

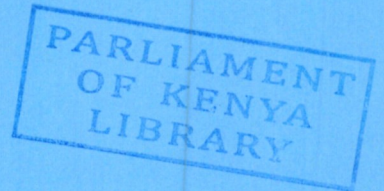
REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY	
DATE: 17 FEB 2022	Day: <u>Thursday</u>
TABLED BY: <u>LDM</u>	THE AUDITOR-GENERAL
CLERK-AT THE TABLE: <u>C. Ndintu</u>	



OF

ON

**GREEN GROWTH AND EMPLOYMENT
THEMATIC PROGRAMME (GGETP) – DANISH
EMBASSY FILE NO.2015-39790**

**FOR THE YEAR ENDED
30 JUNE, 2021**

**MINISTRY OF ENVIRONMENT AND
FORESTRY**



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
- '6 DEC 2021
RECEIVED

Project Name: Green Growth and Employment Thematic Programme (GGETP)

Implementing Entity: Ministry of Environment and Forestry (MEF)

PROJECT GRANT/CREDIT NUMBER: Danish Embassy File No. 2015-39790

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2021

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

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1. PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and registered office

Name: The project's official Name is: Green Growth and Employment Thematic Programme (GGETP).

Objective: The key objective of the project is: Enhanced enabling environment for green growth and sustainable natural resources management.

Address: The project headquarters offices are at Nairobi, Kenya.

The address of its registered office is:

Ministry of Environment and Forestry,
NHIF Building, 12th Floor, Ragati Road,
P.O Box 30126-00100,
Nairobi, Kenya.

The project does not have any other offices/branches.

Contacts: The following are the project contacts

Telephone: +254-(0) 202730808/9
E-mail: psoffice@environment.go.ke
Website: www.environment.go.ke

1.2 Project Information

Project Start Date:	The project start date is 1 st January, 2016
Project End Date:	The project end date is 30 th June 2021
Project Manager:	The project manager is Mr. Augustine K. Kenduiwo
Project Sponsor:	The project sponsor is DANIDA

1.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Environment and Forestry.
Project number	File no. 2015-39790
Strategic goals of the project	<p>The strategic goals of the project are as follows:</p> <ol style="list-style-type: none"> 1. Improved public policy environment for private sector engagement in green growth, sustainable environment and natural resources management 2. Green procurement of goods and services undertaken by public entities 3. Green growth integrated into County Integrated Development Plans (CIDPs) by counties 4. Improved use of weather and climate data in economic planning and disaster risk mitigation
Achievement of strategic goals	<p>The project management aims to achieve the goals through the following means:</p> <p>The project engages the private sector to reach, through dialogue, green growth relevant policy decisions such as tax rebates for less polluting industries. Such dialogue is complemented by media awareness and campaigns for wider outreach and uptake. The project will also build the capacity of counties to integrate green growth into their CIDPs. An engagement with the Public Procurement Regulatory Authority will result in green procurement guidelines that will inform the public sector's procurement of green products and services. Lastly, enhanced provision of accurate weather and climate information will be disseminated to various</p>

	end users, thereby enabling knowledge-based decision-making among farmers, pastoralists and health workers.
Other important background information of the project	The project did not start as expected during 2016/2017 financial year (F/Y) but was rescheduled to begin in 2017/2018 F/Y due to delays in the closure of the previous components of the Natural Resource Management Project (NRMP) that the Ministry had just concluded its implementation. NEMA is also implementing a similar project with the same name (GGETP) as the Ministry's project, which has created confusion during programme budgeting with the National Treasury. NEMA's component started earlier than the Ministry's GGETP component. Because of this, GGETP project of the Ministry missed out during 2017/2018 budgeting process but this was rectified during supplementary budget and thus was able to initiate a few activities. The same problem recurred again during 2018/2019 F/Y and the project missed out in the budgeting. It was rectified during supplementary estimates. Overall, the project has not performed as expected.
Current situation that the project was formed to intervene	The project was formed to intervene in the following areas: <ol style="list-style-type: none"> 1. A shift towards a green and circular economy for Kenya, including better waste management practices promoted 2. Efficient utilisation of natural resources, hence ensuring sustained economic growth 3. Provide a long term solution for addressing climate change 4. Support communities to plan for climate change adaptation more effectively.
Project duration	The project started on 1st July 2016 and is expected to run until 30 June 2021

1.4 Bankers

The following are the bankers for the current year:
 (i) Central Bank of Kenya

1.5 Auditors

The project is audited by the Auditor General (OAG). However, Danish Embassy is obliged to send their external auditors if need arises which is Deloitte Firm of Auditors.

1.6 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.

Names	Title designation	Key qualification	Responsibilities
Augustine K. Kenduiwo (Tel: 0792100263)	Deputy Director	Masters in Environmental Planning and Management	Overall coordination of the project
Lars Moller (Tel: 0799748078)	Senior Technical Advisor	Masters in Biology	Advisory services
Kennedy Olwasi	Assistant Director	Masters in Agronomy	Responsible for Goal 1 of the project
Peter Ndungu (Tel: 0720178689)	Quality assurance officer (PPRA)	Degree in Procurement	Responsible for Goal 2 of the project
Molu Wato (Tel: 0722589310)	Deputy Director, Governance and Coordination, Kenya Water Towers Agency	Masters in Environment	Responsible for Goal 3 of the project
Benson Lubanga	Senior Meteorological officer	Masters in Meteorology	Responsible for Goal 4 of the project
Enock Maticha	Project Accountant	B.COM (Finance), CPA K	Financial Management

1.7 Funding summary

The Project is for duration of 5 years from 2016 to 2021 with an approved budget of DKK 20Million (use donor currency) equivalent to Kshs 300 Million 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. 06. 2021)		Undrawn balance to date	
	<i>Donor currency DKK</i>	<i>KShs</i>	<i>Donor currency DKK</i>	<i>KShs</i>	<i>Donor currency DKK</i>	<i>KShs</i>
	(A)	(A')	(B)	(B')	(A)-(B)	(A)-(B)
(i) Grant						
DANIDA	DKK 20,000,000	300,000,000	DKK 9,766,667	146,500,000	DKK 10,233,333	153,500,000
	20,000,000	300,000,000	9,766,667	146,500,000	10,233,333	153,500,000
(ii) Counterpart funds						
Government of Kenya	10% of Donor	30,000,000	-	30,000,000	-	-
Total	-	330,000,000	-	176,500,000	-	153,500,000

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2021)		Cumulative Amount paid to date – (30 th June 2021)	Unutilised balance to date (30. 06. 2021)	
	Donor currency (A)	Kshs (A')		Donor currency (A)-(B)	Kshs (A')-(B')
(i) Grant					
DANIDA		146,500,000	112,584,896	-	33,915,104
(i) Counterpart funds					
Government of Kenya	-	30,000,000	30,000,000	-	-
Total	-	176,500,000	142,584,896	-	33,915,104

1.8 Summary of Overall Project Performance:

1. Budget performance against actual amounts for current period and for cumulative to-date,
 - The project has not performed as expected. There was delay in starting up the project and since then, the project has experienced budget challenges with regards to Donor commitments, as it repeatedly misses out in the final budget statement, forcing the management to continuously seek authority to incur expenditure from Treasury. This has slowed down absorption rates on donor funds.

2. Physical progress based on outputs, outcomes and impacts since project commencement. Despite low donor funds absorption and challenges experienced with procurement, the project has made progress as indicated here below.
 - Private sector has been mobilised into accepting circular economy principles and have already greened their 3rd National Business Agenda (NBA)
 - The project has engaged Public Procurement Regulatory Authority and the National Treasury towards promoting green procurement in public institutions and so far, Green Public Procurement Framework is being formulated
 - The project supported the Ministry to develop sustainable waste management Policy, Bill and Electronic waste strategy
 - Several participatory scenario planning meetings for mainstreaming climate data into planning at the counties have been done and farmers/pastoralists have been empowered to utilise climate information from meteorology in their planning.

3. Comment on value-for-money achievements,
 - With the amount of money disbursed and the amount of work delivered, there has been great value for money witnessed.

4. List the implementation challenges and recommended way forward.

Challenges:

- Slow disbursement of funds between Ministry and Treasury
- Similar naming of projects at both Ministry headquarters and SAGA
- Inadequate staff to run the project
- Slow/delayed procurement processes
- Stringent donor conditions, especially affecting flexibility on funds utilisation

Recommendations;

- Open a separate bank account for the project to ensure prompt payment of project activities
- Provide distinct names for separate projects. GGETP headquarter project is usually omitted in the budget because already Treasury had captured GGETP as a NEMA project, since the same project is also in NEMA but with different goals. GGETP NEMA started earlier than the GGETP Ministry headquarters
- The project should budget for additional staff other than relying on the Ministry staff that are already constraint. However, this would be against the Danish Government's sustainability strategy, according to which the Kenyan Government must provide all staff. If the donor pays

staff, this staff will likely disappear the moment donor funding stops. Thus much of the built capacity would leak.

- Donor funds should be made more flexible like to allow for payment of staff per diems instead of strictly adhering to procurement only. At times GoK counterpart funds get exhausted early and the project wants to send a few staff to attend a stakeholder workshop at the Counties. This becomes a challenge as the donor funds can't meet such expenses. However, like above this is against the Danish Government's sustainability strategy. The donor does not see the payment of what is perceived as very high per diem sustainable in the long run.

1.9 Summary of Project Compliance:

1. Include significant cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants,
 - The project has been compliant with applicable laws and regulations
 - However, the project was non-compliance in provision of adequate staff to run the project as provided for in the signed agreement between the donor and the Ministry. This was as a result of acute staff shortage at the Ministry headquarters.
 - Non-compliant in not opening a separate project account as provided for in the agreement.
2. Include consequences suffered on account of non-compliance or likely to be suffered
 - Slow execution of planned activities as the project has to depend on staff from both outside and within the Ministry who already have their other assignments to execute
 - Risk of donor withdrawal or reduction of budget
 - Delayed payments for project activities adversely affecting project reputation with stakeholders. This further leads to negative project credibility and credit worthiness
 - Risk that MEF could lose out on support from many donors due to poor performance and absorption.
3. Indicate mitigation measures taken or planned to be taken to alleviate the adverse effects of actual or potential consequences of non-compliance
 - The project has tried as much as possible to align activities of various departments and agencies towards delivery of desired project goals. This has enabled the staff in those departments/agencies to dedicate time in delivering on the planned project activities.
 - Frequent follow up on project activities in relevant departments/agencies
 - Appointment of a dedicated procurement staff to handle project procurement activities

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

2. 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 2017-2021* plan are to:

- a) Overall development goal: Creating an Enabling Environment for Green Growth.
- b) Component One: Improved public policy environment for the private sector's engagement in green growth and sustainable environment and natural resources management
- c) Component Two: Green procurement of goods and services undertaken by public entities (through an engagement with the Public Procurement and Regulatory Authority).
- d) Component Three: Green growth and sustainable environment and natural resource management mainstreamed by counties through the County Integrated Development Plans (CIDPs) and other county plans
- e) Component Four: Improved use of climate data in economic planning and disaster risk mitigation (through Kenya Meteorological Department (KMD)).

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Project	Objective	Outcome	Indicator	Performance
Green Growth and Employment Programme	Component One: Improved public policy environment for the private sector's engagement in green growth and sustainable environment and natural resources	Creating an Enabling Environment for Green Growth	Number of green growth policy-related decisions published to support implementation. ► Particularly policies supporting implementation of	The target is: 8 green growth policy-related decisions published. Considered as on track 88%.:7 out of eight targeted decisions has been made: 1. High level P4G

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For the financial year ended June 30, 2021*

management		the GESIP, especially where this reinforces the work of other GGETP DEs: e.g. tax exemptions on green products, energy efficiency use, media coverage on green growth, and use / manufacture of environmental friendly products, etc.	<p>appointments and support / engagement: decision made and implemented by appointing the Cabinet Secretary Treasury as the P4G representative on the Global Board of P4G, appointing Principle Secretary of Treasury as the co-convenor of the National P4G Platform, assigning the Vision 2030 Secretariat as the P4G Technical Secretariat.</p> <ol style="list-style-type: none"> 2. Waste Management Policy 3. Waste Management Bill 4. Electronic / e-waste Strategy 5. Ban of single use plastics in protected areas 6. Extended Producer Responsibility Regulations 7. Integration of GG / GE into the KEPSA's 3rd National Business Agenda
Component Two: Green procurement of goods and services undertaken by public entities	Creating an Enabling Environment for Green Growth	Green public procurement (GPP) framework, regulations and circulars in place and green procurement by public entities started. ("Public Entity" means MDA or County).	<p>Target: Engagement with PPRA, GPP framework in place, Circulars and agreements in place, GPP started by 50 public entities.</p> <ol style="list-style-type: none"> 1. Mostly on Track: Have probably achieved 81% of what the DE should have done by the end of FY 2019/2020. 2. Greening Public Procurement Using Voluntary Sustainability Standards workshop in November 2018 by 2 Int Trade Centre consultants 3. ITC Trade for Sustainable Development (T4SD) Hub in Kenya can help SMEs to

				<p>comply to green standards and open export opportunities.</p> <p>4. T4SD workshop on T4SD's global platform Sustainability Map and how to help public procurers to "green" their procurement practices.</p> <p>5. Capacity building of Public Procurement Regulatory Authority (PPRA) key staff and stakeholders through workshops and training key staff.</p> <p>6. Consultancy to develop Green Procurement framework was prepared and advertised. No international consultants responded and the consultancy was awarded to the national consultants. ■ The Consultant IMAP International was engaged and has submitted the Inception Report, which has been discussed with PPRA and theGGETP-MEF management</p> <p>7. Draft report is virtually being discussed with stakeholders and comments continuously incorporated as per Covid19 requirements</p>
Component Three: Green growth and sustainable environment and natural resource management mainstreamed by counties through the County Integrated Development Plans (CIDPs) and other county plans	Creating an Enabling Environment for Green Growth	1.Number of counties mainstreaming specific national environmental policies into county operations. (Disaggregated by policy / instrument).	Target1: 8 pilot counties integrating County Environmental Policy Guides into Annual Development Plans (ADPs).	1.Nakuru and Mombasa counties had their plans informed by GESIP. This had been done in collaboration with GIZ and UN Environment. However, traction not satisfactory and strategy will change to close cooperation with NEMA to influence CDPs.

			<p>2. One pilot multi-county integrated sustainable natural resources management plan for one Water Tower developed, and policy-related learning documented to inform the Water Tower Policy.</p>	<p>2. Had some meetings with NEMA to work out how to cooperate. Agreed that NEMA should come to MEF to present suggestion on how to work together. But meeting did not materialise due to lack of funding at MEF.</p> <p>Target 2: Engagement with KWT and Counties.</p> <p>1. Engage consultant to support NRM planning with KWT & Counties.</p> <p>2. Draft plan & public consultations done.</p> <p>3. Final plan produced and presented, and learning documented.</p> <p>Has been some progress but Significantly behind:</p> <ol style="list-style-type: none"> 1. Had engaged previously with Kenya Water Towers and selected Marmanet Water Tower for the development of integrated sustainable NRM plan. 2. Had started to engage with counties but not sufficiently. 3. Had contracted University of Nairobi Enterprise Services (UNES) to develop the plan in collaboration with the Counties. Inception work was carried out but MEF failed to pay the consultant and work stopped. 4. UNES paid in December 2019 and have retaken up their work. 5. Focal Point for this output did 5week training at the Danish Technical University (DTU).
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	<p>Component Four: Improved use of climate data in economic planning and disaster risk mitigation</p>	<p>Creating an Enabling Environment for Green Growth</p>	<p>Number of end-users reached with relevant downscaled climate data and information to support decisions making for their operations. (Disaggregated by type and gender of end-user).</p>	<p>Target: Total 17,500 users of which 15,700 small scale farmers, 1,250 health practitioners, 450 pastoralists.</p> <p>Has been good progress.</p> <ol style="list-style-type: none"> 1. New Focal Point appointed (Benson): has completely redesigned the Output in line with Mid-Term Review team. 2. Have developed and are rolling out "Participatory Scenario Planning" (PSP) system to downscale (to 5 km² cells, using FATFIT and GeoCLIM tools) and, disseminate locally understandable climate forecast for long and short rains and support participatory response (short term adaptation). 3. Use County Directors of Mereology (CDM), local County leaders and local leaders / influential persons. 4. Cascaded series of dissemination meetings at County, sub-County and local levels. 5. KDM have other donors on board: e.g. Kenya Cereals Enhanced Prog., Kenya Climate-Smart Agriculture <p>Good traction. Final results will depend on enough budget allocation during the final phase of theGGETP-MEF. Roll-out to the remaining 29 counties would be about KES 70 mill. Beginning to think about mobile tech but no clear strategy. Consultant will be engaged to develop a mass SMS system for quick weather information to end users.</p>
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*Green Growth and Employment Thematic Program (GGETP)
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 For the financial year ended June 30, 2021*

				<p>KMD is currently engaging with the county governments to integrate PSPs into county plans for sustainability</p> <p>Although the target seems to have been surpassed, it is only on the number of end users reached which is measured.</p> <p>Institutionalization of downscaling, PSPs and bulk SMS dissemination has not been achieved. These are crucial avenues for effective dissemination of timely climate and weather information for improved production and disaster management.</p>
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3. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Green growth & employment 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 five 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 -

GGEP is promoting Sustainable development through provision of enabling policy environment to shift development pathway towards green growth and circular economy.

2. Environmental performance

The program promotes sustainable resource use while safeguarding environmental performance.

3. Employee welfare

GGEP promotes capacity building of staff in green growth, circular economy and environmental sustainability. This is done while observing gender equality in nomination of the trainees.

4. Market place practices-

a) GGEP observes government regulations while undertaking procurement of consultants, suppliers and contractors while ensuring value for money is obtained

5. Community Engagements-

GGETP supports dissemination of weather information to communities (Farmers and Pastoralists) so as to enable them plan effectively their farm operations. The program does not provide physical goods to the communities as it was not designed for that purpose.

Participatory Scenario Planning (PSP), implemented through GGETP/Danida project under component 4, is a process whereby community members interact and discuss weather and climate related issues through the workshops and become more sensitized to climate change and hence become more adaptable, effective farmers in the face of the uncertainties of climate change. In the past, climate information has not been used effectively in planning for farming and related value chain activities and this contributed to higher drought and climate related losses. PSP workshops integrate scientific forecasts and local community knowledge to produce simple and locally relevant climate information that is shared throughout the community using local communication channels such as Sub county barazas, Media (radio), brochures/fliers and through extension workers. It is through the PSPs forums that facilitate better use of climate information to strengthen the ability of county community to make more informed livelihood decisions and cope with adverse climate change related disasters. PSP provides a multi-stakeholder learning platform that integrates into development planning and adaptation processes. Seasonal PSP processes facilitate flexible, weather-based planning using

forecasts, and thus enables different actors to adapt to seasonal variability, while at the same time build evidence and capacity for long term adaptation planning. PSP therefore makes all stakeholders in different value chains to boost food security and income generation by climate change proofing.

On the sustainability related matters; the local community members, existing administrative and operational structures are incorporated in the process. The players form an important link between the source of climate information and consumers of the same. They form the interface between the Kenya Meteorological Department and the Value Chain (VC) players. PSPs is part of County Climate Change and hence is mainstreamed within the county structures and once becomes part of County Integrated Development Plans (CIDPs), the county allocate funds and forms the platform to disseminate weather and climate information in a more effective way.

4. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

The *Principal Secretary* for the Ministry of Environment and Forestry and the *Project Coordinator* for *Green Growth and Employment Thematic Programme – Ministry of Environment and Forestry (GGETP-MEF)* 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 period ended on *June 30th, 2021*. 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* for the Ministry of Environment and Forestry and the *Project Coordinator* for *Green Growth and Employment Thematic Programme (GGETP)* accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The *Principal Secretary* for the Ministry of Environment and Forestry and the *Project Coordinator* for *Green Growth and Employment Thematic Programme (GGETP)* 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 period ended June 30th, 2021, and of the Project's financial position as at that date. The *Principal Secretary* for Environment and Forestry and the *Project Coordinator* for *Green Growth and Employment Thematic Programme (GGETP)* further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.


The *Principal Secretary* for the Ministry of Environment and Forestry and the *Project Coordinator* for *Green Growth and Employment Thematic Programme (GGETP)* confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements


The Project financial statements were approved by the *Principal Secretary* for the Ministry of Environment and Forestry and the *Project Coordinator* for *Green Growth and Employment Thematic Programme (GGETP)* on 28/11 2021 and signed by them.


Principal Secretary

Name Dr. Amos Kiprono


Project Coordinator

Name Augustine Kendeuwo


Project Accountant:

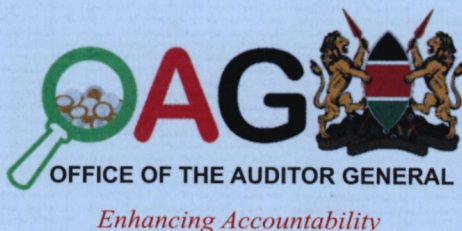
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON GREEN GROWTH AND EMPLOYMENT THEMATIC PROGRAMME (GGETP) – DANISH EMBASSY FILE NO.2015-39790 FOR THE YEAR ENDED 30 JUNE, 2021 - MINISTRY OF ENVIRONMENT AND FORESTRY

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, gazetted 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 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 control, 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

Opinion

I have audited the accompanying financial statements of Green Growth and Employment Thematic Programme (GGETP) – Danish Embassy File No.2015-39790 set out on pages 1 to 33, which comprise the statement of financial assets as at 30 June, 2021, the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my Knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Green Growth and Employment Thematic Programme (GGETP) as at 30 June, 2021 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 Bilateral Financing Agreement between the Government of Kenya and the Danish Embassy dated 11 December, 2015 and the Public Finance Management Act, 2012.

Basis of Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Green Growth and Employment Thematic Programme Project 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 opinion

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. I have determined that there were no key audit matters to report in the year under review.

Other matter

Budgetary Performance and Control

The statement of comparative of budget and actual amounts reflects a final budget receipts of Kshs.135,000,000 as proceeds from domestic and foreign grants against actual receipts of Kshs.70,500,000 resulting in a short fall of Kshs.64,500,000 or 48%. The statement reflects final expenditure budget of Kshs.135,000,000 against actual expenditure of Kshs.54,561,123 on purchase of goods and services resulting in under expenditure of Kshs.80,438,877 or 60% as shown below:

Report of the Auditor-General on Green Growth and Employment Thematic Programme (GGETP) – Danish Embassy File No.2015-39790 for the year ended 30 June, 2021 - Ministry of Environment and Forestry

Receipts/payments	Final Budget Kshs.	Actual on Comparable Basis Kshs.	Budget Utilization Difference Kshs.	% Under Utilization
Receipts				
Proceeds from domestic and foreign grants	135,000,000	70,500,000	64,500,000	52%
Total Receipts	135,000,000	70,500,000	64,500,000	52%
Payments				
Purchase of goods and services	135,000,000	54,561,123	80,438,877	40%
Total Payments	135,000,000	54,561,123	80,438,877	40%

The under expenditure of Kshs.80,438,877 due to late disbursement of funds affected delivery of services for the Project.

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, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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 governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of 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 control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Programme's ability to continue to sustain services, disclosing, as applicable, matters related to going concern and using the applicable basis of accounting unless Management is aware of the intention to terminate the Programme 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 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 financial reporting process, reviewing the effectiveness of how the Project 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 overall 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

Report of the Auditor-General on Green Growth and Employment Thematic Programme (GGETP) – Danish Embassy File No.2015-39790 for the year ended 30 June, 2021 - Ministry of Environment and Forestry

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 Project's 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 going concern 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 Programmes ability to continue to sustain 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 Programme to cease to continue to sustain 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 Programme 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 to 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 Gatirungu, CBS
AUDITOR-GENERAL

Nairobi

25 November, 2021

6. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021.

	Note	2020/2021		2019/2020		Cumulative to-date (From inception) KShs
		Receipts and payments controlled by the entity KShs	Payments made by third parties KShs	Receipts and payment controlled by the entity KShs	Payments made by third parties KShs	
RECEIPTS						
Transfer from Government entities	1	-	-	15,882,182	-	30,000,000
Proceeds from domestic and foreign grants	2	70,500,000	-	46,000,000	-	146,500,000
TOTAL RECEIPTS		70,500,000	-	61,882,182	-	176,500,000
PAYMENTS						
Purchase of goods and services	3	54,561,123	-	37,007,672	-	134,801,613
Acquisition of non-financial assets	4	-	-	3,278,745	-	10,876,960
Transfers to other government entities	5	-	-	4,504,538	-	4,504,538
TOTAL PAYMENTS		54,561,123	-	44,790,955	-	150,183,111
SURPLUS/ (DEFICIT)		15,938,877	-	17,091,227	-	26,316,889

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

 3/6/21

Principal Secretary

Name: *Dr Chris Kotto*



Project Coordinator

Name: *Angustine Kenduwo*



Project Accountant

Name *ENOCK MATILOTA*

ICPAK Member Number:


23310


Green Growth and Employment Thematic Programme (GGETP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021


7. STATEMENT OF FINANCIAL ASSETS AS AT 30TH JUNE 2021

	Note	2020-2021	2019-2020
		KShs	KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	6.A	33,915,104	17,091,227
Cash Balances	6.B	-	-
Cash Equivalents (short-term deposits)	6.C	-	-
Total Cash and Cash Equivalents		33,915,104	17,091,227
Accounts Receivables	7	-	-
TOTAL FINANCIAL ASSETS		33,915,104	17,091,227
FINANCIAL LIABILITIES			
Payables- Deposits and Retentions	8	-	-
NET ASSETS		-	-
REPRESENTED BY			
Fund balance b/fwd	9	17,091,227	-
Prior year adjustments	10	885,000	-
Surplus/(Deficit) for the year		15,938,877	17,091,227
NET FINANCIAL POSITION		33,915,104	17,091,227

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 28/10/21 2021 and signed by:


 Principal Secretary
 Date 28/10/21

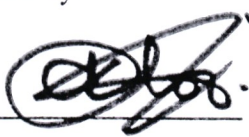

 Project Coordinator
 Date



 Project Accountant
 Date 28/10/21
 ICPAK Member No.
23310


8. STATEMENT OF CASHFLOW FOR THE PERIOD 30TH JUNE 2021

		2020-2021	2019-2020
	Note	KShs	KShs
CASHFLOW FROM OPERATING ACTIVITIES			
Receipts from operating activities			
Transfer from Government entities	1	-	15,882,182
Proceeds from domestic and foreign grants	2	70,500,000	46,000,000
Payments from operating activities			
Purchase of goods and services	3	54,561,123	37,007,672
Transfers to other government entities	5	-	4,504,538
Adjustments during the year			
Prior Year Adjustments	10	885,000	-
Decrease/(Increase) in Accounts Receivable	7	-	-
Increase/(Decrease) in Accounts Payable:	8	-	-
Net cash flow from operating activities		16,823,877	20,369,972
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	4	-	3,278,745
Net cash flows from Investing Activities		16,823,877	17,091,227
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		16,823,877	17,091,227
Cash and cash equivalent at BEGINNING of the year	6	17,091,227	-
Cash and cash equivalent at END of the year		33,915,104	17,091,227

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 28/10/21 2021 and signed by:


 Principal Secretary
 Date 28/10/21


 Project Coordinator
 Date


 Project Accountant
 Date 28/10/21
 ICPAK Member No:
23310

*Green Growth and Employment Thematic Programme (GGEIP)
Reports and Financial Statements
For the financial year ended June 30, 2021*

9. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS

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 %
Receipts						
Transfer from Government entities	-	-	-	-	-	-
Proceeds from domestic and foreign grants	135,000,000	-	135,000,000	70,500,000	64,500,000	52%
Proceeds from borrowings	-	-	-	-	-	-
Miscellaneous receipts	-	-	-	-	-	-
Total Receipts	135,000,000	-	135,000,000	70,500,000	64,500,000	52%
Payments						
Compensation of employees	-	-	-	-	-	-
Purchase of goods and services	135,000,000	-	135,000,000	54,561,123	80,438,877	40%
Social security benefits	-	-	-	-	-	-
Acquisition of non-financial assets	-	-	-	-	-	-
Transfers to other government entities	-	-	-	-	-	-
Other grants and transfers	-	-	-	-	-	-
Total Payments	135,000,000	-	135,000,000	54,561,123	80,438,877	40%

Note: The significant budget utilisation/performance differences in the last column are explained in **Annex 1** to these financial statements.



Principal Secretary

Date 28/10/21



Project Coordinator

Date

Project Accountant

Date 28/10/21

ICPAK Member No:

23310

10. SIGNIFICANT ACCOUNTING POLICIES

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

10.1 Basis of Preparation

10.2 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.

10.3 Reporting entity

The financial statements are for the *Green Growth and Employment Thematic Programme (GGETP)* under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

10.3.1 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.

10.4 Significant Accounting Policies

a) Recognition of receipts

The Project recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the Government.

i) Transfers from the Exchequer

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

ii) External Assistance

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

iii) Other receipts

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

b) 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.

Significant Accounting Policies (Continued)

c) Proceeds from borrowing

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

d) 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

e) Recognition of payments

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

i) Compensation of 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.

Significant Accounting Policies (Continued)

iii) Interest on borrowing

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

iv) Repayment of borrowing (principal amount)

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

v) Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

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

f) In-kind donations

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

Significant Accounting Policies (Continued)

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.

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.

h) Accounts receivable

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

Significant Accounting Policies (Continued)

i) 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.

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

j) Contingent Assets

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

Significant Accounting Policies (Continued)

k) Pending bills

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

l) 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.

m) Third party payments

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties column in the statement of receipts and payments. During the year Kshs70,500,000 being grant disbursements were received in form of direct payments from third parties.

Significant Accounting Policies (Continued)

n) 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.

o) 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.

p) 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, 2021.

q) Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. Restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

11. NOTES TO THE FINANCIAL STATEMENTS

1. RECEIPTS FROM GOVERNMENT OF KENYA

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

	2020/21	2019/20	
	KShs	KShs	Cumulative to-date (from inception)
<i>Counterpart funding through Ministry of Environment and Forestry</i>			
Counterpart funds Quarter 1	-	15,882,182	30,000,000
Counterpart funds Quarter 2	-	-	-
Counterpart funds Quarter 3	-	-	-
Counterpart funds Quarter 4	-	-	-
Total	=	15,882,182	30,000,000
<i>Other transfers from government entities</i>			
Ministry	-	-	-
Ministry	-	-	-
Project	-	-	-
Appropriations-in-Aid	-	-	-
Total	=	15,882,182	30,000,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

During the 12 months to 30 June 2021 we received grants from donors as detailed in the table below:

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Grants received in kind	Total amount in KShs	
						2020/21	2019/20
			KShs	KShs	KShs	KShs	KShs
Grants Received from Bilateral Donors (Foreign Governments)							
DANIDA	29/10/20		35,000,000	-	-	35,000,000	-
DANIDA	12/03/21		500,000	-	-	500,000	46,000,000
DANIDA	30/06/21		35,000,000	-	-	35,000,000	-
Grants Received from Multilateral Donors (International Organizations)							
Insert name of international organization		-	-	-	-	-	-
Grants Received from Local Individuals and organizations							
Insert name of individual or local organization		-	-	-	-	-	-
Total			70,500,000	-	-	70,500,000	46,000,000

See Annex 2

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. PURCHASE OF GOODS AND SERVICES

	2020/2021			2019/2020	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	
Utilities, supplies and services	-	-	-	-	
Communication, supplies and services	-	-	-	-	
Domestic travel and subsistence	81,900	-	81,900	15,882,182	30,281,771
Foreign travel and subsistence	-	-	-	-	-
Printing, advertising and information supplies	8,859,200	-	8,859,200	11,311,000	24,341,862
Rentals of produced assets	-	-	-	-	
Training payments	4,200,000	-	4,200,000	244,000	4,444,000
Hospitality supplies and services	9,041,300	-	9,041,300	3,361,690	33,369,490
Insurance costs	-	-	-	-	
Specialized materials and services/Consultancy	32,378,723	-	32,378,723	1,580,100	37,573,090
Other operating payments		-	-	4,628,700	4,791,400
Routine maintenance – vehicles and other transport equipment	-	-	-	-	
Routine maintenance- other assets	-	-	-	-	
Exchange rate losses/gains (net)	-	-	-	-	
Total	54,561,123	-	54,561,123	37,007,672	134,801,613

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. ACQUISITION OF NON-FINANCIAL ASSETS

	2020/21			2019/20	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	KShs
Purchase of office furniture & general equipment	-	-	-	3,278,745	10,876,960
Total	=	=	=	3,278,745	10,876,960

See Annex 3

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. TRANSFERS TO OTHER GOVERNMENT ENTITIES

During the 12 months to 30 June 2021, we transferred funds to reporting government entities as shown below:

	2020/21			2019/20	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	KShs
Transfers to National Government entities					
Ministry Environment & Forestry – Development A/C	-	-		4,504,538	4,504,538
	=	=	=		
Transfers to County Governments					
	=	=	=	=	
TOTAL	=	=	=	4,504,538	4,504,538

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. CASH AND CASH EQUIVALENTS

	2020/21	2019/20
	KShs	KShs
Bank accounts (Note 6A)	33,915,104	17,091,227
Cash in hand (Note 6B)	-	-
Cash equivalents (short-term deposits) (Note 6C)	-	-
Total	33,915,104	17,091,227

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

6. A Bank Accounts

Project Bank Accounts

	2020/21	2019/20
	KShs	KShs
Foreign Currency Accounts		
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	-	=
Local Currency Accounts		
Central Bank of Kenya [A/c No1000411716](Cash book]	33,915,104	17,091,227
Kenya Commercial Bank [A/c No.....]		-
Co-operative Bank of Kenya [A/c No.....]		-
Others (<i>specify</i>)		-
Total local currency balances	33,915,104	17,091,227
Total bank account balances	33,915,104	17,091,227

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as at 30th June 2021 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

	2020/21	2019/20
	KShs	KShs
(i) A/c Name [A/c No.....]		
Opening balance	-	-
Total amount deposited in the account	-	-
Total amount withdrawn (as per Statement of Receipts & Payments)	=	=
Closing balance (as per SDA bank account reconciliation attached)	≡	≡
(ii) A/c Name [A/c No.....]		
Opening balance (as per the SDA reconciliation)	-	-
Total amount deposited in the account	-	-
Total amount withdrawn (as per Statement of Receipts & Payments)	=	=
Closing balance (as per SDA bank account reconciliation attached)	≡	≡

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 B Cash In Hand

	2020/21	2019/20
	KShs	KShs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other locations (<i>specify</i>)	-	-
Total cash balances	=	=

[Provide a cash count certificate for each location above]

6 C Cash equivalents (short-term deposits)

	2020/21	2019/20
	KShs	KShs
Kenya Commercial Bank [A/C No.....]	-	-
Co-Operative Bank of Kenya [A/C No.....]	-	-
Others (<i>Specify</i>)	-	-
Total	=	=

7. ACCOUNTS RECEIVABLES

Description	2020-2021	2019-2020
	Kshs	Kshs
Government Imprests	-	-
Salary advances	-	-
Total	-	-

Note: There were no account receivables during the financial year

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACCOUNTS PAYABLES

Description	2020-2021	2019-2020
	Kshs	Kshs
Retention	-	-
Deposits	-	-
Total	-	-

Note: There were no account payables during the financial year

9. FUND BALANCE BROUGHT FORWARD

	2020/21	2019/20
	KShs	KShs
Bank accounts	17,091,227	3,322,713.60
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
Outstanding imprests and advances	-	-
Total	17,091,227	3,322,713.60

*Green Growth and Employment Thematic Program (GGETP)
Reports and Financial Statements
For the financial year ended June 30, 2021*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. PRIOR YEAR ADJUSTMENT

	Balance b/f FY 2019/2020 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	17,091,227	885,000	17,976,227
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total	17,091,227	885,000	17,976,227

*Note: The balance b/f of **Ksh17,091,227** for the financial year 2020/2021 was under-casted by Ksh.885,000. This was brought by an underpayment of a claim payable to Benson Lubanga of Ksh 592,500 recorded in cash book as Ksh577,500 thus creating a difference of Ksh15,000. Similarly, another payment of Ksh900,000 payable to Benson Lubanga was posted in cash book but was not paid in bank. The two entries have been adjusted accordingly in cash book and both the bank statement and cash book have now been reconciled.*

Amount paid in cash book for Benson Lubanga not in bank = 900,000

Less: *Amount paid in bank = 592,500*

Amount paid in cash book = 577,500 (15,000)

Net effect /Adjusted balance 885,000

12. OTHER IMPORTANT DISCLOSURES

1) There were no pending accounts payables, staff payables or other pending payables.

2. a) External assistance relating loans and grants

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
External assistance received as grants	70,500,000	46,000,000
Total	70,500,000	46,000,000

b) Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	FY 2020/2021	FY 2019/2020
Description		Kshs	Kshs
Undrawn external assistance - grants		153,500,000	224,000,000
Total		153,500,000	224,000,000

13. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1024	The statement of comparative of budget and actuals amounts reflects a final budget of receipts of Kshs. 22,000,000 on transfer from Government entities against actual receipts of Kshs. 15,882,182 resulting in a shortfall of Kshs. 6,177,818 or 28%. The statement reflects final expenditure budget of Kshs. 68,000,000 against actual expenditure of Kshs. 37,007,672 on purchase of goods and services resulting into under expenditure of Kshs. 30,992,328 or 46%. Further, the Programme	The statement of comparative budget and actual amounts reflects a final budget of receipts of Kshs. 22,000,000.00 on transfer from Government entities against actual receipt of Kshs. 15,882,182.00 resulting to a short fall of Kshs. 6,177,818.00 or	Not Resolved	Awaiting appearance at PAC at a future date

Green Growth and Employment Thematic Program (GGETP)
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 For the financial year ended June 30, 2021

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>incurred an expenditure amount of Kshs. 3,278,745 and Kshs. 4,504,568 on acquisition of non-financial assets and transfer to other Government entities respectively which had no budget line. No explanation was availed for incurring the expenditure without a budget</p>	<p>28%. The statement also reflects final expenditure budget of Kshs. 68,000,000.00 against actual expenditure of Kshs. 37,007,672.00 on purchase of goods and services resulting to an under expenditure of Kshs. 30,992,328.00 or 46%.</p> <p>The reasons for under expenditure are: -</p> <ul style="list-style-type: none"> • Lack of Budgetary 		

*Green Growth and Employment Thematic Program (GGETP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
		<p>allocation from the National Treasury: The Ministry is implementing the same program at two (2) levels namely: NEMA and the Ministry Headquarters.</p> <p>During Ministerial workplan and budgeting, both NEMA and the Ministry headquarters submitted separate budgets to the National Treasury, but since budgeting is program based, and given that</p>		

Green Growth and Employment Thematic Program (GGETP)
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 For the financial year ended June 30, 2021

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
		<p>NEMA had already been allocated a code under GGEP, the two budgets were collapsed into one and allocated to NEMA.</p> <p>GGEP/MEF hence could not access funds until the issue was rectified during supplementary one (1) of December, 2019.</p> <ul style="list-style-type: none"> • Slow disbursement of funds: Due to lack of budgetary provision from the National Treasury, the project could not access funds 		

*Green Growth and Employment Thematic Program (GGETP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021*

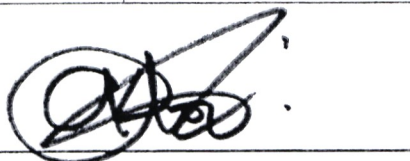
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>until after supplementary 1 was operationalized, leaving very little time for project execution and hence affecting absorption rate.</p> <ul style="list-style-type: none"> • Delay in Procurement of goods and services: 100% of GGEP Donor funds is only utilized through procurement process. Given the short period between passing of supplementary 		

*Green Growth and Employment Thematic Program (GGETP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
		<p>budget and closure of the financial year, the project was not able to implement most of the planned activities.</p> <ul style="list-style-type: none"> • Staff shortage: GGEP/MEF has only one staff (The coordinator) assisted by DANIDA's technical advisor. This resulted in challenges in undertaking technical work and following up on office administrative 		

*Green Growth and Employment Thematic Program (GGETP)
 Reports and Financial Statements
 For the financial year ended June 30, 2021*

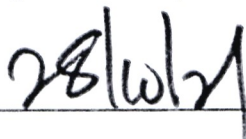
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		matters.		



Principal Secretary



Project Coordinator



Date

Date

14. ANNEXES

ANNEXI - VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS

	Final Budget		Actual on Comparable Basis		Budget Utilization Difference	% of Utilization d=b/a %	Comments on Variance(below 90% and over 100%)
	a	b	b	c=a-b			
Receipts	Ksh	Ksh	Ksh	Ksh			
Transfer from Government entities	-	-	-	-			
Proceeds from domestic and foreign grants	135,000,000	70,500,000	70,500,000	64,500,000	52%	Budget cut by the donor (DANIDA)	
Proceeds from borrowings	-	-	-	-			
Miscellaneous receipts	-	-	-	-			
Total Receipts	135,000,000	70,500,000	70,500,000	64,500,000	52%		
Payments							
Compensation of employees							
Purchase of goods and services	135,000,000	54,561,123	54,561,123	80,438,877	40%	Late disbursement of funds & Procured consultancy services had not completed work hence payment could not be made	
Social security benefits							
Acquisition of non-financial assets							
Transfers to other government entities							
Other grants and transfers							
Total payments	135,000,000	54,561,123	54,561,123	80,438,877	40%		

*Green Growth and Employment Thematic Program (GGETP)
Reports and Financial Statements
For the financial year ended June 30, 2021*

ANNEX 2: RECONCILIATION OF INTER-ENTITY TRANSFERS

	PROJECT NAME:	GREEN GROWTH & EMPLOYMENT PROGRAMME
	Break down of Transfers from the State Department of Environment and Forestry	
a.	Government Counterpart Funding	
1.	Bank Statement Date	Amount (KShs)
	29/10/2020	35,000,000
	12/03/2021	500,000
	30/06/2021	35,000,000
	Total	70,500,000
b.	Direct Payments	
	Bank Statement Date	Amount (KShs)
		-
		-
	Total	-
c.	Others	
	Bank Statement Date	Amount (KShs)
		-
		-
	TOTAL(a+b+c)	70,500,000

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

Project Coordinator
GGEP

Sign 

Head of Accounting Unit
Min. of Environment & Forestry

Sign 


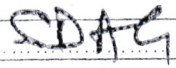
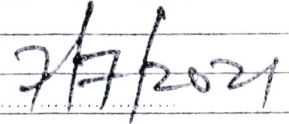
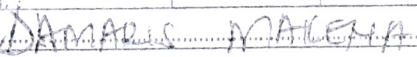

**Green Growth and Employment Thematic Program (GGEP)
Reports and Financial Statements
For the financial year ended June 30, 2021**

ANNEX 3 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Opening Cost (KShs) 2020/2021 (a)	Donations in form of assets (KShs) 2020/2021 (b)	*Purchases/ Additions in the Year (KShs) 2020/2021 (c)	**Disposals in the Year (KShs) 2020/2021 (d)	Transfers in/(out) Kshs 2020/2021 (d)	Closing Cost (KShs) 2020/2021 (e) = (a) + (b) + (c) - (d) + (-) d
Land						
Buildings and structures						
Transport equipment	7,598,215					7,598,215
Office equipment, furniture and fittings	3,278,745					3,278,745
ICT Equipment, Other Machinery and Equipment						
Heritage and cultural assets						
Biological assets						
Infrastructure assets roads, rails						
Intangible assets						
Work in Progress						
Total	10,876,960					10,876,960

APPENDICES

- i. Bank Reconciliations statement as at 30th June 2021
- ii. Board of Survey Report as at 30th June, 2021
- iii. Special Deposit Account(s) reconciliation statement(s)
- iv. **GOK IFMIS Comparison Trial Balance**

REPUBLIC OF KENYA		F.O 30
GGEF-1108 (ME&F) 2020/2021		
Account number: 1000411735		
BANK RECONCILIATION STATEMENT AS AT 30.06.2021		
		Kshs.
Balance as per bank certificate		26,707,147.00
Less		
1. Payments in cashbook not yet recorded in bank statement		27,792,243.60
2. Receipts in bank statement not yet recorded in cashbook		
Add		
3. Payments in bank statement not yet recorded in cashbook		
4. Receipts in cashbook not yet recorded in bank statement		35,000,000.00
Balance as per the cashbook		33,914,903.40
I certify that I have verified the bank balance in the cashbook with the bank statement and that the above reconciliation is correct		
		
Signature	Designation	Date
(All schedules are attached herewith)		
Prepared by: 		Signature: 

REPUBLIC OF KENYA			
A/C GGEP-1108 (ME&F) 2020/2021			
Account number: 1000411716			
BANK RECONCILIATION STATEMENT AS AT 30.06.2021			
PAYMENTS IN CASHBOOK NOT YET RECORDED IN BANK STATEMENT (SCHEDULE 1)			
CB DATE	PAYEE NAME	AMOUNT (Kshs.)	REMARKS
29.06.2021	CEO KEPISA	932,758.60	
29.06.2021	withholding tax kepsa	50,000.00	
29.06.2021	vat ceo kepsa	17,241.40	
29.06.2021	naivasha country club	2,947,096.55	
29.06.2021	naivasha country club vat	51,703.45	
29.06.2021	kenya pipeline ltd	976,862.05	
29.06.2021	kenya pipeline ltd vat	17,137.95	
29.06.2021	elms africa	159,894.85	
29.06.2021	elms africa vat	2,805.15	
29.06.2021	university of nairobi	652,510.90	
29.06.2021	university of nairobi withholding	34,977.50	
29.06.2021	university of nairobi vat	12,061.20	
29.06.2021	university of nairobi	1,631,277.30	
29.06.2021	university of nairobi withholding	87,443.70	
29.06.2021	university of nairobi vat	30,153.00	
30.06.2021	horn consult	2,523,224.00	
30.06.2021	withholding tax horn consult	135,256.00	
30.06.2021	vat horn consult	46,640.00	
30.06.2021	kenya school of govt	4,127,586.20	
30.06.2021	kenya school of govt vat	72,413.80	
30.06.2021	enviro ticlam ltd	12,390,019.30	
30.06.2021	withholding tax ticlam	664,160.00	
30.06.2021	enviro ticlam ltd vat	229,020.70	
	TOTAL	27,792,243.60	

MINISTRY OF ENVIRONMENT AND FORESTRY			
A/C GGEP-1108 (ME&F) 2020/2021			
BANK RECONCILIATION STATEMENT AS AT 30.06.2021			
RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASHBOOK (SCHEDULE 2)			
DATE	PAYEE NAME	AMOUNT (Kshs.)	REMARKS
/			
	TOTAL	NIL	

REPUBLIC OF KENYA				
A/C GCEP-1108 (ME&A) 2020/2021				
Account number : 1000411716				
BANK RECONCILIATION STATEMENT AS AT 30.06.2021				
RECEIPTS IN CASHBOOK NOT RECORDED IN BANK STATEMENT (SCHEDULE 4)				
	C B DATE	PAYEE NAME	AMOUNT (Kshs.)	REMARKS
	30.06.2021	exchequer issue	35,000,000.00	
		TOTAL	35,000,000.00	

July 13, 2021

Haile Selassie Avenue
P.O. Box 60000 - 00200 Nairobi, Kenya
Telephone: 2860000, Fax: 3-40192

CERTIFICATE OF BALANCES

Customer : 138667 MINISTRY OF ENVIRON AND FORESTRY
Balance
Date: 30-Jun-21

Account No	Account Name	Currency	Balance
1000383957	REC-MIN OF ENVIRONMENT AND FORESTRY	KES	35,947,525.25
1000383968	DEV-MIN OF ENVIRONMENT AND FORESTRY	KES	81,245,104.50
1000383976	DEP-MIN OF ENVIRONMENT AND FORESTRY	KES	27,105,390.55
1000383984	CBK165-MIN OF ENVIRON AND FORESTRY	KES	0.00
1000392387	SOUND CHEM MNGNT MAINSTR UPOPS RED	KES	2,874.90
1000392398	NAT. ACT. PLAN PRI No.AFR/NAP ASGM	KES	38,541.45
1000410353	KENYA METEOROLOGICAL DEPT(KCSAP)	KES	152,248,092.00
1000410817	KENYA SPECIAL PRJ FOR BRSM, SAICM P	KES	4,411,934.05
✓ 1000411716	MIN. OF ENVIR, FORES.-GREEN GROWTH	KES	26,707,147.00
1000434236	INSTITUTIONAL STRENGTHENING PRJ -XI	KES	2,899,585.50
1000434252	KENYA GOLD MERCURY FREE ASGM PROJ	KES	13,553,272.00
1000455519	KENYA GOLD MERCURY FREE ASGM PROJEC	KES	0.00
1000490098	THE AFRICAN INST AFRICA CHEMOBS MEF	KES	4,458,230.00
1000495398	STENGHTH.DROUGHT RESILIENCE IGAD RE	KES	0.00



LAWRENCE RWERIA
AUTHORISED SIGNATORY
BANKING SERVICES DIVISION



JOYCE NASIEKU (Ms)
AUTHORISED SIGNATORY
BANKING SERVICES DIVISION

Report of the Board of Survey on the Cash and Bank Balances of MINISTRY OF ENVIRONMENT AND FORESTRY (GREEN GROWTH AND EMPLOYMENT PROGRAMME 1198) AS AT THE CLOSE OF BUSINESS ON 30TH JUNE, 2021.

The Board of Survey consists of the following members:

RODNEY OMARI		CHAIRMAN
CAROLINE WAMBUA	-	MEMBER
JIMMY MUCHEKE	-	MEMBER

Assembled at the Cash office Ministry HQS.
At..... 10.00 A.M.(time) on the 12th JULY..., 2021

And the following cash was produced:

Notes	Sh .NIL
Silver	Sh NIL
Copper	Sh. NIL
Cheques (as per details on reverse)	NIL

NIL

It was observed that cheques amounting to Shscts...00
Had been on hand for more than 14 days prior to the date of the survey.

The cash consists of East African currency and does not contain any demonetized coin or notes

The Cash Book reflected the following balances as at the close of business on
the 30th June .2021

Cash on hand	Sh. ...NIL
Bank balance	Sh 33,914,903.40
		<u>33,914,903.40</u>

The Bank Certificate of Balance showed a sum of Sh.. TWENTY SIX MILLION SEVEN HUNDRED AND SEVEN THOUSAND ONE HUNDRED AND FORTY SEVEN SHILINGS ONLY
only..... (Sh 26,707,147...Cts. 00...)

Standing to the credit of the account on30th June, 2021.....

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the
Bank reconciliation Statement (F.O.30) attached.

RODNEY OMARI:.....
CHAIRMAN

JIMMY MUCHEKE :.....

CAROLINE WAMBUA
MEMBERS OF THE BOARD

Date
13TH JULY 2021

GREEN GROWTH AND EMPLOYMENT PROGRAMME- ENVIRONMENT
STATEMENT OF SPECIAL DEPOSIT ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2021
PART B: ACCOUNT RECONCILIATION

Credit No. DANIDA _____

Bank Account No. 1000331747, CENTRAL BANK OF KENYA

	NOTES	AMOUNT	AMOUNT
			KSHS
1	Amount advanced by DANIDA		35,000,000.00
	Add: Balance Brought Forward		40,500,000.00
	Less:		
2	Total amount recovered by UNEP		-
3	Outstanding amount to be documented		75,500,000.00
	Represented by:		
4	Ending Special Account Balance as as 30 June 2021		40,000,000.00
5	Amounts claimed but not credited as at 30th June 2021		-
6	Amounts withdrawn and not claimed		35,500,000.00
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2021		75,500,000.00

Discrepancy between total appearing on line 3 and 9 - None

Notes:

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

3



AUTHORISED REPRESENTATIVE
 RESOURCE MOBILISATION DEPARTMENT
 THE NATIONAL TREASURY



DATE: