (SIDA) - TF: 018327 dated 23 May, 2011, 17 December, 2015 and 07 July, 2015, respectively.

In addition, the special account statement presents fairly, the special account transactions and the ending balance has been reconciled with the books of account.

Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Informal Settlements Improvement Project 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.

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. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Although Management had indicated the issues as resolved as at 30 June, 2024, no evidence was provided to support the position.

Other Information

The Management is responsible for the other information set out on page iii to xvii which comprise of Project information and Overall Performance, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting, and Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Project's 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, I confirm that, nothing 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

The audit was conducted in accordance with the ISSAI 3000 and ISSAI 4000. The standards requires 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 matter on Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Failure to Transfer Motor Vehicles

Annex 5 on the summary of fixed assets register reflects a balance of Kshs.82,478,360 in relation to transport equipment. The balance relates to fifteen (15) motor vehicles registered under the State Department for Housing and Urban Development which were

distributed to the Counties for operations of the Project's activities. The Project was closed, and implementation and completion report published. However, the motor vehicles logbooks are held by the State Department for Housing and Urban Development while the vehicles are still held and operated by the County Governments.

In the circumstances, the ownership, custody and effectiveness of internal controls in the management of the motor vehicles could not be confirmed.

The audit was conducted in accordance with the 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by International Development Agency (IDA), I report based on my audit, that:

- i. 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;
- ii. In my opinion, adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and,
- iii. The Project's financial statements are in agreement with the accounting records and returns.

Responsibilities of Management and those Charged with Governance

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 control 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 overall governance.

In preparing the financial statements, 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 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 are

in compliance 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 Project'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 ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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

14 November, 2024

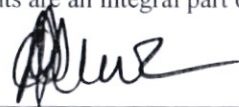
7. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2024

Source	2023/2024			2022/2023			Cumulative to-date (From inception)
	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	
	KShs	KShs		KShs	KShs		KShs
RECEIPTS							
Transfer from Government entities	1	-		839,168,405	-	839,168,405	17,564,226,706
Proceeds from domestic and foreign grants	2	-	-	-	-	-	847,179,454
Loan from external development partners	3	-	-	-	-	-	13,223,787,349
Miscellaneous receipts	4	-	-	-	-	-	205,852,804
TOTAL RECEIPTS		-	-	839,168,405	-	839,168,405	31,841,046,312
PAYMENTS							
Compensation of employees	5	-	-	-	-	-	-
Purchase of goods and services	6	8,152,892	-	2,842,980	-	2,842,980	792,282,458
Social security benefits	7	-	-	-	-	-	-
Acquisition of non-financial assets	8	204,978,521	-	2,071,469,000	-	2,071,469,000	30,641,645,272
Transfers to other government entities	9	33,846,557	-	-	-	-	407,118,559
Other grants and transfers and payments	10	-	-	-	-	-	-
TOTAL PAYMENTS		246,977,970	-	2,074,311,980	-	2,074,311,980	31,841,046,288
SURPLUS/(DEFICIT)		(246,977,970)	-	(246,977,970)	(1,235,143,575)	(1,235,143,575)	24

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



Principal Secretary
Name: Charles M. Hinga, CBS CA(SA)



Project Coordinator
Name: George Arwa



Project Accountant
Name: Wagura Theuri
ICPAK No: 13047

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

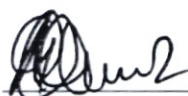
8. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30TH JUNE 2024

	Note	2023/2024	2022/2023
		KShs	KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Cash Equivalents	11	24	246,977,994
Imprest & advances	12	-	-
TOTAL FINANCIAL ASSETS (A)		24	246,977,994
FINANCIAL LIABILITIES			
Third party Deposits and Retention	13	-	-
Total Financial Liabilities (B)		-	-
Net Financial Assets (A-B)		-	-
REPRESENTED BY			
Fund balance b/fwd	14	246,977,994	1,482,121,569
Prior year adjustments	15	-	-
Surplus/(Deficit) for the year		(246,977,970)	(1,235,143,575)
NET FINANCIAL POSITION		24	246,977,994

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 27th Sept, 2024 and signed by:



Principal Secretary
Name: Charles M. Hinga, CBS CA(SA)



Project Coordinator
Name: George Arwa

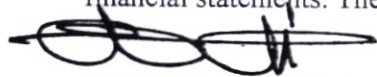


Project Accountant:
Name: Wagura Theuri
ICPAK No: 13047

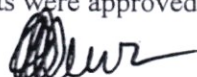
9. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30TH JUNE 2024

	Note	2023/2024 KShs	2022/2023 KShs
CASHFLOW FROM OPERATING ACTIVITIES			
Receipts			
Transfer from Government entities	1	-	839,168,405
Proceeds from domestic and foreign grants	2	-	-
Miscellaneous receipts	4	-	-
Total receipts		-	839,168,405
Payments			
Compensation of employees	5	-	-
Purchase of goods and services	6	(8,152,892)	(2,842,980)
Social security benefits	7	-	-
Transfers to other government entities	9	(33,846,557)	-
Other grants and transfers	10	-	-
Total Payments		(41,999,449)	(2,842,980)
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		(41,999,449)	836,325,425
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(204,978,521)	(2,071,469,000)
Net cash flows from Investing Activities		(204,978,521)	(2,071,469,000)
Cash flow from financing activities			
Proceeds from Foreign Borrowings	3	-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		(246,977,970)	(1,235,143,575)
Cash and cash equivalent at BEGINNING of the year	11	246,977,994	1,482,121,569
Cash and cash equivalent at END of the year	11	24	246,977,994

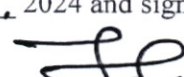
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 27th Sept. 2024 and signed by:



Principal Secretary
Name: Charles M. Hinga, CBS CA(SA)



Project Coordinator
Name: George Arwa



Project Accountant:
Name: Wagura Theuri
ICPAK No: 13047

10. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2024

Receipts/Payments Item	Original Budget	Adjustments Opening Balances	Total Budget	Actual or Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=d-a	f=d/c %
Receipts						
Transfer from Government entities	180,000,000	66,977,994	246,977,994	-	(246,977,994)	0%
Proceeds from domestic and foreign grants	-	-	-	-	-	-
Proceeds from borrowings	-	-	-	-	-	0%
Miscellaneous receipts	-	-	-	-	-	0%
Fund Balance B/F				246,977,994	246,977,994	100%
Total Receipts	180,000,000	66,977,994	246,977,994	246,977,994	-	100%
Payments						
Compensation of employees	-	-	-	-	-	-
Purchase of goods and services	8,200,000	-	8,200,000	8,152,892	47,109	99%
Social security benefits	-	-	-	-	-	0%
Acquisition of non-financial assets	171,800,000	33,131,437	204,931,437	204,931,437	-47,084	100%
Transfers to other government entities	-	33,846,557	33,846,557	33,846,557	-	100%
Other grants and transfers	-	-	-	-	-	0%
Total Payments	180,000,000	66,977,994	246,977,994	246,977,970	24	100%
Surplus or Deficit				24		

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



Principal Secretary
Name: Charles M. Hinga, CBS CA(SA)



Project Coordinator
Name: George Arwa



Project Accountant:
Name: Wagura Theuri
ICPAK No: 13047

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 Kenya Informal Settlement Improvement Project under National Government of Kenya. The financial statements encompass the reporting entity Kenya Informal Settlement Improvement Project as required by Section 81/ Section 164 of the PFM Act, 2012.

c) Reporting currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Project and all values are rounded to the nearest Kenya Shilling.

d) Recognition of receipts

The Project recognises all receipts from the various sources when the event occurs, and the related cash is received.

i) Transfers from the Exchequer

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

ii) External Assistance

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

iii) Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time 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 a 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 on 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 reporting date as 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 actually been paid out by the Project.

i) Compensation to employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period 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 incurred and paid for.

iv) Repayment of borrowing (principal amount)

The repayment of 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 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 receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

f) In-kind donations

In-kind contributions are donations that are 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.

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

Section 89 (2) (i) of the PFM Act requires the National Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

k) Contingent Assets

The Entity 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 the Entity 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.

Significant Accounting Policies (Continued)

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 recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Project at the end of the year. 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.

During the year Kshs NIL being loan disbursements were received in form of direct payments from third parties.

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 the 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 recognised 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.

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

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). Explanations and details of these prior period adjustments are presented in note 15 of these financial statements

12. NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from Government entities

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

	2023/24	2022/23	Cumulative to-date (from inception)
	KShs	KShs	
<i>Counterpart funding through State Department for Housing and Urban Development</i>			
Counterpart funds Quarter 1	-	-	145,000,000
Counterpart funds Quarter 2	-	-	280,000,000
Counterpart funds Quarter 3	-	-	191,569,780
Counterpart funds Quarter 4	-	30,000,000	472,488,521
Counterpart funds NHP	-	809,168,405	16,475,168,405
Total (See Annex 3)	-	839,168,405	17,564,226,706
<i>Other transfers from government entities</i>			
Appropriations-in-Aid	-	-	-
Total	=	839,168,405	17,564,226,706

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Notes to the Financial Statements (Continued)

2. Proceeds from Domestic And Foreign Grants

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

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment	Grants received in kind	Total amount in KShs	
			KShs	KShs	KShs	2023/24 KShs	2022/23 KShs
Grants Received from Bilateral Donors (Foreign Governments)							
Grants Received from Multilateral Donors (International Organizations)							
SIDA		-	-	-	-	-	-
Grants Received from Local Individuals and organizations							
Total		-	-	-	-	-	-

Notes to the Financial Statements (Continued)

3. Loan from External Development Partners

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

Name of Donor	Date received	Amount in loan currency	Loans received in cash	Loans received as direct payment ²⁰	Total amount in KShs	
			KShs	KShs	2023/24	2022/23
Loans Received from Bilateral Donors (Foreign Governments)						
Loans Received from Multilateral Donors (International Organisations)						
International Development Association (IDA)						-
French Development Agency (AFD)		-	-	-	-	-
Total		-	-	-	-	-

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Notes to the Financial Statements (Continued)

4. Miscellaneous Receipts

	2023/2024		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	-	-	-	-	205,852,804
Total	-	-	-	-	205,852,804

Notes to the Financial Statements (continued)

5. Compensation to Employees

	2023/2024			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	=	=	=	=	=

There were no payments as compensation to employees.

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Notes to the Financial Statements (continued)

6. Purchase of Goods and Services

	2023/2024		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
Utilities, supplies and services	104,692	-	104,692	17,280	104,970,570
Communication, supplies and services	-	-	-	-	44,193,464
Domestic travel and subsistence	8,048,200	-	8,048,200	2,825,700	374,997,107
Foreign travel and subsistence	-	-	-	-	5,976,662
Printing, advertising and information supplies	-	-	-	-	41,397,991
Rentals of produced assets	-	-	-	-	-
Training payments	-	-	-	-	142,360,178
Hospitality supplies and services	-	-	-	-	4,443,430
Insurance costs	-	-	-	-	2,691,956
Specialized materials and services	-	-	-	-	-
Other operating payments	-	-	-	-	-
Routine maintenance – vehicles and other transport equipment	-	-	-	-	71,251,100
Routine maintenance- other assets	-	-	-	-	-
Exchange rate losses/gains (net)	-	-	-	-	-
Total	<u>8,152,892</u>	=	<u>8,152,892</u>	<u>2,842,980</u>	<u>792,282,458</u>

Notes to the Financial Statements (Continued)

7. Social Security Benefits

	2023/2024			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	KShs
Government pension and retirement benefits	-	-	-	-	-	-
Social security benefits in cash and in kind	-	-	-	-	-	-
Employer social benefits in cash and in kind	-	-	-	-	-	-
Total	=	=	=	=	=	=

There were no payments for social security benefits

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Notes to the Financial Statements (Continued)

8. Acquisition of Non-Financial Assets

	2023-2024		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
Purchase of buildings	-	-	-	-	-
Construction of buildings	-	-	-	-	-
Refurbishment of buildings	-	-	-	-	-
Construction of roads	-	-	-	-	-
Construction of civil works	204,978,521	-	204,978,521	3,855,010	10,163,695,883
Overhaul & refurbishment of construction and civil works	-	-	-	-	-
Purchase of vehicles & other transport equipment	-	-	-	-	82,478,360
Overhaul of vehicles & other transport equipment	-	-	-	-	-
Purchase of household furniture & institutional equipment	-	-	-	-	-
Purchase of office furniture & general equipment	-	-	-	-	247,517,757
Purchase of specialised 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	-	-	-	-	3,552,444,914
Rehabilitation of civil works	-	-	-	2,067,613,990	16,595,508,357
Acquisition of strategic stocks	-	-	-	-	-
Acquisition of land	-	-	-	-	-
Acquisition of other intangible assets	-	-	-	-	-
Total	<u>204,978,521</u>	=	<u>204,978,521</u>	<u>2,071,469,000</u>	<u>30,641,645,272</u>

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:

	2023/2024			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
Transfers to National Government entities					
Athi Water Services Board	-	-	-	-	203,237,099
Coast Water Services Board	-	-	-	-	71,200,000
Lake Victoria North Water Services Board	-	-	-	-	98,834,903
Transfer to Deposit Account	24,522,395		24,522,395		24,522,395
Transfer to KISIP 2	9,324,162		9,324,162		9,324,162
Sub-Total	<u>33,846,557</u>	<u>-</u>	<u>33,846,557</u>	<u>-</u>	<u>407,118,559</u>
Transfers to County Governments					
TOTAL	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,272,002</u>

We have confirmed that the beneficiary institutions have received the funds and have recorded these as inter-entity receipts. We have attached these duly signed confirmations as an Appendix to the financial statements.

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Notes to the Financial Statements (Continued)

10. Other grants and Transfers and Payments

Description	2023-2024		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
Grants for scholarships	-	-	-	-	-
Transfers to lower levels of government e.g schools	-	-	-	-	-
Miscellaneous payments	-	-	-	-	-
Total	-	-	-	-	-

There were no other grants, transfers and payments benefits

Notes to the Financial Statements (Continued)

11. Cash and Cash Equivalents

	2023/2024	2022/2023
	KShs	KShs
Bank accounts (Note 11A)	24	246,977,994
Cash in hand (Note 11B)	-	-
Cash equivalents (short-term deposits) (Note 811c)	-	-
Total	24	246,977,994

The project has 1 number of project account spread within the project implementation area and two number of foreign currency designated accounts managed by the National Treasury as listed below:

11. A Bank Accounts

Project Bank Accounts

	2023/2024	2022/2023
	KShs	KShs
<u>Foreign Currency Accounts</u>		
Central Bank of Kenya [A/c No:]	-	-
Equity Bank [A/c No.....]	-	-
Total Foreign Currency balances	-	-
<u>Local Currency Accounts</u>		
Co-operative Bank of Kenya [A/c No. 01141161460400]	24	244,427,994
Others (<i>amount held by Bank as collateral</i>)	-	2,550,000
Total local currency balances	24	246,977,994
Total bank account balances	24	246,977,994

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Notes to the Financial Statements (Continued)

Special Deposit Accounts

The balances in the Project’s Special Deposit Account(s) as at 30th June 2024 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

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

Special Deposit Accounts Movement Schedule

	2023/2024	2022/2023
	KShs	KShs
(i) Equity Bank Limited [A/c NO:0810295112857		
Opening balance	-	-
Total amount deposited in the account	-	-
Total amount withdrawn (as per Statement of Receipts & Payments)	=	=
Closing balance (as per SDA bank account reconciliation attached)	=	=
(ii) KISIP-CKE 1055 01 J [A/c No 1000339888]		
Opening balance (as per the SDA reconciliation)	-	-
Total amount deposited in the account	-	-
Total amount withdrawn (as per Statement of Receipts & Payments)	-	-
Closing balance (as per SDA bank account reconciliation attached)	=	=

The Special Deposit Account(s) reconciliation statement(s) has (have) been attached as *Appendix v* support these closing balances.

Notes to the Financial Statements (Continued)

11 B Cash in Hand

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

There was no cash in hand

11 C Cash equivalents (short-term deposits)

	2023/2024	2022/2023
	KShs	KShs
	-	-
	-	-
Others (<i>Specify</i>)	-	-
Total	=	=

There were no short-term deposits

12. Imprests and Advances

<i>Description</i>	2023/2024	2022/2023
	Kshs	Kshs
Government Imprests	-	-
Salary advances	-	-
Total	=	=

There was no outstanding imprest as at the 30th June 2024

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Notes to the Financial Statements (Continued)

12A: Breakdown of Imprests And Advances

Name of Officer or Institution	Amount Taken	Due Date of Surrender	Amount Surrendered	Balance 2024	Balance 2023
Total	=	=	=	=	=

13. Third Party Deposits and Retention Monies

Description	2023/2024		2022/2023	
	Kshs		Kshs	
Retention		-		-
Deposits		-		-
Total		=		=
Ageing analysis:	2023/2024	% of the Total		% of the Total
Under one year				
1-2 years				
2-3 years				
Over 3 years				
Total				

The project does not have third party deposits and retention monies

14. Fund Balance Carried Forward

	2023/2024	2022/2023
	Kshs	Kshs
Bank accounts	24	246,977,994
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
Outstanding imprests and advances	-	-
Deposits and retention		
Total	24	246,977,994

Notes to the Financial Statements (Continued)

15. Prior Year Adjustment

Description of the error	Balance b/f FY 2022/2023 as per Financial statements Kshs	Adjustments Kshs	Adjusted Balance b/f FY 2022/2023 Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Imprests and advances	-	-	-
Deposits and retentions	-	-	-
Others (<i>specify</i>)	-	-	-
Total	=	=	=

There are no adjustments.

16. Changes in Imprests and Advances

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

There were no outstanding imprests and advances in the beginning and end of the reporting period.

17. Changes in Accounts Deposits and Retention

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

The project does not have third party deposits and retention monies

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

OTHER IMPORTANT DISCLOSURES

18. Pending Accounts Payable (See Annex 4a)

Description	Balance b/f FY 2022/2023 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance e/f FY 2023/2024 Kshs
Construction of buildings	-	-	-	-
Construction of civil works	-	-	-	-
Supply of goods	-	-	-	-
Supply of services	-	-	-	-
Total	=	=	=	=

There were no pending accounts payable as at 30th June 2024

19. Pending Staff Payables (See Annex 4b)

Description	Balance b/f FY 2022/2023 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance e/f FY 2023/2024 Kshs
Senior management	-	-	-	-
Middle management	-	-	-	-
Union employees	-	-	-	-
Others	-	-	-	-
Total	=	=	=	=

There were no pending staff payables as at 30th June 2024

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Other Important Disclosures (Continued)

20. Other Pending Payables (See Annex 4c)

Description	Balance b/f FY 2022/2023 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance e/f FY 2023/2024 Kshs
Amounts due to National Government entities	-	-	-	-
Amounts due to County Government entities	-	-	-	-
Amounts due to third parties	-	-	-	-
Total	-	-	-	-

There were no other pending accounts payable as at 30th June 2024

21. External Assistance

Description	FY 2023/2024 Kshs	FY 2022/2023 Kshs
External assistance received as grants	-	-
External assistance received as loans	-	-
External assistance received in kind- as payment by third parties	-	-
Total	-	-

There was no external assistance

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Other Important Disclosures (Continued)

a). External assistance relating loans and grants

Description	FY 2023/2024		FY 2022/2023	
	Kshs		Kshs	
External assistance received as loans	-	-	-	-
External assistance received as grants	-	-	-	-
Total	-	-	-	-

There was no external assistance

b) Undrawn external assistance

Description	Purpose for which the undrawn external assistance may be used	FY 2023/2024		FY 2022/2023	
		Kshs		Kshs	
Undrawn external assistance - loans		-	-	-	-
Undrawn external assistance - grants		-	-	-	-
Total		-	-	-	-

There was no external assistance

c) classes of providers of external assistance

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

There was no external assistance

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Other Important Disclosures (Continued)

d. Non-monetary external assistance

Description	FY 2023/2024 Kshs	FY 2022/2023 Kshs
Goods	-	-
Services	-	-
Total	-	-

There was no non-monetary external assistance

e Purpose and use of external assistance

Payments Made by Third Parties		FY 2023/2024	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		-	-
Repayment of principal on Domestic and Foreign borrowing		-	-
Other Payments		-	-
TOTAL		-	-

There was no external assistance

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Other Important Disclosures (Continued)

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

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

There was no external assistance paid by third parties

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

22. Payments by Third Party on Behalf of The Project

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

22.1 Classification by Source

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

There was no external assistance paid by third parties

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

Description	FY 2023/2024	FY 2022/2023
	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	-	-

There was no external assistance paid by third parties

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

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/ department
- iii) Other Ministries and Departments.
- iv) The National Treasury

Related party transactions:

	FY 2023/2024	FY 2022/2023
	Kshs	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/ department	-	-
Payments made on behalf of the project by other govt. entities	-	-
Total Transfers from related parties	-	-

24. Contingent Liabilities

Contingent liabilities	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Court case - against the project	-	-
Bank guarantees in favour of other govt. entities	-	-
Contingent liabilities arising from PPPs/ donor agreements	-	-
Total	-	-

13. ANNEXES

Annex 1: Prior Year Auditor-General's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Records available indicate that the life of the project was to commence on 1 July 2011 and end on 30 December 2020. No explanation was provided for the failure to close the project in accordance with the Financing Agreements.	The management has closed the project account.	Resolved	30/09/2024



Principal Secretary
Name: Charles M. Hinga, CBS CA(SA)



Project Coordinator
Name: George Arwa

**Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024**

ANNEXES

Annex 2: Variance Explanations - Comparative Budget and Actual Amounts

	a	b	c=a-b	d=b/a %	Comments on Variance below 90% and over 100%
Receipts					
Transfer from Government entities	246,977,994	246,977,994	-	100%	
Proceeds from domestic and foreign grants	-	-	-	0%	
Proceeds from borrowings	-	-	-	0%	
Miscellaneous receipts	-	-	-	0%	
Total Receipts	246,977,994	246,977,994	-		
Payments					
Compensation of employees	-	-	-	0%	
Purchase of goods and services	8,200,000	8,152,892	47,109	99%	
Social security benefits	-	-	-	0%	
Acquisition of non-financial assets	204,931,437	204,931,437	(47,084)	100%	
Transfers to other government entities	33,846,557	33,846,557	-	100%	
Other grants and transfers	-	-	-	0%	
Total payments	246,977,994	246,977,970	24		

(i) *The difference in receipts was covered by the opening balances.*

**Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024**

(i) Annex 3: Reconciliation of Inter-Entity Transfers

PROJECT NAME:		Bank Statement Date	Amount (KShs)	Financial Year
a.	Government Counterpart Funding			
	Total		-	
b.	Direct Payments			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>For 2023/2024</u>
			-	
			-	
c.	Others			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>For 2023/2024</u>
			-	
			-	
	TOTAL(a+b+c)		-	

The above amounts have been communicated to and reconciled with the parent Ministry/ state department

Project Coordinator
Kenya Informal Settlement Improvement Project



Sign

Head of Accounting Unit
State Department of Housing and Urban Development



Sign

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Annex 4a - Analysis of Pending Bills

Supplier of Goods or Services	Date Completed/Invoiced	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
		a	b	c=a-b		
Construction of buildings						
1.						
2.						
Sub-Total						
Construction of civil works						
3.						
4.						
Sub-Total						
Supply of goods						
5.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
Sub-Total						
Grand Total						

**Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024**

Annex 4b: Analysis of Pending: Staff Bills

Category of Staff	Job Group	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Permanent Employees - Management							
1.							
2.							
Sub-Total							
Permanent Employees - Others							
3.							
4.							
Sub-Total							
Temporary employees							
5.							
6.							
Sub-Total							
Others (specify)							
7.							
8.							
Sub-Total							
Grand Total							

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Annex 4c: Analysis of other Pending Payables

Name	Brief Description	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance		Comments
					Current FY	Previous FY	
Amounts due to National Govt Entities							
1.							
2.							
Sub-Total							
Amounts due to County Govt Entities							
3.							
4.							
Sub-Total							
Amounts due to Third Parties							
5.							
6.							
Sub-Total							
Others (specify)							
7.							
8.							
Sub-Total							
Grand Total							

**Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024**

Annex 5: Summary of Fixed Assets Register

	(a) Opening Cost (KShs) 2023/24	(b) Donations in form of assets (KShs) 2023/24	(c) Purchases/ Additions in the Year (KShs) 2023/24	(d) Disposals in the Year (KShs) 2023/24	(e) Transfers in (out) KShs 2023/24	(f) Closing Cost (KShs) 2023/24 (b)+(c)-(d)+(e)
Land	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-
Transport equipment	82,478,360	-	-	-	-	82,478,360
Office equipment, furniture and fittings	247,517,757	-	-	-	-	247,517,757
ICT Equipment,	-	-	-	-	-	-
Other Machinery and Equipment	-	-	-	-	-	-
Work in Progress	-	-	-	-	-	-
Total	329,996,117	-	-	-	-	329,996,117

Notes

* Purchases/Additions in the year reconciled to the amount in Statement of Receipts and Payments

** The disposal amount to be disclosed in this register is the cost that the asset was acquired at and not the price at which it has been sold. The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the Ministry, Department or Agency. Additions during the year should tie to note 18 on acquisition of assets during the year. Ensure this section is complete covering all the entities assets. Ensure the complete fixed asset register is separately prepared as per circular number 5/2020 and follow up reminder of circular No. 23/2020 of The National Treasury

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Annex 6: Contingent Liabilities Register

	Nature of Contingent Liability	Remarks
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Annex 7: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Project				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

Annex 8: Reporting Disaster Management Expenditure

**Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024**

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

Annex 9: Other Support Documents

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations statement as at 30th June 2024
- iii. Board of Survey Report
- iv. Special Deposit Account(s) reconciliation statement(s)
- v. GOK IFMIS comparison Trial Balance

*Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024*

*Kenya Informal Settlement Improvement Project
Trial Balance
As at June 30, 2023*

Particulars	KSHS	KSHS
	Dr	Cr
Proceeds from Domestic and Foreign Grants		-
Receipts from Government of Kenya		-
Loan from External Development Partners		-
Miscellaneous receipts		-
Utilities, supplies and services	104,692	
Communication, supplies and services	-	
Domestic travel and subsistence	8,048,200	
Foreign travel and subsistence	-	
Printing, advertising and information supplies & services	-	
Training expenses	-	
Hospitality supplies and services		
Insurance costs	-	
Routine maintenance – vehicles and other transport equipment	-	
Construction of civil works	204,978,521	
Purchase of office furniture & general equipment	-	
Research, studies, project preparation, design & supervision	-	
Transfer to other government entities	33,846,557	
Rehabilitation of civil works	-	
Fund Balance B/F	-	246,977,994
Fund balance C/F	25	
	246,977,994	246,977,994

Prepared by


Wagura Theuri

Kenya Informal Settlement Improvement Project
Annual Reports and Financial Statements for the financial year ended June 30, 2024

Kenya Informal Settlement Improvement Project
Itemized budget for the year ending 30th June 2024

	Budget	Actual
REVENUE	Kshs.	KShs
Fund Balance B/F	246,977,994	246,977,994
Receipts from Government of Kenya	-	-
Total	246,977,994	246,977,994
USES OF GOODS AND SERVICES		
Utilities, supplies and services	150,000	104,692
Communication, supplies and services	-	-
Domestic travel and subsistence	8,050,000	8,048,200
Foreign travel and subsistence		
Printing, advertising and information supplies & services		
Consultancy services: – Technical and professional services	-	-
Sub Total	8,200,000	8,152,892
ACQUISITION OF NON-FINANCIAL ASSETS		
Construction of civil works	204,931,437	204,931,437
Overhaul & refurbishment of construction and civil works	-	-
Purchase of vehicles & other transport equipment	-	-
Overhaul of vehicles & other transport equipment	-	-
Research, studies, project preparation, design & supervision	-	-
Rehabilitation of civil works	-	-
TRANSFERS TO OTHER GOVERNMENT AGENCIES	33,846,557	33,846,557
Sub Total	238,777,994	238,825,078
Total	246,977,994	246,977,970

Prepared by Wagura Theuri
Financial Management, KISIP

Approved by George Arwa
KISIP National Coordinator