

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

DATE: 05 DEC 2023

DAY: TUES

TAB BY: OF

Han Naomi waqo, MP  
Deputy majority whip  
Inzogu mwale

CLERK AT THE TABLE:

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**THE AUDITOR-GENERAL**

**ON**

**SYSTEM FOR LAND-BASED EMISSIONS ESTIMATION IN KENYA (SLEEK)**

**FOR THE YEAR ENDED  
30 JUNE, 2023**

**MINISTRY OF ENVIRONMENT,  
CLIMATE CHANGE AND FORESTRY**





OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00 00, NAIROBI  
KENYA

17 OCT 2023

RECEIVED

**Project Name: System for Land Based Emissions Estimation (SLEEK)**

**Implementing Entity: Ministry of Environment, Climate Change and Forestry (MECCF)**

**PROJECT AGREEMENT DATED 23<sup>rd</sup> February 2018**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2023**

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

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**1. Acronyms and Glossary of Terms**

CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
WB	World Bank
Comparative FY	Financial year preceding the current financial year.

## **2. Project Information and Overall Performance**

### **2.1 Name and registered office**

**Name:** System for Land-Based Emissions Estimation in Kenya (SLEEK)

**Objective:** The key objective of the project is to aid meet national development goals and international reporting obligations. This will be achieved by developing an independently-verified emissions estimation system for the land sector with rigorous and reliable data that meet international standards.

The related end-of-program outcomes are:

- A national system reporting emissions and removals from the land sector; and
- Land sector information is made available for use in informed decision – making.

**Address:** The project headquarters offices are Nairobi County, Kenya.

The address of its registered office is:

Ministry of Environment and Forestry  
NHIF Building Upper Hill, P.O Box 30126  
Nairobi.

**Contacts:** The following are the project contacts

Telephone: (254) -20-5143200  
E-mail: [sleek@environment.go.ke](mailto:sleek@environment.go.ke)  
Website: [sleek.environment.go.ke](http://sleek.environment.go.ke)

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**Project information and overall performance (continued)**

**2.2 Project Information**

Project Start Date:	The project start date is DD 04 2013
Project End Date:	The project end date is DD 12 2019
Project Manager:	The Program Co-ordinator is Stephen King'oo from July, 2022 to date.
Project Sponsor:	The project sponsor is Government of Australia

**2.3 Project Overview**

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Environment and Forestry
Project number	Project agreement dated 23 <sup>rd</sup> February 2018
Strategic goals of the project	The strategic goals of the project are as follows: (i) To help the Government of Kenya meet national development goal and international reporting obligations (ii) To make this data available to support informed decision
Achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Developing an independently-verified emissions estimation system for the land sector (ii) Developing rigorous and reliable data that meet international standards
Other important background information of the project	The project will enable the GoK to quantify and report its land sector emissions. It will also allow Kenya to evaluate different land-use scenarios for sustainable development and inform policy decisions on resources use, including planning for forest restoration, protection of forest resources, improved agricultural productivity, and enhanced water availability. Due to the significant ongoing pressures on forest land being degraded by encroachment and converted for agriculture, their importance to water supply and catchment integrity, the five water towers of Kenya, and the global attention to forest from the United Nations Framework Convention

	on Climate Change (UNFCCC) and other international processes, the GoK has taken a policy decision to focus first on the land sector in the development of SLEEK.
Current situation that the project was formed to intervene	The project was formed to intervene in the following areas: (i) To meet international reporting requirements (ii) To support informed decision-making
Project duration	The project started on 1st April 2013 and ended on December 2019

#### **2.4 Bankers**

The following are the bankers for the current year:

- (i) Kenya Commercial Bank

Account name	Account number
Sleek Program Management Unit	1174389508

#### **2.5 Independent Auditor**

The project is audited by the Auditor General, Office of the Auditor General

#### **2.6 Roles and Responsibilities**

List the different people who will be working on the project. This list would include the project manager and all the key stakeholders who will be involved with the project. Also, record their role, their positions, and their contact information.

<b>Names</b>	<b>Title designation</b>	<b>Key qualification</b>	<b>Responsibilities</b>
Stephen King'oo (Acting project co-ordinator from July, 2022 to date)	Ag. Program Coordinator	BSc	Since the project ended officially in December 2019, Mr Stephen King'oo is the custodian of SLEEK assets and other vital project documents on behalf of the Principal Secretary, Ministry of Environment, Climate Change and Forestry.
Anne Ngugi	Program	BSc	Responsible for day-to-

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	Administrative Assistant		day operations of the SLEEK program, including staff administration, finance, travel and facilitation
Enock Maticha (Ag. Programme accountant from July, 2022 to date)	Ag. Programme Accountant	B.Com CPA (K)	Since the project ended officially in December 2019, Mr Enock Maticha is the custodian of SLEEK cash books, financial reports and other accountable documents on behalf of the Principal Secretary, Ministry of Environment, Climate Change and Forestry.

**2.7 Funding summary**

The Project was for duration of five years from 2013 to 2019 with an approved budget of US\$594,000) equivalent to Kshs 59,400,000 as highlighted in the table below:

Below is the funding summary:

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment		Amount received to date – (30 <sup>th</sup> June 2023)		Undrawn balance to date	
	Donor currency USD (A)	Kshs (A')	Donor currency USD (B)	Kshs (B')	Donor currency Kshs (A)-(B)	Kshs (A')-(B')
(i) Grant						
Government of Australia	594,000	59,400,000	376,946	37,694,559	217,054	21,705,441
(ii) Loan						
	-	-	-	-	-	-
(iii) Counterpart funds						
Government of Kenya	-	3,133,494	31,395	3,133,494	-	-
<b>Total</b>	<b>594,000</b>	<b>62,533,494</b>	<b>408,341</b>	<b>40,828,053</b>	<b>217,054</b>	<b>21,705,441</b>

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**Project information and overall performance (continued)**

**B. Application of Funds**

Application of funds	Amount received to date – (30 <sup>th</sup> June 2023)		Cumulative amount paid to date – (30 <sup>th</sup> June 2023)		Unutilised balance to date (30 <sup>th</sup> June 2023)	
	<i>Donor currency</i> USD	<i>Kshs</i> (A')	<i>Donor currency</i> USD	<i>Kshs</i> (B')	<i>Donor currency</i> USD	<i>Kshs</i> (A')-(B')
<b>(i) Grant</b>						
Government of Australia	376,946	37,694,559	370,586.17	37,058,617.90	6,359.40	635,941.10
<b>(ii) Loan</b>						
	-	-	-	-	-	-
<b>(ii) Counterpart funds</b>						
Government of Kenya	31,395	3,133,494	31,395.00	3,133,494.00	-	-
<b>Total</b>	<b>408,341</b>	<b>40,828,053</b>	<b>401,981.17</b>	<b>40,192,111.90</b>	<b>6,359.40</b>	<b>635,941.10</b>

**Project information and overall performance (continued)**

**2.8 Summary of Overall Project Performance:**

The project has been able to achieve the following results

- Established the Project Management Unit
- Developed version two of a reporting tool to allow users generate UNFCCC reports
- Developed land cover maps and interpolated climate grids to be used in the system
- Developed version three of a data integration tool known as FLINT
- Selected and calibrated a crops, soil and forest models to be used in the system
- Developed a technical manual to guide land cover map production in Kenya
- Supported establishment of a fully equipped GIS laboratory at DRSSRS
- Supported digitization of 1.8 million climate records at KMD
- Supported the SLEEK scholarship program which is funding 22 Kenyan students
- Conducted a deployment and training workshop for the data Integration tool, FLINT, in Kenya

We believe we achieved value for money during the project implementation

We experienced implementation challenges as follows;

- One of the main challenges the programme has experienced is getting the SMU staff contracts renewed.
- The office of SMU created permanently at the ME&F by PSC

**2.9 Summary of Project Compliance:**

There were no issues of non-compliance raised and the project closed in December 2019.

### **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’s 2018-2022* plan are to:

- a) To mobilize land sector data to help Kenya meet national development goals and international reporting obligation.
- b) To strengthen institutional arrangements for greenhouse gas reporting in Kenya.
- c) To build the capacity of participating institutions in greenhouse gas national inventory reporting.
- d) To build IT capability to support a semi-automated system for generating reports for decision making.

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

The project was inactive throughout the financial year.

#### **4. Environmental and Sustainability reporting**

*Sleek project 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 SLEEK project 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*

**1. Sustainability strategy and profile -**

*The project has ended.*

**2. Environmental performance**

*The project has ended.*

**3. Employee welfare**

*The project has ended.*

**Market place practices-**

*The project has ended.*

**4. Community Engagements-**

*Sleek project used to make community engagement through advising on environmental carbon land emissions for informed decision making to the public, Sleek also offer scholarships for university students.*

## **5. Statement of Project Management responsibilities**

The *Principal Secretary*, State Department for Environment and Climate Change and the *Programme Coordinator* for *System for Land Based Emission Estimation in Kenya* 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 and as at the end of the financial year (period) ended on June 30, 2023. 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 (vi) making accounting estimates that are reasonable in the circumstances.

The *Principal Secretary*, State Department for Environment and Climate Change and the *Programme Coordinator* for *System for Land Based Emission Estimation in Kenya* 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*, State Department for Environment and Climate Change and the *Programme Coordinator* for *System for Land Based Emission Estimation in Kenya* 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, 2023, and of the Project's financial position as at that date. The *Principal Secretary*, State Department for Environment and Climate Change and the *Programme Coordinator* for *System for Land Based Emission Estimation in Kenya* 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*, State Department for Environment and Climate Change and the *Programme Coordinator* for *System for Land Based Emission Estimation in Kenya* 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.

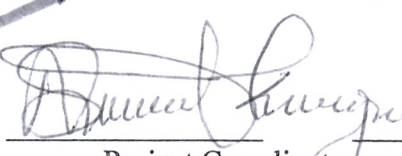
### **Approval of the Project financial statements**


The Project financial statements were approved by the *Principal Secretary*, State Department for Environment and Climate Change and the *Programme Coordinator* for *System for Land Based Emission Estimation in Kenya* on ..... 2023 and signed by them.

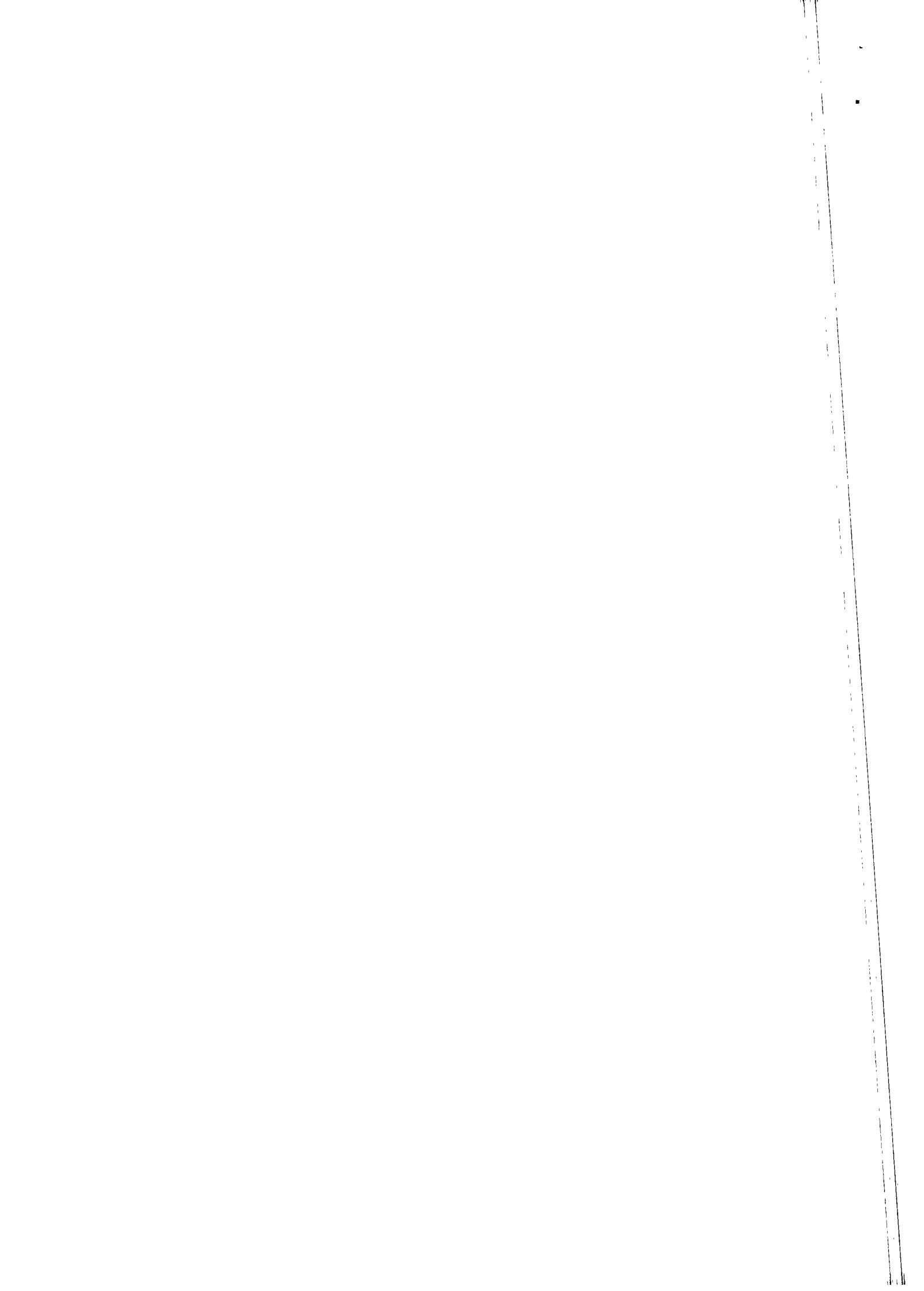
*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
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Principal Secretary  
Eng. Festus Ng'eno

  
Project Coordinator  
Stephen King'oo

  
Project Accountant:  
Enock Maticha  
ICPAK Member No: 23310



# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON SYSTEM FOR LAND-BASED EMISSIONS ESTIMATION IN KENYA (SLEEK) FOR THE YEAR ENDED 30 JUNE, 2023 – MINISTRY OF ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**

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### **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 Government achieves value for money and that such funds are applied for the intended purpose.
- 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, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of System for Land-Based Emissions Estimation in Kenya (SLEEK) set out on pages 1 to 42, which comprise the

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*Report of the Auditor-General on System for Land-Based Emissions Estimation in Kenya (SLEEK) for the year ended 30 June, 2023 – Ministry of Environment, Climate Change and Forestry*

statement of financial assets as at 30 June, 2023, 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of System for Land-Based Emissions Estimation in Kenya (SLEEK) as at 30 June, 2023, 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 Memorandum of Understanding dated 23 February, 2018 between the Commonwealth of Australia and the Government of Kenya.

## **Basis for Qualified Opinion**

### **1.0. Presentation and Inaccuracies in the Financial Statements**

The financial statements for the year ended 30 June, 2023 contain the following anomalies:

#### **1.1. Unconfirmed Accuracy of Transfers from Government Entities Cumulative Balance**

The statement of receipts and payments reflects transfers from Government entities balance of Kshs.Nil for the year under review and cumulative to-date balance of Kshs.3,133,494. However, the statement of receipts and payments for the year ended 30 June, 2021 reflected Kshs.Nil cumulative to-date balance as at 30 June, 2021, while the statement for the previous year (2021/2022) showed a receipt of Kshs.711,394 for that year and cumulative to-date amount of Kshs.3,133,494. Therefore, the re-computed cumulative to-date amount as at 30 June, 2022 and 30 June, 2023 is Kshs.711,394 which differs with the reported amount of Kshs.3,133,494, resulting to a variance of Kshs.2,422,100.

Management has explained, in Annex 1 to the financial statements, that the variance of Kshs.2,422,100 relates to a transfer from Government entities received in the year 2016/2017 that had been erroneously omitted in the 2020/2021 financial statements and that the omission was corrected when preparing the financial statements for the financial year 2021/2022. However, Management has not provided for audit the documents supporting the corrections made.

#### **1.2. Unconfirmed Accuracy of Other Grants and Transfers/Payments Cumulative Balance**

The statement of receipts and payments reflects other grants and transfers/payments balance of Kshs.Nil for the year under review and cumulative to-date balance of Kshs.2,422,100. However, the financial statement for the year ended 30 June, 2021 had a cumulative to-date balance of Kshs.Nil, resulting in a variance of Kshs.2,422,100.

Management, in Annex 1 to the financial statements has explained that the amount of Kshs.2,422,100 relates to the financial year 2016/2017 that was thereafter omitted in the subsequent financial statements and then reintroduced into the financial statements for the year 2021/2022. However, documents supporting the reintroduction of the amount to the financial statements were not provided for audit.

### **1.3. Unconfirmed Accuracy of Personal Allowances Paid as Part of Salary Cumulative Balance**

Note 5 to the financial statements on compensation of employees reflects personal allowances paid as part of salary cumulative to-date balance of Kshs.11,645,568 as at 30 June, 2023, which was the same balance reported in the financial statements for the year 2021/2022 which reflected Kshs.Nil expenditure for that year. However, the audited cumulative to-date amount in the year 2020/2021 was Kshs.12,325,000, resulting in a variance of Kshs.679,431.

Management, in Annex 1 to the financial statements, has explained that the amount of Kshs.12,325,000 was overstated by Kshs.679,431 and that correction was done in the year 2021/2022. However, a reconciliation explaining the variance of Kshs.679,431 and journal entries made to correct the error were not provided for audit.

In the circumstances, the accuracy and completeness of the annual reports and financial statements could not be confirmed.

### **2.0. Overstatement of Payments**

The statement of receipts and payments reflected compensation of employees of Kshs.711,394 which, as disclosed in Note 5 to the financial statements, represents basic salaries of permanent employees. However, the schedule and payments vouchers provided for audit reflected a corresponding amount of Kshs.680,071, resulting to an unreconciled variance of Kshs.31,323. Although Management has indicated that payment vouchers for the Kshs.31,323 are available for audit review, the same were not provided for audit.

In the circumstances, the accuracy and completeness of the compensation of employees expenditure of Kshs.711,394 could not be confirmed.

### **3.0. Unsupported Pending Staff Payables**

Note 2 on pending staff payables, under other important disclosures, reflects gratuity amount of Kshs.421,600 which, as analyzed in Annex 4b, was payable to two (2) permanent employees: a project manager and office assistant. However, the period the services were provided is not clear as the date payable contracted is indicated as 31 December, 2019 and Management commented that the employees' contract had not been finalized. Besides, the project ended in 31 December, 2019.

In the circumstances, the accuracy and completeness of pending staff payables amount of Kshs.421,600 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of System for Land-Based Emissions Estimation in Kenya (SLEEK) Management in accordance with ISSAI 130 on 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 qualified opinion.

### **Emphasis of Matter**

#### **Dormant Project Bank Account**

Section 2 on Project period of Schedule 2 on Project particulars of the signed agreement of 15 March, 2018 indicates that the project was to end not later than 31 December, 2018. Further, the project information reflected on page iv of the annual reports and the financial statements indicates that the project ended in December, 2019. However, Note 11A to the financial assets reflects an account balance of Kshs.635,941, and the statement of receipts and payments reflects purchase of goods and services amount of Kshs.2,256 which, as disclosed in Note 6 to the financial statements represents bank charges. On the contrary, the Principal Secretary Ministry of Environment, Climate Change and Forestry, vide letter reference number MEF/ACC/FIN/11/1 dated 9 September, 2023 requested The National Treasury to close dormant project bank accounts, including the one for SLEEK. However, there is no document confirming donor approval of project operations.

My opinion is not modified on the effects of the matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, 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**

#### **Undrawn External Assistance**

As reported previously, Note 4b, under other important disclosures, to the financial statements reflects undrawn external assistance amount of Kshs.21,705,441. Management has indicated that the project is complete. However, it was not clear or explained how the project was completed when there was an undrawn balance of Kshs.21,705,441 or 37% of the total funding.

In the circumstances, the completion of the project as at 30 June, 2023 could not be confirmed.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else

has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Unsupported Project Outcome**

During the audit, Management did not provide a final project report indicating: the details of the operation, mechanisms and processes employed by the recipient to conduct the project; a description of the recipients activities during the entire project period; and If relevant, details of progress against the project plan, including monitoring, evaluation and reporting activities specified in the project plan and valuation of the project including discussion of how successful the project was achieving the project objective. This was contrary to clause 5.5 of the agreement on final report.

In the circumstances, the outcome of the project could not be confirmed.

The audit was conducted in accordance with ISSAI 4000. The standard 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 are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for 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 overall governance were not effective.

#### **Basis for Conclusion**

##### **Poor Assets Management**

Included in the Project Handover Report dated 29 July, 2022 are assets (various ICT hardware and software) which the Ministry of Environment, Climate Change and Forestry had donated to the Project. However, the Management did not provide for audit asset register, though the Project ended in 2019 as disclosed in Note 4b, under other important disclosures, to the financial statements. This was contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015, which requires an Accounting Officer to be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, it was not possible to confirm whether all the donated assets were handed over to the Ministry of Environment, Climate Change and Forestry as at 30 June, 2023.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, 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 the agreement in relation to support to the Government of Kenya for sustainability of the System for Land Based Emissions Estimation in Kenya (SLEEK) Management Unit and Scholarships between Commonwealth of Australia represented by the Environment of Energy and Energy ABN 34 190 894 983(Department), 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 System for Land-Based Emissions Estimation in Kenya (SLEEK), so far as appears from the examination of those records; and,
- iii. The System for Land-Based Emissions Estimation in Kenya (SLEEK) 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 governance.

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Project or 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 the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation

to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.


As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

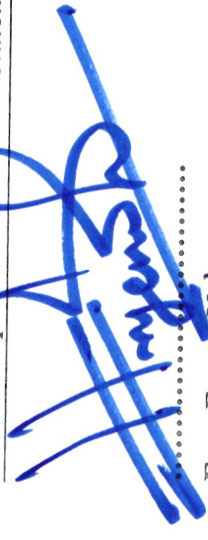
  
 CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

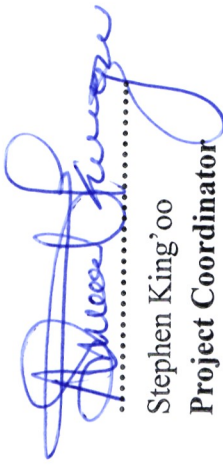
Nairobi


27 October, 2023



*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

  
.....  
Eng. Festus Ng'eno  
Principal Secretary

  
.....  
Stephen King'oo  
Project Coordinator

  
.....  
Enock Maticha  
Project Accountant  
ICPAK Member No: 23310


**8. Statement of Financial Assets as at 30<sup>th</sup> June 2023**

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and Cash equivalents</b>			
Bank Balances	11.A	635,941.10	638,197.10
Cash Balances	11. B	-	-
Cash equivalents (Short-term deposits)	11.C	-	-
<b>Total Cash and Cash equivalents</b>		<b>635,941.10</b>	<b>638,197.10</b>
Imprests and Advances	12	-	-
<b>Total Financial Assets</b>		<b>635,941.10</b>	<b>638,197.10</b>
<b>Financial Liabilities</b>			
Third party Deposits and Retention	13	-	-
<b>Net Assets</b>		<b>635,941.10</b>	<b>638,197.10</b>
<b>Represented By</b>			
Fund Balance B/fwd.	14	638,197.10	638,197.10
Prior Year adjustments	15	-	-
Surplus/(Deficit) for the Year		(2,256.00)	-
<b>Net Financial Position</b>		<b>635,941.10</b>	<b>638,197.10</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 17<sup>th</sup>/10/ 2023 and signed by:

  
.....  
Eng. Festus Ngeno  
Principal Secretary

  
.....  
Stephen King'oo  
Project Coordinator

  
.....  
Enock Maticha  
Project Accountant  
ICPAK Member No: 23310

*System for Land – Based Emissions Estimation in Kenya (SLEEK)*  
*Annual Report and Financial Statements for the financial year ended June 30, 2023*

**9. Statement of Cashflow for the year ended 30<sup>th</sup> June 2023**

Description	Notes	2022/2023	2021/2022
		Kshs	Kshs
<b>Cashflow from operating activities</b>			
<b>Receipts</b>			
Transfer from government entities	1	-	711,394
Proceeds from domestic and foreign grants	2	-	-
Miscellaneous receipts	4	-	-
<b>Total receipts</b>		-	<b>711,394</b>
<b>Payments</b>			
Compensation of employees	5	-	711,394
Purchase of goods and services	6	2,256	-
Social security benefits	7	-	-
Transfers to other government entities	9	-	-
Other grants and transfers	10	-	-
<b>Total Payments</b>		<b>2,256</b>	<b>711,394</b>
<b>Net receipts/(payments)</b>		<b>(2,256)</b>	-
<b>Adjustments during the year</b>			
Prior year adjustments	15	-	-
Decrease/(increase) in accounts receivable	16	-	-
Increase/(decrease) in accounts payable:	17	-	-
<b>Net cash flow from operating activities</b>		<b>(2,256)</b>	-
<b>Cashflow from investing activities</b>			
Acquisition of non-financial assets	8	-	-
<b>Net cash flows from investing activities</b>		-	-
<b>Cash flow from financing activities</b>			
Proceeds from foreign borrowings	3	-	-

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Description	Notes	2022/2023	2021/2022
		Kshs	Kshs
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents		-	-
Cash and cash equivalent at beginning of the year	11	638,197.10	638,197.10
Cash and cash equivalent at end of the year	11	635,941.10	638,197.10

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 17<sup>th</sup>/10/ 2023 and signed by:

.....  
Eng. Festus Ngeno  
Principal Secretary

.....  
Stephen King'oo  
Project Coordinator

.....  
Enock Maticha  
Project Accountant  
ICPAK Member No: 23310

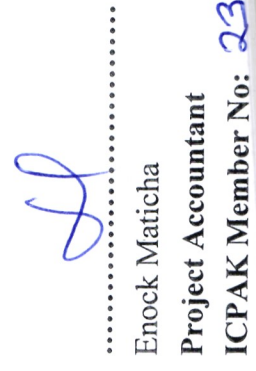
10. Statement of Comparison of Budget and Actual amounts for year ended 30<sup>th</sup> June 2023

Receipts/Payments Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
<b>Receipts</b>						
Transfer from Government entities	2,000,000	-	2,000,000	-	2,000,000	0%
Proceeds from domestic and foreign grants	-	-	-	-	-	-
Proceeds from borrowings	-	-	-	-	-	-
Miscellaneous receipts	-	-	-	-	-	-
<b>Total Receipts</b>	<b>2,000,000</b>	<b>-</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b>Payments</b>						
Compensation to employees	-	-	-	-	-	-
Purchase of goods and services	2,000,000	-	2,000,000	-	2,000,000	0%
Social security benefits	-	-	-	-	-	-
Acquisition of non-financial assets	-	-	-	-	-	-
Transfers to other government entities	-	-	-	-	-	-
Other grants and transfers	-	-	-	-	-	-
<b>Total Payments</b>	<b>2,000,000</b>	<b>-</b>	<b>2,000,000</b>	<b>-</b>	<b>2,000,000</b>	<b>0%</b>
<b>Surplus or Deficit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

  
 Eng. Festus Ngeeno  
 Principal Secretary

  
 Stephen King'oo  
 Project Coordinator

  
 Enock Maticha  
 Project Accountant  
 ICPAK Member No: 23310

## **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 SLEEK Project under the State Department of Environment, Climate Change and Forestry. The financial statements are for the reporting entity SLEEK as required by Section 81 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**

SLEEK Project recognises all receipts from the various sources when the event occurs, and the related cash has been received.

#### **i) Transfers from the Exchequer**

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

**Significant Accounting Policies (continued)**

**ii) External Assistance**

External assistance is monies 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 at the time associated cash is received.

**iv) Donations and grants**

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

**v) Proceeds from borrowing.**

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

**vi) Undrawn external assistance**

These are loans and grants at 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. An analysis of the Project's undrawn external assistance is shown in the funding summary.

**Significant Accounting Policies (continued)**

**e) Recognition of payments**

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

**i) Compensation to employees**

Salaries 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 in the period when the goods/services are consumed and paid for. If not paid for during the period where goods/services are consumed, they shall be disclosed as pending bills.

**iii) Interest on borrowing**

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

**iv) Repayment of borrowing (principal amount)**

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

**Significant Accounting Policies (continued)**

**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.

**Significant Accounting Policies (Continued)**

**k) Contingent Assets**

*SLEEK Project* does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of (*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.

**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' 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*.

**Significant Accounting Policies (Continued)**

**n) Third party payments**

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

**o) Exchange rate differences**

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates (Kenya Shillings). Transactions in foreign currencies during the year/period are converted into 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.

**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, 2023.

**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:

<b>Description</b>	<b>2022/2023</b>	<b>2021/2022</b>	<b>Cumulative to-date (from inception)</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<i>Counterpart funding through Ministry of Environment, Climate Change and Forestry</i>			
Counterpart funds Quarter 1	-		
Counterpart funds Quarter 2	-		
Counterpart funds Quarter 3	-		
Counterpart funds Quarter 4	-	711,394	3,133,394
<b>Total (See Annex 3)</b>	<b>-</b>	<b>711,394</b>	<b>3,133,394</b>
<i>Other transfers from government entities</i>			
	-		
	-		
Total	-	-	-
Appropriations-in-Aid	-	-	-
<b>Total</b>	<b>≡</b>	<b>711,394</b>	<b>3,133,394</b>

*Note: There were no transfers from government entities during the financial year 2022/2023*

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

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

**2. Proceeds From Domestic and Foreign Grants**

During the financial period to 30 June 2023, we received grants from donors as detailed in the table below:

Name of Donor	Date received	2022/2023					2021/2022		Cumulative to date
		Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Grants received in kind	Total amount	Total Amount		
		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Grants Received from Bilateral Donors (Foreign Governments)									
Government of Australia		-						37,694,559	
Grants Received from Multilateral Donors (International Organizations)									
Insert name of international organization									
Grants Received from Local Individuals and organizations									
Insert name of individual or local organization									
<b>Total</b>		-						<b>37,694,559</b>	

*Note: There was no donor funding received during the financial year under review and the previous financial year 2021/2022.*

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

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

**3. Loan from External Development Partners**

During the financial period to 30 June 2023, we received funding from development partners in form of loans negotiated by the National Treasury as detailed in the table below:

Description	Date received	2022/2023			2021/2022		Cumulative to date
		Amount in loan currency (Insert currency)	Loans received in actual amount Kshs	Loans received as direct payment* Kshs	Total amount in Kshs	Total amount in Kshs	
Loans received from bilateral Donors (Foreign Governments)							
Insert name of foreign Government							
Insert name of foreign Government							
Loans received from Multilateral Donors (International Organizations)							
Insert name of international organization							
Insert name of international organization							
<b>Total</b>			-				-

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Notes to the Financial Statements (Continued)

4. Miscellaneous receipts

Description	2022/2023		2021/2022		Cumulative to- date (from inception)
	Receipts controlled by the entity in Cash Kshs	Receipts controlled by third parties Kshs	Total receipts Kshs	Total receipts 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*					
<b>Total</b>					

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

**5. Compensation to Employees**

Description	2022/2023			2021/2022		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
Basic salaries of permanent employees	-	-	-	711,394	16,431,180	
Basic wages of temporary employees	-	-	-	-	150,000	
Personal allowances paid as part of salary	-	-	-	-	11,645,568.90	
Personal allowances paid as reimbursements	-	-	-	-	-	
Personal allowances provided in kind	-	-	-	-	-	
Pension and other social security contributions	-	-	-	-	-	
Compulsory national social security schemes	-	-	-	-	59,400	
Compulsory national health insurance schemes	-	-	-	-	-	
Social benefit schemes outside government	-	-	-	-	-	
Other personnel payments	-	-	-	-	3,352,768	
<b>Total</b>	-	-	-	<b>711,394</b>	<b>31,638,916.90</b>	

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Notes to the Financial Statements (Continued)

6. Purchase of Goods and Services

Description	2022/2023			2021/2022		Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Utilities, supplies and services	-	-	-	-	681,689	681,689
Communication, supplies and services	-	-	-	-	390,000	390,000
Domestic travel and subsistence	-	-	-	-	866,126	866,126
Foreign travel and subsistence	-	-	-	-	-	-
Printing, advertising, and information supplies	-	-	-	-	-	-
Rentals of produced assets	-	-	-	-	-	-
Training payments	-	-	-	-	-	-
Hospitality supplies and services	-	-	-	-	959,125	959,125
Insurance costs	-	-	-	-	-	-
Specialized materials and services	-	-	-	-	-	-
Other operating payments	2,256	-	2,256	-	3,101,995	3,101,995
Routine maintenance – vehicles and other transport equipment	-	-	-	-	-	-
Routine maintenance- other assets	-	-	-	-	-	-
<b>Total</b>	<b>2,256</b>	<b>=</b>	<b>2,256</b>	<b>=</b>	<b>5,998,935</b>	<b>5,998,935</b>

*Note: The above bank charges of Kshs.2,256 relates to 2021/2022 financial year which appeared in the bank reconciliation statement for the same period now reflected in the cashbook for 2022/2023 financial year.*

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Notes to the Financial Statements (Continued)

7. Social Security Benefits

Description	2022/2023			2021/2022		Cumulative to-date
	Payments made by the Entity in Cash Kshs	Payments made by third parties Kshs	Total Payments Kshs	Total Payments Kshs	Total Payments Kshs	
Government pension and retirement benefits	-	-	-	-	-	-
Social security benefits in cash and in kind	-	-	-	-	-	-
Employer social benefits in cash and in kind	-	-	-	-	-	132,160
<b>Total</b>	-	-	-	-	-	<b>132,160</b>

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

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

**8. Acquisition of Non-Financial Assets**

Description	2022/2023			2021/2022		Cumulative to-date
	Payments made in Cash Kshs.	Payments made by third parties Kshs.	Total payments Kshs	Total payments Kshs	Total payments Kshs	
Purchase of buildings						Kshs
Construction of buildings						
Refurbishment of buildings						
Construction of roads						
Construction of civil works						
Overhaul & refurbishment of construction and civil works						
Purchase of vehicles & other transport equipment						
Overhaul of vehicles & other transport equipment						
Purchase of household furniture & institutional equipment						
Purchase of office furniture & general equipment						
Purchase of specialised plant, equipment and machinery						
Rehabilitation & renovation of plant, equipment & machinery						

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Description	2022/2023			2021/2022		Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	Total payments	
Purchase of certified seeds, breeding stock and live animals						
Research, studies, project preparation, design & supervision						
Rehabilitation of civil works						
Acquisition of strategic stocks						
Acquisition of land						
Acquisition of other intangible assets						
<b>Total</b>	=		=		=	=

*Note: There were no acquisition of non-financial assets during the financial year under review and previous year 2021/2022*

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Notes to the Financial Statements (Continued)

**9. Transfers to other Government Entities**

During the financial period to 30 June 2023, we transferred funds to reporting government entities as shown below:

Description	2022/2023		2021/2022		Cumulative to-date
	Payments made in Cash Kshs	Payments made by third parties Kshs	Total payments Kshs	Total payments Kshs	
Transfers to National Government entities					
Ministry ABC	-		-		-
Project XYZ					
Transfers to County Governments					
County ABC					
County XYZ					
<b>Total</b>	=		=		=

*Note: There were no transfers to other government entities*

Notes to the Financial Statements (Continued)

10. Other Grants, Transfers and Payments

Description	2022/2023			2021/2022		Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Grants for scholarships	-		-			-
Transfers to lower levels of government e.g. schools	-		-			-
Miscellaneous payments	-		-			2,422,100
<b>Total</b>	-		-			<b>2,422,100</b>

Notes to the Financial Statements (Continued)

11. Cash And Cash equivalents

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank accounts (Note 11A)	635,941.10	638,197.10
Cash in hand (Note 11B)	-	-
Cash equivalents (short-term deposits) (Note 11C)	-	-
<b>Total</b>	<b>635,941.10</b>	<b>638,197.10</b>

SLEEK Project has one project account within the project implementation area and zero number of foreign currency designated accounts managed by the National Treasury as listed below:

11. A Bank Accounts

Project Bank Accounts

Details	Insert Current FY	2021/2022
	Kshs	Kshs
<u>Foreign Currency Accounts</u>		
Central Bank of Kenya [A/c No.....]		
Kenya Commercial Bank [A/c No.....]		
Co-operative Bank of Kenya [A/c No.....]		
Others ( <i>specify</i> )		
Total Foreign Currency balances		
<u>Local Currency Accounts</u>		
Central Bank of Kenya [A/c No.....]	-	-
Kenya Commercial Bank [A/c No.1174389508]	635,941.10	638,197.10
Co-operative Bank of Kenya [A/c No.....]	-	-
Others ( <i>specify</i> )	-	-
Total local currency balances	<b>635,941.10</b>	<b>638,197.10</b>
Total bank account balances	<b>635,941.10</b>	<b>638,197.10</b>

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

**Special Deposit Accounts**

The balances in the Project’s Special Deposit Account(s) as at 30<sup>th</sup> June 2023 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**

<b>Description</b>	<b>2022/2023</b>	<b>2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>(i) A/C Name [A/c No.....]</b>		
Opening balance		
Total amount deposited in the account		
Total amount withdrawn (as per Statement of Receipts & Payments)		
<b>Closing balance (as per SDA bank account reconciliation attached)</b>		
<b>(ii) A/c Name [A/c No.....]</b>		
Opening balance (as per the SDA reconciliation)		
Total amount deposited in the account		
Total amount withdrawn (as per Statement of Receipts & Payments)		
<b>Closing balance (as per SDA bank account reconciliation attached)</b>		

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

**11 B Cash in hand**

Description	2022/2023	2021/2022
	KShs	KShs
Location 1		
Location 2		
Location 3		
Other locations ( <i>specify</i> )		
<b>Total cash in hand balances</b>		

**11 C Cash equivalents (short-term deposits)**

Description	2022/2023	2021/2022
	Kshs	Kshs
Kenya Commercial Bank [A/C No.....]		
Co-Operative Bank of Kenya [A/C No.....]		
Others ( <i>Specify</i> )		
<b>Total</b>		

**12. Imprests and Advances**

<i>Description</i>	2022/2023	2021/2022
	Kshs	Kshs
Government Imprests		
Salary advances		
<b>Total</b>		

**Note:** The project has been inactive since 2019

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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 Current FY	Balance Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>Officer 1</i>					
<i>Officer 2</i>					
<i>Officer 3</i>					
<i>Officer 4</i>					
<i>Officer 5</i>					
<i>Programme 1</i>					
Total					

13. Deposits and Retention Monies

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Retention				
Deposits				
<b>Total</b>				
<b>Ageing analysis:</b>	<b>2022/2023</b>	<b>% of the Total</b>	<b>2021/2022</b>	<b>% of the Total</b>
Under one year				
1-2 years				
2-3 years				
Over 3 years				
<b>Total</b>				

**14. Fund Balance Brought Forward**

<b>Description</b>	<b>2022/2023</b>	<b>2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	638,197.10	638,197.10
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
Outstanding imprests and advances	-	-
Deposits and retention	-	-
<b>Total</b>	<b>638,197.10</b>	<b>638,197.10</b>

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

**15. Prior Year adjustment**

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

**16. Changes in Imprests and Advances**

<b>Description</b>	<b>2022/2023</b>	<b>2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Opening Receivables as at 1 <sup>st</sup> July 2023		
Closing account receivables as at 30 <sup>th</sup> June 2023		
<b>Change in Imprests and advances</b>		

**17. Changes in Accounts Deposits and Retention**

<b>Description</b>	<b>2022/2023</b>	<b>2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Deposit and Retentions as at 1 <sup>st</sup> July 2023		
Closing accounts payables as at 30 <sup>th</sup> June 2023		
<b>Changes in deposit and retention</b>		

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**Other Important Disclosures**

**1. Pending Accounts Payable (See Annex 4a)**

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

**2. Pending Staff Payables (See Annex 4b)**

	Balance b/f from 2021/2022	Additions for the year	Paid during the year	Balance c/f for 2022/2023
Description	Kshs	Kshs	Kshs	Kshs
Senior management	-	-	-	-
Middle management	-	-	-	-
Union employees	-	-	-	-
Others - Gratuity	421,600	-	-	421,600
<b>Total</b>	<b>421,600</b>	<b>-</b>	<b>-</b>	<b>421,600</b>

**3. Other Pending Payables (See Annex 4c)**

	Balance b/f from 2021/2022 FY	Additions for the year	Paid during the year	Balance c/f for 2022/2023 FY
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities				
Amounts due to County Government entities				
Amounts due to third parties				
<b>Total</b>				

**Other Important Disclosures (Continued)**

**4. External Assistance**

	2022/2023	2021/2022
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
External assistance received as grants	-	-
External assistance received as loans	-	-
External assistance received in kind- as payment by third parties	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*a). External assistance relating loans and grants*

	2022/2023	2021/2022
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
External assistance received as loans	-	-
External assistance received as grants	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*b) Undrawn external assistance*

	Purpose for which the undrawn external assistance may be used	2022/2023	2021/2022
<b>Description</b>		<b>Kshs</b>	<b>Kshs</b>
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants		21,705,441	21,705,441
<b>Total</b>		<b>21,705,441</b>	<b>21,705,441</b>

**Note:** The project ended in December, 2019 before the full amount of the grant was drawn.

**Other Important Disclosures (Continued)**

*c) Classes of providers of external assistance*

	<b>2022/2023</b>	<b>2021/2022</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Multilateral donors		
Bilateral donors		
International assistance organization		
NGOs		
National Assistance Organization		
<b>Total</b>		

*(Provide details of the reasons for external assistance e.g. Economic development or welfare objective, Emergency relief, Trading activities etc.)*

*d. Non-monetary external assistance*

	<b>2022/2023</b>	<b>2021/2022</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Goods		
Services		
<b>Total</b>		

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**Other Important Disclosures (Continued)**

*e Purpose and use of external assistance*

<b>Payments made by third parties</b>	<b>2022/2023</b>	<b>2021/2022</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Compensation to employees		
Use of goods and services		
Subsidies		
Transfers to other Government entities		
Other grants and transfers		
Social Security benefits		
Acquisition of assets		
Finance Costs including loan interest		
Repayment of principal on domestic and foreign borrowing		
Other payments		
<b>Total</b>		

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

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

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

	<b>2022/2023</b>	<b>2021/2022</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
National government		
Multilateral donors		
Bilateral donors		
International assistance organization		
NGOs		
National Assistance Organization		
<b>Total</b>		

**Other Important Disclosures (Continued)**

**5. 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*

**5.1 Classification by Source**

	<b>2022/2023</b>	<b>2021/2022</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
National government		
Multilateral donors		
Bilateral donors		
International assistance organization		
NGOs		
National Assistance Organization		
<b>Total</b>		

*(Third party payments may be done by other entities that are not providers of external assistance)*

**5.2 Classification of payments made by Third Parties by Nature of expenses**

<b>Payments made by third parties</b>	<b>2022/2023</b>	<b>2021/2022</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
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		
<b>Total</b>		

*N/B The above subclassification will be adopted based on the appropriate project's operations.*

**Other Important Disclosures (Continued)**

**6. 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:**

	2022/2023	2021/2022
	Kshs	Kshs
<b>Compensation to Key Management</b>		
Compensation to the program manager/ director		
Key Management Compensation others (specify)		
<b>Total Compensation to Key Management</b>		
<b>Transfers to related parties</b>		
Transfers to other government entities		
<b>Total Transfers to related parties</b>		
<b>Transfers from related parties</b>		
Transfers from the Ministry/ department		
Payments made on behalf of the project by other govt. entities		
(Insert any other transfers received)		
<b>Total Transfers from related parties</b>		

**7. Contingent Liabilities**

Contingent liabilities	2022/2023	2021/2022
	Kshs	Kshs
Court case xxx against the project		
Bank guarantees in favour of other govt. entities		
Contingent liabilities arising from PPPs/ donor agreements		
<b>Total</b>		

*(Give details- Update ANNEX 8 Contingent liabilities register)*

13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

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)
1007.	<p><b>Presentation and inaccuracy of the financial statements</b></p> <p>The financial statements for the year ended 30<sup>th</sup> June 2022 had the following anomalies:</p> <p>i. The statement of receipts and payments reflects receipts from Government entities amount of kshs. 711,394 and cumulative to date amount of Kshs. 3,133,494. However, the previous year's financial statements reflected nil transfers from Government entities and cumulative to date balances resulting to unexplained variance in the cumulative amounts to date of Kshs.2,422,000.</p>	<p>The statement of receipts and payments reflects transfer from Government Entities an amount of Ksh. 711,394. The balance of Ksh. 2,422,100 had been received in the financial year 2016/2017 which had been erroneously omitted in the previous statements. The omission was corrected when preparing the financial statements for FY2021/2022. The total of the two amounts is Kshs3,133,494.</p>	Not resolved	Awaiting to appear before PAC at a later date
	<p>ii. The statement of receipts and payments reflects Nil balance of Other grants, transfers and Payments for the year under review, and cumulative to date of</p>	<p>The Ksh. 2,422,100 reflected in the financial statements for the year 2016/2017 has been omitted in the consecutive statements through an</p>	Not resolved	Awaiting to appear before PAC at a later date

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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)
	Kshs2,422,100. However, the previous financial statement for the year ended 30 <sup>th</sup> June 2021 had a nil balance, thus resulting to unexplained variance of Kshs 2,422,100.	oversight. However, this figure has been included in the year under review to correct the error.		
	iii. Note 5 to the financial statements on compensation of employees reflects a Nil balance personnel allowances paid as part of salary for the year under review and cumulative to date amount of Ksh 11,645,568. However, the audited previous year amount was Kshs12,325,000, thus resulting to unreconciled and explained variance of Kshs. 679,431.	It is true note 5 on compensation of employees reflects a nil balance of other personnel allowances paid as part of salary for the current period and a cumulative of Ksh. 11,645,568. whereas previous year's balance was Kshs. 12,325,000 resulting to a variance of KSh. 679,431.10. The figure of Kshs. 12,325,000 in the previous year's reports was overstated by Kshs. 679,431.10 and the correction done in the current year. However, this explanation was erroneously omitted in the financial statements. The same has been disclosed in the amended financial statements.	Not resolved	Awaiting to appear before PAC at a later date
	iv. Note 5 to the financial statements on compensation of employees reflects a Nil balance on other personnel	The compensation of employees for the financial year ended 30 <sup>th</sup> June 2021	Not resolved	Awaiting to appear before PAC at a later

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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)
	<p>payments for the year under review and cumulative to date amount of Kshs3,352,768. However, the previous year audited amount was Kshs. 3,360,268, thus resulting to unreconciled and unexplained variance of Kshs.7500.</p> <p>In the circumstances, the accuracy and completeness of compensation of the financial statements for the year ended 30<sup>th</sup> June, 2022 could not be confirmed.</p>	<p>amount of Kshs. 3,360,268 was over-casted by Kshs. 7,500. The total personnel payments to date add up to Ksh. 3,352,768. The total personnel payments up to financial year 2017/2018 was Ksh. 2,438,968, Ksh. 300,000 for 2018/2019 and Ksh. 613,800 for 2019/2020 adding up to Ksh. 3,352,768. Payment vouchers to support these amounts are available for audit review</p>		date
1008.	<p><b>Overstatement of payments.</b></p> <p>The statement of receipts and payments reflects compensation of employees of Kshs. 711,394 as disclosed in Note 5 to the financial statements which includes basic salaries to permanent employees of Kshs. 711,394. However, the schedule and payment vouchers provided for audit supports an amount of Kshs. 680,071, thus resulting to unreconciled and</p>	<p>Payment vouchers amounting to Ksh. 31,323 were not availed to auditors at the time of audit review. They had been mixed up with others. However, the same have been traced and are available for audit review.</p>	Not resolved	Awaiting to appear before PAC at a later date

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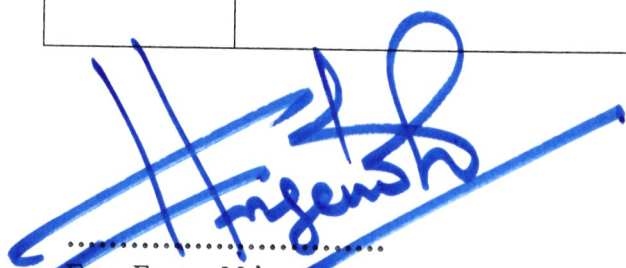
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>unexplained variance of Kshs. 31,323. In the circumstances, the accuracy and completeness of compensation of employees amounting to Kshs. 711,394 could not be confirmed</p>			
1009.	<p><b>Other Matter</b></p> <p><b>Budgetary Control and Performance.</b></p> <p>The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs. 1,500,000 and Kshs. 711,394 respectively resulting to an under-funding of Kshs. 788,606 or 43% of the budget. Similarly, the Project spent Kshs. 711,394 against an approved budget of Kshs. 1,500,000, resulting to an under-expenditure of Kshs. 788,606.</p> <p>The under-funding and under-performance affected the planned activities and may have impacted</p>	<p>The reasons for under absorption is that not all pending claims were cleared for payment due to lack of renewal of employment contract letters hence payment could not be made</p>	Not resolved	Awaiting to appear before PAC at a later date

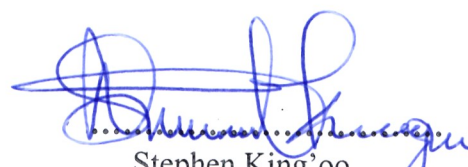
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	negatively on service delivery to the public.			
1010.	<p><b>Undrawn External Assistance.</b></p> <p>Note 12.2 under other important disclosures to the financial statements reflects undrawn external assistance of Kshs. 21,705,441. However, management indicates that the project is completed. It is not clear, or explained how the project is completed when there is undrawn balance of Kshs. 21,705,441 (37%) of the total funding.</p>	<p>The project ended before the total funding was received. However, by the time the project was completed the under listed results were achieved;</p> <ul style="list-style-type: none"> <li>• Established the Project Management Unit</li> <li>• Developed version two of a reporting tool to allow users generate UNFCCC reports</li> <li>• Developed land cover maps and interpolated climate grids to be used in the system</li> <li>• Developed version three of a data integration tool known as FLINT</li> <li>• Selected and calibrated a crops, soil and forest models to be used in the system</li> <li>• Developed a technical manual to guide land cover map production in Kenya</li> </ul>	Not resolved	Awaiting to appear before PAC at a later date

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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)
		<ul style="list-style-type: none"> <li>• Supported establishment of a fully equipped GIS laboratory at DRSRS</li> <li>• Supported digitization of 1.8 million climate records at KMD</li> <li>• Supported the SLEEK scholarship program which is funding 22 Kenyan students</li> <li>• Conducted a deployment and training workshop for the data Integration tool, FLINT, in Kenya.</li> </ul>		

  
.....  
Eng. Festus Ngeno  
Principal Secretary

  
.....  
Stephen King'oo  
Project Coordinator

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**Annex 2: Variance explanations - Comparative Budget and Actual amounts for 2022/2023**

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance (below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
<b>Receipts</b>					
Transfer from Government entities	2,000,000	-	2,000,000	0%	The project ended in Dec, 2019 hence, no more funding.
Proceeds from domestic and foreign grants					
Proceeds from borrowings					
Miscellaneous receipts					
<b>Total Receipts</b>	<b>2,000,000</b>	<b>-</b>	<b>2,000,000</b>	<b>0%</b>	<b>-</b>
<b>Payments</b>					
Compensation of employees					
Purchase of goods and services	2,000,000		2,000,000	0%	The project ended in Dec, 2019 hence, no more funding.
Social security benefits					
Acquisition of non-financial assets					
Transfers to other government entities					
Other grants and transfers					
<b>Total payments</b>	<b>2,000,000</b>	<b>-</b>	<b>2,000,000</b>	<b>0%</b>	

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**Annex 3: Reconciliation of inter-entity transfers**

Project Name:		SLEEK PROJECT		
Break down of transfers from the State Department of Environment, Climate Change and Forestry				
a.	Government Counterpart funding	Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
			-	
			-	
	<b>Total</b>		-	
B.	Direct payments	Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
			-	
			-	
	<b>Total</b>		-	
C.	Others	Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
			-	
			-	
	<b>Total (A+B+C)</b>		-	

The above amounts have been communicated to and reconciled with the Parent Ministry/ State Department

Project Coordinator  
SLEEK Project

Sign 

Head of Accounting Unit  
Ministry of Environment & Forestry

Sign 

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**Annex 4a: Analysis of Pending Bills**

Supplier of Goods or Services	Date Contracted/ 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.						
<b>Sub-Total</b>						
Construction of civil works						
3.						
4.						
<b>Sub-Total</b>						
Supply of goods						
5.						
6.						
<b>Sub-Total</b>						
Supply of services						
7.						
8.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

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**Annex 4b: Analysis of Pending: Staff Bills**

Name of Staff	Job Group	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
<b>Permanent Employees - Management</b>							
1. Ali Mwanzei	Project Manager	31.12.2019	310,000	-	310,000	310,000	Employee contracts not yet finalised.
2. Ann Wambui	Office Assistant	31.12.2019	111,600	-	111,600	111,600	
3.							
<b>Sub-Total</b>			<b>421,600</b>		<b>421,600</b>	<b>421,600</b>	
<b>Permanent Employees - Others</b>							
4.							
5.							
<b>Sub-Total</b>							
<b>Temporary employees</b>							
6.							
7.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
8.							
9.							
<b>Sub-Total</b>							
<b>Grand Total</b>			<b>421,600</b>		<b>421,600</b>	<b>421,600</b>	

**System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023**

**Annex 4c: Analysis of other Pending Payables**

Name	Brief Description	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
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.							
Sub-Total							
Others ( <i>specify</i> )							
6.							
Sub-Total							
Grand Total							

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**Annex 5: Summary of Fixed Assets Register**

Asset class	Opening Cost (KShs) 2022/2023 (a)	Donations in form of assets (KShs) 2022/2023 (b)	*Purchases/ Additions in the Year (KShs) 2022/2023 (c)	**Disposals in the Year (KShs) 2022/2023 (d)	Transfers in/(out) 2022/2023 (d)	Closing Cost 2022/2023 (e)= (a)+(b)+c)-(d)+(-)d
Land						
Buildings and structures						
Transport equipment						
Office equipment, furniture and fittings						
ICT Equipment,						
Other Machinery and Equipment						
Heritage and cultural assets						
Biological assets						
Infrastructure assets roads, rails						
Intangible assets						
Work in Progress						
<b>Total</b>						

**Note:**

*There were no fixed assets acquired by SLEEK project during the year under review and previous financial years*

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

**Annex 6: Contingent Liabilities Register**

	Nature of contingent liability	Remarks
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

*System for Land – Based Emissions Estimation in Kenya (SLEEK)  
Annual Report and Financial Statements for the financial year ended June 30, 2023*

**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		

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**Annex 8: Reporting Disaster Management Expenditure**

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

**Annex 9: Other Support Documents**

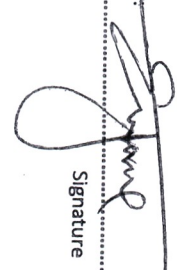
- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations statement as at 30<sup>th</sup> June 2023
- iii. Board of Survey Report
- iv. Special Deposit Account(s) reconciliation statement(s)
- v. GOK IFMIS comparison Trial Balance (*Where applicable*)

**MINISTRY OF ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**  
**SYSTEM FOR LAND BASED EMISSIONS ESTIMATION IN KENYA (SLEEK)**  
**BANK RECONCILIATION STATEMENT AS AT 30TH JUNE, 2023**  
**KCB ACCOUNT NO. 1174389508**

DESCRIPTION	AMOUNT (KSH)
Balance as per Bank Certificate	
1) Less: Payments in Cash Book not yet recorded in Bank statement (Unpresented Cheques)	635,941.10
2) Less: Receipts in in Bank statement not yet recorded in Cash Book	-
3) Add: Payments in Bank Statement not yet recorded in Cash Book	-
4) Add: Receipts in Cash Book not yet recorded in Bank statement	-
Balance as per Cash Book	-
Difference	635,941.10

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)		2. RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK	
NO.	DATE	PAYEE	AMOUNT (KSH)
1	30/6/2023		
2	30/6/2023		
TOTALS			

3. PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK		4. RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT	
NO.	DATE	PAYEE	AMOUNT (KSH)
1	30/06/2023		
2			
TOTALS			

Prepared by:  Signature

Accountant Designation Date 05/07/2023

