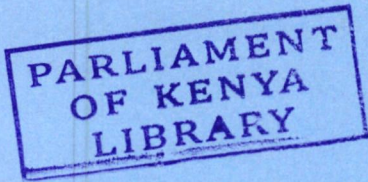
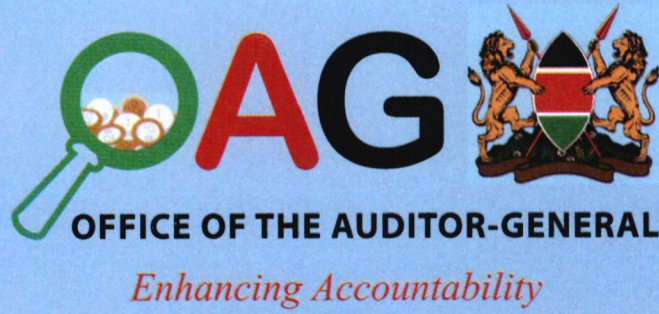


REPUBLIC OF KENYA



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**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**MIGORI COUNTY CLIMATE CHANGE FUND**

**FOR THE YEAR ENDED**

**30 JUNE, 2025**

	PAPERS LAID
DATE	29/10/2025
TABLED BY	Magonky Lab
COMMITTEE	
CLERK AT THE TABLE	Belinda



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**MIGORI COUNTY CLIMATE CHANGE FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30th JUNE 2025**

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

***Migori County Climate Change Fund***  
**Annual Report and Financial Statements for the year ended 30 June 2025**

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**1. Acronyms and Glossary of Terms**

a) Acronyms

BOM	Board of Management
FLLoCA	Financing Locally-Led Climate Action Program
CCU	Climate Change Unit
WCCPC	Ward Climate Change Planning Committee
CCRIG	Climate Change Resilient Investment Grant
PCRA	Participatory Climate Risk Assessment
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
KSHS	Kenya Shillings
CCRI	Climate Change Resilient Investment
CCIS	Climate Change Institutional Support
IDA	International Development Association
KFW	Kreditanstalt für Wiederaufbau
CCCAP	County Climate Change action Plan

## **2. Key Entity Information and Management**

### **a) Background information**

Migori County Climate Change Fund is established by and derives its authority and accountability from Migori County Climate Change Fund Act, 2021 on 8<sup>th</sup> September 2021. The Fund is wholly owned by the County Government of Migori and is domiciled in Kenya.

The fund's objective is to finance priority climate change programs, projects and activities, including those required under the Climate Change Act as well as those identified in the County Integrated Development Plan.

The Fund's principal activity is to facilitate and coordinate financing of Climate Change Adaptation and Mitigation activities; and for connected purposes.

### **b) Principal Activities**

The principal activity/mission/ mandate of the Fund is to finance

- (a) Climate change research and knowledge management in the County.
- (b) Provide grants and loans to businesses, industries, civil societies, academia and other stakeholders for development of innovative actions, projects, programs and interventions that benefit climate change responses in the County.
- (c) Implementation of climate change adaptation and mitigation actions
- (d) Climate change resilience and its assessment.
- (e) Implementation of climate change response programs, projects and activities as approved in accordance with Migori County Climate Change Fund Act.
- (f) Public education, sensitization and awareness creation on climate change and its impacts.
- (g) Capacity building for stakeholders to effectively respond to climate change.
- (h) Monitoring, evaluation, reporting, learning on climate change response in the County, including documentation of climate change projects undertaken in the County and any other projects, activities and interventions recommended by the Planning Committee and approved by the Steering Committee.

**Migori County Climate Change Fund  
Annual Report and Financial Statements for the year ended 30 June 2025**

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**c) Board of Trustees/Fund Administration Committee**

<b>SN</b>	<b>Name</b>	<b>Position</b>
1	Julius Nyerere	Chairperson
2	Maurice Otunga	Vice Chairperson
3	Odero Philip Dalmas	Member
4	Albertina Mercy Achapa	Member
5	Edmond Oketch	Member
6	Jessanne Mmei Luvandwa	Member
7	Mary Rhobi Chacha	Member
8	Samwel Starlin Ouma	Member
9	Mwita David Robi	Member
10	Susan Millie Owino	Member

**d) Key Management team**

<b>Ref</b>	<b>Name</b>	<b>Position</b>
1	Julius Nyerere	Chairperson
2	Odero Philip Dalmas	Chief Officer Environment, Natural Resources, Disaster Management and Climate Change
3	Albertina Mercy Achapa	Director Climate Change
4	Edmond Oketch	Fund Administrator
5	Fund Accountant	David Onyancha

**Migori County Climate Change Fund**  
**Annual Report and Financial Statements for the year ended 30 June 2025**

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**e) Fiduciary Oversight Arrangements**

SN	Position	Name
1	Directorate Internal Audit	CPA Janet Apiyo

**f) Registered Offices**

P.O. Box 195-40400  
Migori, KENYA

**g) Fund Contacts**

Telephone: 254) 717283224  
Telephone 254703558850  
E-mail: [info@migori.go.ke](mailto:info@migori.go.ke)  
Website: [www.migori.go.ke](http://www.migori.go.ke)

**h) Fund Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya

**i) Independent Auditors**

Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**j) Principal Legal Adviser**

The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

**k) County Attorney**

County Attorney  
P. O. BOX 195 - 40400,  
Suna, Migori.

**Migori County Climate Change Fund**

**Annual Report and Financial Statements for the year ended 30 June 2025**

**3. Board of Trustees/ Fund Administration Committee**

<b>Name</b>	<b>Details of qualifications and experience</b>
1. 	Name: Julius Nyerere Date of birth: 3 <sup>rd</sup> December 1961 Qualifications: Bachelor Degree Position: CECM for Environment, Natural Resources Climate Change and Disaster Management
2. 	Name: Maurice Otunga Date of birth: 3 <sup>rd</sup> December 1960 Qualifications: Masters Degree in project planning and management from University of Nairobi. Position: CECM Finance & Economic Planning in Migori County and Vice chair Administration Board
3. 	Name: Odera Philip Dalmas Date of birth: 17 <sup>th</sup> March 1982 Qualifications: Master in Supply Chain Management, Bachelor's Degree in Purchasing and Supplies Management. Position: CO for Environment, Natural Resources Climate Change and Disaster Management.
4. 	Name: Albertina Mercy Achapa Date of birth: 16 <sup>th</sup> April 1989 Qualifications: Bachelor of Science degree in Environmental Studies (Resource Conservation). Position: Ag. Director Climate Change
5. 	Name: Edmond Oketch Date of birth: 07 <sup>th</sup> December 1987 Qualifications: BCom Accounting Position: Fund Administrator

**Migori County Climate Change Fund**

**Annual Report and Financial Statements for the year ended 30 June 2025**

6.		<p>Name: Jessanne Mmei Luvandwa                  Date of birth: 25<sup>th</sup> December 1980                  Age: 44 years                  Qualifications: Bcom-Accounting Option and CPA(K)                  Position: Fund Board Member                  Work Experience:                  Leaf Technician with Alliance Tobacco Kenya</p>
7.		<p>Name: Mary Rhobi Chacha                  Date of birth: 01<sup>st</sup> January 1984                  Qualifications:                  Position: Fund Board Member                  Work Experience:                  Field Co-ordinator</p>
8.		<p>Name: Samwel Starlin Ouma                  Date of birth: 27<sup>th</sup> July 1984                  Qualifications: Bachelor's Degree in Community Development                  Position: Fund Board Member                  Work Experience:                  Dace NGO-Project Manager</p>
9.		<p>Name: Mwita David Robi                  Date of birth: 27<sup>th</sup> July 1984                  Qualifications: Bachelor's degree in Mechanical Engineering                  Position: Fund Board Member                  Work Experience:</p>
10.		<p>Name: Susan Millie Owino                  Date of birth: 02<sup>nd</sup> November 1949                  Qualifications: Bachelor's degree in Business Administration- Major in Finance                  Position: Fund Board Member                  Work Experience: Board Member Kenya Roads Board and Mikutra</p>

**Migori County Climate Change Fund  
Annual Report and Financial Statements for the year ended 30 June 2025**

**4. Management Team**

Name	Details of qualifications and experience
	<p>Name: Julius Nyerere Date of birth: 3<sup>rd</sup> December 1961 Qualifications: Bachelor Degree Position: CECM for Environment, Natural Resources Climate Change and Disaster Management</p>
	<p>Name: Odero Philip Dalmas Date of birth: 17<sup>th</sup> March 1982 Qualifications: Master in Supply Chain Management, Bachelor's Degree in Purchasing and Supplies Management. Position: Chief Officer for Environment, Natural Resources Climate Change and Disaster Management</p>
	<p>Name: Albertina Mercy Achapa Date of birth: 16<sup>th</sup> April 1989 Qualifications: Bachelor of Science degree in Environmental Studies (Resource Conservation). Position: Ag. Director Climate Change</p>
	<p>Name: Edmond Oketch Date of birth: 07<sup>th</sup> December 1987 Qualifications: BCom Accounting Position: Fund Administrator</p>
	<p>Name: David Onyancha Date of birth: 23<sup>rd</sup> January 1980 Qualifications: BCom-Finance Position: Fund Accountant</p>

**Migori County Climate Change Fund**

**Annual Report and Financial Statements for the year ended 30 June 2025**

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**5. Fund Chairperson's Report**

The Migori County Climate Change Fund is established pursuant to Migori County Climate Change Fund Act 2021.

In the FY 2024/ 25, the performance of Migori County Climate Change Fund has been on a steady growth. Migori County having met the Minimum Access Conditions (MACs) received CCRIG grants within the FY 2024/25 which if implemented fully will change the lives of residents in climate mitigation and adaptation. The fund also received CCIS grant of 11M that was used to develop institutional and human capacity to implement Climate resilient projects and programs across the 40 wards. The County Government of Migori also raised counterpart funds that was able to help in bridging the gap and in delivering locally-led climate resilience actions and also manage climate risks by building capacity to plan, budget, implement and monitor resilience investments in way that promotes collaborative partnerships between communities and the county government.

The Fund was able to develop PCRA and County Climate Change Action Plan 2023-27 which aims to enhance the County Government's and local communities' capacity to mitigate and adapt to the impact of climate change by creating a resilient and thriving environment and economy using a participatory approach that informed priority programs that were to be implemented within the financial year.

On behalf of the fund, I wish to express my utmost confidence in the key management team and the secretariat on the role they play on providing professional advice and guidelines to ensure the funds operational activities are within its core mandate. Special acknowledgement also goes to our development partners – World Bank, and the FLoCCA National Programme Implementation Unit for the financial support and technical guidance throughout the process.

Name.....

Chairperson of the Fund



Signature..... Date..... 19/09/2025

***Migori County Climate Change Fund***  
**Annual Report and Financial Statements for the year ended 30 June 2025**

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**6. Report of The Fund Administrator**

It is my pleasure to present Migori County Climate Change Fund 2024/2025 annual report and financial statements. During the Financial Year the fund received 11M of CCIS grant and 372.1M of CCRI G and used 99% of CCIS and 5.1 % of CCRI grant of the fund for purposes of climate mitigation and adaptation. During the year under review the fund managed to conduct participatory climate risk assessment at both county and ward level, ward level consultations on climate actions and resilience were also done successfully through a dedicated team.

The Fund endeavoured to utilise Public Finance Management procedures and regulations, which included; Public Procurement and Disposals Act, Public Finance Management Act, 2012 just to mention a few to ensure optimal utilisation of the Fund Resources and achieve value for money as enshrined in the Constitution of Kenya 2010.

The untimely disbursement of funds from the National Treasury posed a major challenge in implementation of the FLLoCA projects.

I wish to extend special thanks to the entire management, board and staff of Migori County Government and Directorate of Climate Change for dedicating time and effort to see the fund achieve its continued success. I wish to thank all stakeholders for their confidence in implementation of climate change adaptation and mitigation programs.

## ***Migori County Climate Change Fund***

### **Annual Report and Financial Statements for the year ended 30 June 2025**

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#### **7. Statement of Performance Against the County Fund's Predetermined Objectives**

##### **Introduction**

Section 164 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 County Government Migori County Climate Change Fund Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government Migori County Climate Change Fund's performance against predetermined objectives.

The key development objectives of the Fund as per the strategic plan are to finance:

- (a) Climate change research and knowledge management in the County.
- (b) Implementation of climate change adaptation and mitigation actions.
- (c) Climate change resilience and its assessment.
- (d) Implementation of climate change response programs, projects and activities as approved in accordance with Migori County Climate Change Fund Act.
- (e) Public education, sensitization and awareness creation on climate change and its impacts.
- (f) Capacity building for stakeholders to effectively respond to climate change.
- (g) Monitoring, evaluation, reporting, learning on climate change response in the County, including documentation of climate change projects undertaken in the County and any other projects, activities and interventions recommended by the Planning Committee and approved by the Steering Committee.

##### **Progress on attainment of Strategic development objectives**

Below we provide the progress on attaining the stated objectives:

<b>Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Participatory Climate Risk Assessment (PCRA)	Preparation of PCRA data collection tool	PCRA Report	100%	PCRA Report done
	Training on Climate Risk Assessment Tool	No. of task team trained.	22 members Trained	Task team members trained

**Migori County Climate Change Fund  
Annual Report and Financial Statements for the year ended 30 June 2025**

	Ward-based Engagement on PCRA	No. of wards engaged on PCRA	40 ward committee members trained	Members trained
	Data Analysis	No. of data analysis reports	100%	Data Analysis report done.
	County level and Stakeholders Workshop	No. of Stakeholders engaged	50	Stakeholders engaged
Climate Change Adaptation Plan (CCAP)	Ward-based Engagement on CCAP	No. of wards engaged on CCAP	40 ward committee members trained	Members trained
	Stakeholders Workshop	No. of Stakeholders engaged	50	Stakeholders engaged
	Cabinet Sensitization	Signed Cabinet minutes	1	Cabinet sensitized

## **8. Corporate Governance Statement**

Migori County Climate Change Fund Board has been established pursuant to Migori County Climate Change Fund Act 2021. During the financial 2023/2024 on 3<sup>rd</sup> May 2024 five members were gazetted to be members of the Board. One representative of public benefits organisation, one representative of women, one representative of private sector, one representative of the youth and one representative of persons with disability.

The functions of the Board shall be to—

- a) Facilitate the implementation, monitoring and evaluation of the County Climate Finance Framework and any other County Climate Finance policies, plans and strategies established by the County Planning Committee.
- b) **Monitor** the implementation of regulations for administration and management of the Fund.
- c) **Compile** the projects approved by the Steering Committee and prepare the County Climate Finance Budget.
- d) **Oversee** the execution of the County Climate Finance Budget.
- e) Ensure equitable allocation of monies available in the Fund with regard to the projects approved by the Steering Committee.
- f) **Mobilize** funds into and administer the County Climate Change Fund.
- g) Provide the essential linkages between the County Executive Committee and the County Assembly with regard to management and implementation of the Fund.
- h) Provide the essential linkages between the National Government and the County and coordinate support from the National Government Climate Change Policy and legislative framework.
- i) **Facilitate** incorporation of climate finance in the county planning and budgetary framework.
- j) Review and make recommendations for adjustments to intermediate objectives and outputs of the climate change fund programmes on advice from the Committees.
- k) Coordinate capacity building for Climate Change Awareness and Climate Finance.
- l) **Approve** county and ward disbursement proposals by the Fund Administrator and make funding allocation decisions.
- m) Approve all payments for climate change funded projects and programs.
- n) Develop a complaint handling and resolution mechanism and any other matter relevant to the execution of the Board's mandate.

**Migori County Climate Change Fund**  
**Annual Report and Financial Statements for the year ended 30 June 2025**

**9. Management Discussion and Analysis**

The financial performance of the Fund during the financial year is presented herewith in accordance with Public Finance Act 2012. The Fund received a total revenue of **48,168,251** and as at 30<sup>th</sup> June 2025. The total operating expenditure for the FY 2024/25 is Kshs 408,189,239

**Source of Funds**

Source of funds	Donor Commitment				Amount received to date – (30th June 2025)
	Donor	Kshs	Donor	Kshs	
	\$		\$		Donor currency \$
	(A)	(A')	(B)	(B')	(A)-(B)
(i) Grant	\$	Ksh	\$	Ksh	\$
CCIS	\$209,090.91	23,000,000	\$209,090.91	23,000,000	-
CCRI- IDA	\$1,367,243.45	150,396,779	\$1,367,243.45	150,396,779	-
CRI-KfW(German Government)	\$756,090.15	83,169,917	\$756,090.15	83,169,917	-
<b>TOTAL</b>	<b>\$2,332,424.51</b>	<b>256,566,696</b>	<b>\$2,332,424.51</b>	<b>256,566,696</b>	-
(ii) Counterpart funds					
County Government of Migori	\$1,598,181.82	175,800,000	\$1,598,181.82	175,800,000	-
<b>Total</b>	<b>\$3,930,606.33</b>	<b>432,366,696</b>	<b>\$3,930,606.33</b>	<b>432,366,696</b>	-

*Notes: the donor amount is translated at Shs 110 per \$*

## **10. Environmental and Sustainability Reporting**

The Fund exists to assess the evidence and impacts of climate change within the county, recommend robust adaptation and mitigation measures needed to minimize risks associated with climate while maximizing opportunities, enhance understanding of climate change and its impact locally and nationally. The fund also undertakes vulnerability assessments, undertake research and technological needs to respond to climate change impacts. The fund also ensures conducive and enabling policy, legal and institutional framework to combat climate change.

### **1. Sustainability strategy and profile**

Program sustainability will be achievable through

Community level involvement before, during and after implementation of projects. (Planning, budgeting, implementation and Monitoring).

Capacity building frameworks focusing on individuals, institutions and systems that address climate change challenges at the same time address sustainability.

### **2. Employee welfare**

The fund and program has not employed any staff other than those seconded by County Government of Migori.

### **3. Market place practices-**

During the financial year under review the fund maintained required practices on responsible competition practice, responsible supply chain and supplier relationships and responsible marketing and advertisement.

### **4. Corporate Social Responsibility / Community Engagements**

The program though is yet to engage with the communities including charitable activities whether in cash, material, community social investment or any other forms of community support. However, the fund finances locally-led climate actions at the community level and therefore have direct community engagements through Ward Climate Change Planning Committees.

***Migori County Climate Change Fund***  
**Annual Report and Financial Statements for the year ended 30 June 2025**

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**11. Report of The Trustees**

The Trustees submit their report together with the audited financial statements for the year ended 30 June 2025 which show the state of the Fund affairs.

**Principal activities**

The principal activities of the Fund are to facilitate and coordinate financing of Climate Change Adaptation and Mitigation activities; and for connected purposes.

**Results**

The results of the Fund for the year ended 30 June 2025 are set out on page 1.

**Trustees**

The members of the Board of Trustees who served during the year are shown on page iv There were no changes in the Board during the financial year.

**Auditors**

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the *Migori County Climate Change Fund* for the year/period ended 30 June, 2025 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

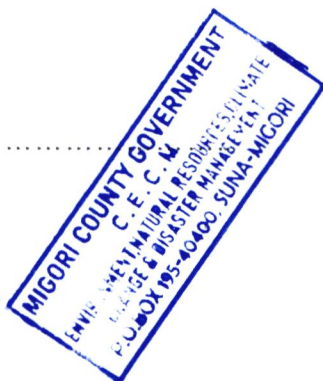
By Order of the Board



**Julius Nyerere**

**Chair of the Board**

**Date:** .....19/09/2025.....



## **12. Statement of Management's Responsibilities**

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by *Migori County Climate Change Fund 2021* shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on 30 June 2025. 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 Fund; iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; iv) safeguarding the assets of the Fund; v) selecting and applying appropriate accounting policies; and vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *Migori County Climate Change Fund*. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended 30 June 2025, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. OR

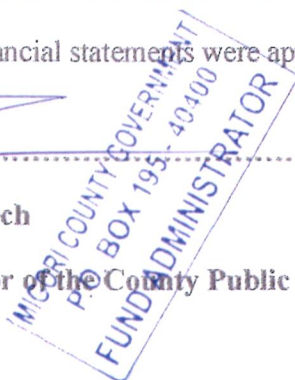
Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

### **Approval of the financial statements**

The Fund's financial statements were approved by the Board on 29<sup>th</sup> August 2025 and signed on its behalf by:

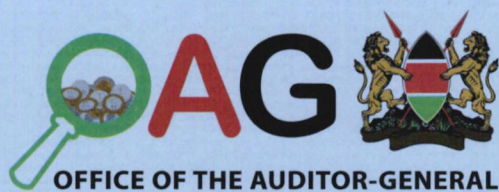
  
.....  
**Edmond Okech**

**Administrator of the County Public Fund**



# REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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

## REPORT OF THE AUDITOR-GENERAL ON MIGORI COUNTY CLIMATE CHANGE FUND FOR THE YEAR ENDED 30 JUNE, 2025

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of Migori County Climate Change Fund set out on pages 1 to 25, which comprise the statement of financial position as at

30 June, 2025 and the statement of financial performance, statement of changes in net assets, 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 Migori County Climate Change Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Migori County Climate Change Fund Act 2021 and the Public Finance Management Act, 2012.

### **Basis for Opinion**

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amount reflects final receipts budget and actual on comparable basis of Kshs.782,933,186 and Kshs.410,008,814 respectively, resulting in underfunding of Kshs.372,924,372 or 48% of the budget. The underfunding affected planned activities and may have impacted negatively on the financing priority change programs, projects and activities for the residents of Migori County.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Information**

The management is responsible for the Other Information set out on page iii to xvii which comprise of Key Entity Information and Management, Fund Administration Committee, Management Team, Board of Trustees / Fund Administration Committee, Management

Team, Fund Chairperson's Report, Report of the Fund Administrator, Statement of Performance Against the County Fund's Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability, Report of the Trustees, Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund'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 THE USE OF PUBLIC RESOURCES

### **Conclusion**

As required by Article 229(6) of the Constitution, 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 ISSAI 3000 and ISSAI 4000. The Standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

#### **Lack of Approved Information Communication Technology (ICT) Security Policy and Recovery Plan**

## **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**

**29 September, 2025**

**Migori County Climate Change Fund**  
**Annual Report and Financial Statements for the year ended 30 June 2025**

**14. Statement of Financial Performance for the Year Ended 30<sup>th</sup> June 2025**

Description	Note	FY 2024/25	FY 2023/24
		Kshs	Kshs
<b>Revenue From Non-Exchange Transactions</b>			
Public Contributions and Donations	1	11,000,000	245,566,696
Transfers From the County Government	2	8,950,110	138,625,134
<b>Total Revenue</b>		<b>19,950,110</b>	<b>384,191,830</b>
<b>Expenses</b>			
Employee Costs		-	-
Use of goods and services	3	18,687,200	14,762,165
Other Grants and Transfers	4	-	7,595,717
Depreciation and Amortization Expense	5	16,700,658	-
<b>Total Expenses</b>		<b>35,387,858</b>	<b>22,357,882</b>
<b>Other Gains/Losses</b>			
Gain/Loss on Disposal of Assets		-	-
<b>Surplus/Deficit) for the Period</b>		<b>(15,437,748)</b>	<b>361,833,948</b>

.....  
**Name: Edmond Oketch**  
**Administrator of the Fund**

.....  
**Name: David Onyancha**  
**Fund Accountant**  
**ICPAK Member Number:11923**

**Migori County Climate Change Fund  
Annual Report and Financial Statements for the year ended 30 June 2025**

**15. Statement of Financial Position As at 30<sup>th</sup> June 2025**

Description	Note	FY2024/2025	FY2023/2024
		Kshs.	Kshs.
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,170,843	361,840,563
<b>Total current assets</b>		<b>1,170,843</b>	<b>361,840,563</b>
<b>Non-current assets</b>			
Property, plant, and equipment	7	373,450,113	-
<b>Total Non-current Assets</b>		<b>373,450,113</b>	<b>-</b>
<b>Total assets (A)</b>		<b>374,620,956</b>	<b>361,840,563</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		-	-
<b>Total current liabilities</b>		<b>-</b>	<b>-</b>
<b>Non-current liabilities</b>			
Borrowings		-	-
<b>Total liabilities (B)</b>		<b>-</b>	<b>-</b>
<b>Net Assets (A-B)</b>		<b>374,620,956</b>	<b>361,840,563</b>
<b>Represented by:</b>			
Capital/Development Grants/Fund		390,058,704	-
Reserves		-	-
Accumulated surplus		(15,437,748)	361,840,563
<b>Net Assets/Equity</b>		<b>374,620,956</b>	<b>361,840,563</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Migori County Climate Change Fund financial statements were approved on 29<sup>th</sup> August 2025 and signed by:

.....  
Name: **Edmond Obetch**  
Administrator of the Fund

.....  
Name: **David Onyancha**  
Fund Accountant  
ICPAK Member Number: 11923

*Migori County Climate Change Fund*  
**Annual Report and Financial Statements for the year ended 30 June 2025**

**16. Statement of Changes in Net Assets for the year ended 30<sup>th</sup> June 2025**

Description	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
<b>Balance As At 1 July 2023</b>	-	-	-	-
Surplus/Deficit) For the Period		-	361,833,948	<b>361,833,948</b>
Funds Received During the Year	-	-	-	-
Transfers	-		6,615	<b>6,615</b>
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2024</b>	-	-	<b>361,840,563</b>	<b>361,840,563</b>
<b>Balance As At 1 July 2024</b>	-	-	<b>361,840,563</b>	<b>361,840,563</b>
Deficit For the Period	-	-	(15,437,748)	<b>(15,437,748)</b>
Funds Received During the Year	28,218,141	-	-	<b>28,218,141</b>
Transfers	-		-	-
Prior Year Adjustment	361,840,563	-	(361,840,563)	-
<b>Balance As At 30 June 2025</b>	<b>390,058,704</b>	-	<b>(15,437,748)</b>	<b>374,620,956</b>

**Migori County Climate Change Fund**  
**Annual Report and Financial Statements for the year ended 30 June 2025**

**17. Statement of Cash Flows for The Year Ended 30 June 2025**

Description	Note	2024/25	2023/2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations	1	11,000,000	245,566,696
Transfers from the county government	2	8,950,110	138,625,134
Transfers		-	6,615
<b>Total receipts</b>		<b>19,950,110</b>	<b>384,198,445</b>
<b>Payments</b>			
Use of Goods and Services	3	18,687,200	14,762,165
Other Grants and Transfers	4	-	7,595,717
		18,687,200	22,357,882
<b>Net cash flows from operating activities</b>	8	<b>1,262,910</b>	<b>361,840,563</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and Intangible assets		(390,150,771)	-
<b>Net cash flows used in investing activities</b>		<b>(390,150,771)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		28,218,141	-
<b>Net cash flows used in financing activities</b>		<b>28,218,141</b>	<b>-</b>
<b>Net increase/decrease) in cash &amp; cash Equivalents</b>		<b>(360,669,720)</b>	<b>-</b>
Cash and cash equivalents at 1 July 2024	6	361,840,563	-
<b>Cash and cash equivalents at 30 June 2025</b>	6	<b>1,170,843</b>	<b>361,840,563</b>

**18. Statement Of Comparison Of Budget And Actual Amounts For The Period Ended 30<sup>th</sup> June 2025**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c
<b>Budget carryovers from the previous year*</b>	-	361,840,563	361,840,563	361,840,563	-	100%
<b>Receipts</b>						
Transfers from the County Government	5,000,000	128,273,532	133,273,532	37,168,251	96,105,281	<b>28%</b>
Public contributions and donations	215,099,573	72,719,518	287,819,091	11,000,000	276,819,091	<b>4%</b>
Miscellaneous income ( <i>specify</i> )	-	-	-	-	-	<b>%</b>
<b>Total Receipts</b>	<b>220,099,573</b>	<b>562,833,613</b>	<b>782,933,186</b>	<b>410,008,814</b>	<b>372,924,372</b>	<b>52%</b>
<b>Payments</b>						
Use of goods and services	20,000,000	-	20,000,000	18,687,200	1,312,800	<b>93%</b>
Other Grants and Transfers	-	-	-	-	-	
Finance costs	-	-	-	-	-	<b>%</b>
<b>Total expenditure Payments</b>	<b>20,000,000</b>	<b>-</b>	<b>20,000,000</b>	<b>18,687,200</b>	<b>1,312,800</b>	<b>93%</b>
<b>Capital Expenditure Payments</b>	<b>200,099,573</b>	<b>562,833,613</b>	<b>762,933,186</b>	<b>390,150,771</b>	<b>372,782,415</b>	<b>51%</b>
<b>Surplus for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,170,843</b>	<b>(1,170,843)</b>	<b>-</b>

**Budget notes**

*Under receipts of 52% on public contributions and donations was due to receiving less funding from donors.*

*Underutilization of 51% on capital expenditure was due to receiving less funding from donors*

*Changes in Original and Final Budget were due to reappropriation of the opening Balances and anticipation of additional donor funding.*

***Migori County Climate Change Fund***  
**Annual Report and Financial Statements for the year ended 30 June 2025**

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**19. Notes to the Financial Statements**

**Significant Accounting Policies**

**1. General Information**

Migori County Climate Change Fund is established by and derives its authority and accountability from Migori County Climate Change Fund Act, 202. The Migori County Climate Change Fund is wholly owned by Migori County Government and is domiciled in Kenya. The Migori County Climate Change Fund’s principal activity is to facilitate and coordinate financing of Climate Change Adaptation and Mitigation activities; and for connected purposes.

**2. Statement of compliance and basis of preparation**

The Fund’s financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards IPSAS. The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

**3. Adoption of new and revised standards**

*(i) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024*

There were no new and amended standards issued in the financial year.

*(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.*

IPSAS 43	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Migori County Climate Change Fund. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The Standard requires,

**Migori County Climate Change Fund**

**Annual Report and Financial Statements for the year ended 30 June 2025**

Assets Held for Sale and Discontinued Operations	Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45- Property Plant and Equipment	<b>Applicable 1<sup>st</sup> January 2025</b> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. The fund statement has been prepared based on early adoption of IPSAS 45.
IPSAS 46 Measurement	<b>Applicable 1<sup>st</sup> January 2025</b> The objective of this standard was to improve measurement guidance across IPSAS by: <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47- Revenue	<b>Applicable 1<sup>st</sup> January 2026</b> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an Migori County Climate Change Fund shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	<b>Applicable 1<sup>st</sup> January 2026</b> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<b>Applicable 1<sup>st</sup> January 2026</b> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees

***Migori County Climate Change Fund***  
**Annual Report and Financial Statements for the year ended 30 June 2025**

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	and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
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**(i) Early adoption of standards**

The Migori County Climate Change Fund did not early – adopt any new or amended standards in the financial year or *the Migori County Climate Change Fund adopted the following standards early state the standards, reason for early adoption and impact on Migori County Climate Change Fund's financial statements.*)

**1. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i. Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Migori County Climate Change Fund and can be measured reliably.

**ii. Revenue from exchange transactions**

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the Migori County Climate Change Fund's right to receive payments is established.

**Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

**b) Budget information**

The original budget for FY 2024 was approved by the County Assembly on 21<sup>st</sup> June 2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Migori County Climate Change Fund upon receiving the respective approvals in order to conclude the final budget.

The Migori County Climate Change Fund's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

**Summary of Significant Accounting Policies Continued)**

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 17 of these financial statements.

**c) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Migori County Climate Change Fund recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

**a) Intangible Assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

**b) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

**Summary of Significant Accounting Policies Continued)**

**c) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Migori County Climate Change Fund does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the financial statements. A financial instrument is any contract that gives rise to a financial asset of one Fund and a financial liability or equity instrument of another Fund. At initial recognition, the Migori County Climate Change Fund measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**Financial assets**

**Classification of financial assets**

The Migori County Climate Change Fund classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the Migori County Climate Change Fund's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an Migori County Climate Change Fund has made irrevocable election at initial recognition for particular investments in equity instruments.

**Subsequent measurement**

Based on the business model and the cash flow characteristics, the Migori County Climate Change Fund classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

**Summary of Significant Accounting Policies Continued)**

**Amortized cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through net assets/ equity**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the Migori County Climate Change Fund manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

**Trade and other receivables**

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

**Impairment**

The Migori County Climate Change Fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Migori County Climate Change Fund recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss ECL).

**Summary of Significant Accounting Policies Continued)**

**Financial liabilities**

**Classification**

The Migori County Climate Change Fund classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

**d) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Migori County Climate Change Fund.

**e) Provisions**

Provisions are recognized when the Migori County Climate Change Fund has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Migori County Climate Change Fund expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**f) Social Benefits**

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The Migori County Climate Change Fund recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost the social benefit payments) that the Migori County Climate Change Fund will incur in fulfilling the present obligations represented by the liability.

**Summary of Significant Accounting Policies Continued)**

**g) Contingent liabilities**

The Migori County Climate Change Fund 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.

**Contingent assets**

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

**h) Nature and purpose of reserves**

The Migori County Climate Change Fund creates and maintains reserves in terms of specific requirements. *Migori County Climate Change Fund to state the reserves maintained and appropriate policies adopted.*

**i) Changes in accounting policies and estimates**

The Migori County Climate Change Fund recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**j) Related parties**

The Migori County Climate Change Fund regards a related party as a person or entity with the ability to exert control individually or jointly, or to exercise significant influence over the Migori County Climate Change Fund, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

**k) 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.

***Migori County Climate Change Fund***  
**Annual Report and Financial Statements for the year ended 30 June 2025**

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**l) Comparative figures**

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

**Summary of Significant Accounting Policies Continued)**

**5. Significant judgments and sources of estimation uncertainty**

The preparation of the Migori County Climate Change Fund's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

State all judgements, estimates and assumptions made e.g.

**a) Estimates and assumptions –**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Migori County Climate Change Fund based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Migori County Climate Change Fund. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

**b) Useful lives and residual values**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Migori County Climate Change Fund
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

**c) Provisions**

Provisions were raised and management determined an estimate based on the information available.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

**Migori County Climate Change Fund**  
**Annual Report and Financial Statements for the year ended 30 June 2025**

**6. Notes To The Financial Statements Continued**

**1.Public contributions and donations**

Description	FY 2024/25	2023/24
	Kshs	Kshs
Donation From Development Partners	11,000,000	245,566,696
Other Income	0	0
<b>Total</b>	<b>11,000,000</b>	<b>245,566,696</b>

**2.Transfers from County Government**

Description	FY 2024/25	2023/24
	Kshs	Kshs
Payments By County on Behalf of The Entity	8,950,110	138,625,134
<b>Total</b>	<b>8,950,110</b>	<b>138,625,134</b>

*Note: Of Sh 37,168,251 relates to both Recurrent and Capital Expenditure\_ Shs.8,950,109 recurrent and Sh 28,218,142 capital*

**3.Use of Goods and Services**

Description	FY 2024/25	2023/24
	Kshs.	Kshs.
Travelling and Accommodation Allowances	9,812,700	-
Field Operation Allowances	2,020,000	9,798,100
Training Allowances		896,800
Travel Costs	3,670,000	3,535,500
General Office Supplies	1,929,900	157,250
Conference Fees	1,190,900	365,000
Telephone And Communication Expenses	63,700	1,400
Bank Charges	-	8,115
<b>Total</b>	<b>18,687,200</b>	<b>14,762,165</b>

*Migori County Climate Change Fund*  
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**4. Other Grants and Transfers**

Description	FY 2024/25	2023/24
	Kshs	Kshs
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	7,595,717
<b>Total</b>	-	<b>7,595,717.00</b>

**5. Cash and cash equivalents**

Description	FY 2024/25	2023/24
	Kshs	Kshs
Migori County Climate Change Fund CBK 1000547944	1,170,843	361,833,613
<b>Total Cash and Cash Equivalents</b>	<b>1,170,843</b>	<b>361,840,563</b>

Financial Institution	Account number	FY 2024/25	2023/24
		Kshs	Kshs
<b>a) Current Account</b>			
Family Bank	74000019030		335
Equity Bank	1160282762142		6,615
Migori County Climate Change Fund CBK	1000547944	1,170,843	361,833,613
<b>Grand Total</b>		<b>1,170,843</b>	<b>361,840,563</b>

**6. Depreciation and Amortization**

Description	FY 2024/2025	FY2023/2024
	KShs	KShs
Property, plant and equipment	16,700,658	-
Intangible assets	-	-
Investment property carried at cost	-	-
<b>Total depreciation and amortization</b>	<b>16,700,658</b>	<b>-</b>

**Migori County Climate Change Fund**  
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**Notes to the Financial Statements Continued**

**7. Property Plant and Equipment**

Description	Buildings	Infrastructure Assets	Computers, ICT Materials	Heritage Assets	Biological Asset	Equipment	Total
	Shs	Shs	Shs	Shs	Shs	Shs	Shs
<b>Depreciation Rate</b>	<b>3%</b>	<b>3%</b>	<b>30%</b>	<b>3%</b>	<b>0%</b>	<b>30%</b>	
As at 1 July 2023	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2024	-	-	-	-	-	-	-
Additions for the year	8,168,917	323,808,244	8,998,061	7,910,900	22,917,854	18,346,795	<b>390,150,771</b>
Disposals for the year	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2025	<b>8,168,917</b>	<b>323,808,244</b>	<b>8,998,061</b>	<b>7,910,900</b>	<b>22,917,854</b>	<b>18,346,795</b>	<b>390,150,771</b>
<b>Depreciation and impairment</b>							
At 1 July 2023	-	-	-	-	-	-	-
Transfers/ Adjustments	-	-	-	-	-	-	-
As at 30 June 2024	-	-	-	-	-	-	-
Depreciation for the year	204,223	8,095,206	2,699,418	197,773	-	5,504,039	<b>16,700,658</b>
Disposals for the year	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2025	<b>204,223</b>	<b>8,095,206</b>	<b>2,699,418</b>	<b>197,773</b>	<b>-</b>	<b>5,504,039</b>	<b>16,700,658</b>
NBV as at 30 <sup>th</sup> Jun 2024	-	-	-	-	-	-	-
NBV as at 30 <sup>th</sup> Jun 2025	<b>7,964,694</b>	<b>315,713,038</b>	<b>6,298,643</b>	<b>7,713,128</b>	<b>22,917,854</b>	<b>12,842,757</b>	<b>373,450,113</b>

*Migori County Climate Change Fund*  
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**8.Cash generated from operations.**

Description	2024/25	2023/24
	Kshs	Kshs
<b>Surplus/ Deficit) For the Year Before Tax</b>	<b>(15,437,748)</b>	<b>361,833,948</b>
<b>Adjusted For:</b>		
Depreciation	16,700,658	-
Amortisation		-
Gains/ Losses on Disposal of Assets		-
Interest Income		-
Transfer	-	6,615
Finance Cost		-
<b>Working Capital Adjustments</b>		
Increase In Inventory		-
Increase In Receivables		-
Increase In Payables	-	-
<b>Net Cash Flow from Operating Activities</b>	<b>1,262,910</b>	<b>361,840,563</b>

**Migori County Climate Change Fund  
Annual Report and Financial Statements for the year ended 30 June 2025**

**Notes To the Financial Statements (Continued)**

**7.Related party balances**

**a) Nature of related party relationships**

Entities and other parties related to the Fund include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. The fund/scheme is related to the following entities:

- a) The County Government;
- b) The Parent County Government Ministry;
- c) Key management;
- d) Board of Trustees; etc.

**b) Related party transactions**

Description	2024/25	2023/24
	Kshs	Kshs
Transfers From Related Parties'	0	0
Transfers To Related Parties	0	0

**c) Key management remuneration**

Description	2024/25	2023/24
	Kshs	Kshs
Board Of Trustees	0	0
Key Management Compensation	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**d) Due from related parties**

Description	2024/25	2023/24
	Kshs	Kshs
Due From Parent Ministry	0	0
Due From County Government	0	0
<b>Total</b>	<b>-</b>	<b>-</b>

*Migori County Climate Change Fund*  
**Annual Report and Financial Statements for the year ended 30 June 2025**

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**Other Disclosures Continued**

**e) Due to related parties**

<b>Description</b>	<b>2024/25</b>	<b>2023/24</b>
	<b>Kshs</b>	<b>Kshs</b>
Due To Parent Ministry	0	0
Due To County Government	0	0
Due To Key Management Personnel	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**8. Contingent assets and contingent liabilities**

<b>Contingent Liabilities</b>	<b>2024/25</b>	<b>2023/24</b>
	<b>Kshs</b>	<b>Kshs</b>
Court Case Against the Fund	0	0
Bank Guarantees	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**Notes To The Financial Statements (Continued)**

**9. Financial risk management**

The Fund's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Fund's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Fund does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Fund's financial risk management objectives and policies are detailed below:

**Migori County Climate Change Fund**  
**Annual Report and Financial Statements for the year ended 30 June 2025**

**Notes To the Financial Statements (Continued)**

**a) Capital risk management.**

The objective of the Fund's capital risk management is to safeguard the Fund's ability to continue as a going concern. The entity capital structure comprises of the following funds:

Description	2023/24	2022/23
	Kshs	Kshs
Revaluation reserve	-	-
Revolving fund	390,058,704	-
Accumulated surplus	(15,437,748)	361,840,563
<b>Total funds</b>	<b>374,620,956</b>	<b>361,840,563</b>
Total borrowings	-	-
Less: cash and bank balances	1,170,843	361,840,563
Net debt/excess cash and cash equivalents)	(1,170,843)	(361,840,563)
<b>Gearing</b>	0%	100%

**10.Events after the reporting period**

There were no material adjusting and non- adjusting events after the reporting period.

**11.Ultimate and Holding Entity**

The Migori County Climate Change Fund is a County Public Fund established by Migori County Climate Change Fund Act 2021. Its ultimate parent is the County Government of Migori.

**12. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

**Migori County Climate Change Fund  
Annual Report and Financial Statements for the year ended 30 June 2025**

**20. Annexes**

**Annex I: Progress on Follow Up of Prior Year Auditor's Recommendations**


The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	Budgetary control and performance	The management noted the auditor's observation and state that the underperformance is due to undisbursed /remittance of the funds from the donors and National government. Further most of the projects were ongoing by close of the year hence could not be paid. The projects have since been completed and paid	Resolved (Project status report)	

Fund Manager/Accounting Officer (enter title of head of Fund)

Date... 19/09/2025

MIGORI COUNTY GOVERNMENT  
P.O. BOX 195 - 40400  
FUND ADMINISTRATOR



***Migori County Climate Change Fund***  
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**Annex II: Inter-Fund Confirmation Letter**



**COUNTY GOVERNMENT OF MIGORI**

Telegrams: “MIGORI COUNTY” Migori  
 Tel: 0726319450/0736860086/0770304976  
 E-mail: [info@migori.go.ke](mailto:info@migori.go.ke), gvn@migori.go.ke

P. O. Box 195-40400  
**SUNA MIGORI**

*Fund Administrator*

*Migori County Climate Change Fund*  
*P.O Box 195-40400 SUNA MIGORI*

The *Migori County Climate Change Fund* wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2025 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Migori County Climate Change Fund as at 30 <sup>th</sup> June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] Kshs) as at 30 <sup>th</sup> June 2025			Total D)=A+B+C)	Amount Received by [Migori County Climate Change Fund] KShs) as at 30 <sup>th</sup> June 2025€	Differences KShs) F) =D-E)
		Recurrent A)	Development B)	Inter-Ministerial C)			

**Migori County Climate Change Fund**  
**Annual Report and Financial Statements for the year ended 30 June 2025**

	07/11/2024	11,000,000			11,000,000	<b>11,000,000</b>	
	05/03/2025		37,168,251		37,168,251	37,168,251	
<b>Total</b>		11,000,000	37,168,251		48,168,251	<b>48,168,251</b>	

In confirm that the amounts shown above are correct as of the date indicated.

**Head of Accountants department of beneficiary Fund:**

Name Sueel O Jalga Sign [Signature] Date 19/09/2025

*Migori County Climate Change Fund*  
**Annual Report and Financial Statements for the year ended 30 June 2025**

**Annex III: Reporting on Disaster Management Expenditure**

Program for Results (PforR) Disclosure This disclosure note is for entities that are implementing Programs for Results (PforR). Implementing entities are required to make disclosures in accordance with their respective financing agreements. The disclosure should capture the program's goal and expenditures designated in the expenditure framework.

<b>Name of PforR:</b> Financing Locally-Led Climate Action Program	
<b>Financing Partners:</b> World Bank, Danida, SIDA & KfW	
<b>Purpose of the PforR:</b> To deliver locally-Led climate resilience actions and strengthen County Governments' capacity to manage climate risks.	
<b>Expenditure Details</b>	<b>Amount in Kshs.</b>
Expenditure Details Cumulative actual expenditures for the previous years	32,351,267
1. <i>County Climate Institutional Support</i>	10,981,900
2. <i>County Climate Resilience Investments</i>	390,150,771.5
3. <i>Community Capacity Building Activities</i>	7,705,300
<b><i>Sub Total</i></b>	<b>408,837,972</b>
<b>Cumulative Actual Expenditures to 30<sup>th</sup> June 2025</b>	<b>441,189,239</b>

*Migori County Climate Change Fund*  
**Annual Report and Financial Statements for the year ended 30 June 2025**

**Annex IV: Trial Balance As at 30<sup>th</sup> June 2025**

<b>Migori County Climate Change Fund</b>			
<b>Trial Balance As At 30th June 2025</b>			
<b>S/No</b>	<b>Particulars</b>	<b>Debit</b>	<b>Credit</b>
	Cash And Cash Equivalent	1,170,843	-
	Property Plant and Equipment	373,450,113	-
	Depreciation	16,700,658	-
	Use of Goods	18,687,200	-
	Revolving Fund	-	390,058,704
	Public Contribution and Donation	-	19,950,110
		<b>410,008,814</b>	<b>410,008,814</b>