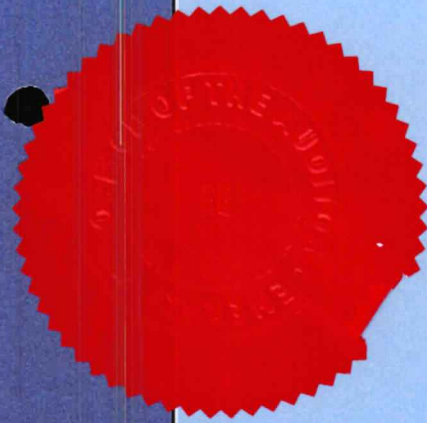
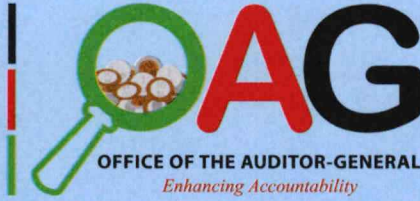


REPUBLIC OF KENYA



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NYANDARUA CLIMATE CHANGE**

**FUND**

**FOR THE YEAR  
ENDED 30 JUNE, 2025**

PAPERS LAID	
DATE	02/12/2025
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**NYANDARUA COUNTY CLIMATE CHANGE FUND**

**NYANDARUA COUNTY GOVERNMENT**

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

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



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

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**Table of Contents**

1. Acronyms and Definition of Key Terms	ii
2. Key Entity Information and Management	iv
3. County Climate Change Steering Committee	viii
4. Management Team	x
5. Chairperson County Climate Change Steering Committee report	xii
6. Report of The Fund Administrator	xiii
7. Statement of Performance Against the County Fund's Predetermined Objectives	xiv
8. Corporate Governance Statement	xvii
9. Management Discussion and Analysis	xviii
10. Environmental and Sustainability Reporting	xix
11. Statement of Management's Responsibilities	xxiii
12. Report of The Independent Auditor on the Financial Statements for Nyandarua County Climate Change Fund	xxiv
13. Statement of Financial Performance for the Year Ended 30 <sup>th</sup> June 2025	1
14. Statement of Financial Position As at 30 June 2025	2
15. Statement of Changes in Net Assets for the year ended 30 <sup>th</sup> June 2025	3
16. Statement of Cash Flows for The Year Ended 30 June 2025	4
17. Statement of Comparison of Budget and Actual Amounts for The Period Ended 30 <sup>th</sup> June 2025	5
18. Significant Accounting Policies	6
19. Notes to the Financial Statements	16
20. Annexes	24

**1. Acronyms and Definition of Key Terms**

**A. Acronyms**

CBK	Central Bank of Kenya
CRF	County Revenue Fund
CCCF	County Climate Change Fund; the Fund
CCRI	County Climate Resilience Investment
ECCNR	Environment, Climate Change and Natural Resources
GHCs	Green Houses Gases
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
KShs	Kenya Shillings
NT	National Treasury
PCRA	Participatory Climate Risk Assessment
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
SPA	Special Purpose Account
WB	World Bank
Comparative FY	Financial year preceding the current financial year.

**B. Definition of Key Terms**

**Adaptation** means adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.

**Adaptive capacity** refers to the ability of systems, institutions, humans, and other organisms to adjust to potential damage, to take advantage of opportunities, or to respond to consequences

**Climate change** means a change in the climate system, which is caused by significant changes in the concentration of greenhouse gases as a consequence of human activities and which is in addition to natural climate change that has been observed during a considerable period

**Comparative Year-** Means the prior period.

**County Government-** County Government of Nyandarua

**Fiduciary Management-** Members of Management are directly entrusted with the responsibility of financial resources of the organization.

**The Fund-** Nyandarua County Climate Change Fund

**Mitigation** means human interventions that seek to prevent or slow down the increase of atmospheric greenhouse gas concentrations by limiting current or future emissions and enhancing potential sinks for greenhouse gases

**Resilience** refers to the capacity of social, economic, and environmental systems to cope with a hazardous event or trend or disturbance, responding or reorganizing in ways that maintain their essential function, identity, and structure, while also maintaining the capacity for adaptation, learning, and transformation

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

### **a) Background information**

The Nyandarua County Climate Change Fund is established by and derives its authority and accountability from the Nyandarua County Climate Change Act, 2021. The Fund is wholly owned by the County Government of Nyandarua and is domiciled in Kenya.

The fund's objective is to deliver locally led climate resilience actions and strengthen the County government's capacity to manage climate risk

The Fund's principal activity is to improve the adaptive capacity of the communities to the impacts of climate change by enhancing climate finance and building the capacity of the county governments in planning, budgeting, reporting, and implementation of locally led climate actions.

### **b) Principal activities**

The principal activity of the fund is to;

- (i) Building the capacity of the community
- (ii) Implementation of locally led climate actions
- (iii) Resource mobilization for climate finance
- (iv) Incentivizing the County Government to increase County contributions to the County Climate Change Fund (CCCF)
- (v) Climate Finance Data Tracking and Reporting

#### **Vision:**

To improve community resilience to climate change impacts within the county

#### **Mission:**

To promote community adaptive capacity to climate change impacts for a sustainable county and national development, ensuring carbon neutrality

#### **Objective:**

To enhance climate resilience through development planning, management, implementation, regulation, and monitoring of adaptation and mitigation measures and actions

**Key Entity and Management (Continued)**

**Strategic goals:**

- i. Strengthening the County government’s capacity to manage climate risks by building its capacity to plan, budget, implement, and monitor resilience investments.
- ii. Make people at the community level aware of the possible impact of climate change on their lives and, through increased awareness, enhance their resilience.
- iii. Implement the Climate Change Action Plans developed in a participatory manner
- iv. Incentivizing the County Governments to increase County contributions to the County Climate Change Fund (CCCF)

**c) County climate change steering committee**

The County climate change steering committee members who had direct role in the oversight of the fund during the financial year are as captured below.

<b>Ref</b>	<b>Name</b>	<b>Position</b>
1.	H.E Mathara Mwangi	Deputy Governor- Chairperson
2.	Hon. Samuel W. Wachira	CECM in charge of Water, Sanitation, Tourism, Environment, Climate Change and Natural Resources
3.	Hon. Mary Kamande	CECM- Finance, Economic Planning, ICT and Revenue
4.	Hon. Juliana Syoweu	CECM- Health services
5.	John Thuo	County Director of Meteorology
6.	Josiah Nyandoro	County Director NEMA
7.	Moses Mathenge	CBOs representative
8.	Elizabeth Muthoni	Women representative
9.	Collins Maina	Youth representative
10	Martin mwenja	Private sector
11	Njeri H. Njoroge	Chief Officer - Tourism, Environment, Climate Change and Natural Resources and Fund Administrator

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

**d) Key Management team**

<b>Ref</b>	<b>Name</b>	<b>Position</b>
1	Hon. Samuel W. Wachira	CECM in charge of Water, Sanitation, Tourism, Environment, Climate Change and Natural Resources
2	Njeri H. Njoroge	Chief Officer - Tourism, Environment, Climate Change and Natural Resources and Fund Administrator
3	Eng. Mwanzia Kyambia	Director Climate Change
4	Phoebe Mbiyu	Program Accountant
5	Josphat Karanja	Senior Climate Change Officer
6	Kevin Nderitu	Senior Climate Change Officer
7	Joseph Mburu	Economist and M&E Officer
8	Miriam Ngotho	Ag. Director of Environment and Environment safeguards focal person
9	Daniel Nyongo	Social development Officer: social safeguards and GRM Focal person

**e) Fiduciary Oversight Arrangements**

<b>SN</b>	<b>Position</b>	<b>Name</b>
1	Directorate Internal Audit	CPA Mutuga Mbogo

**Key Entity and Management (Continued)**

**f) Registered Offices**

**County Executive Headquarters**

P.O. Box 701 – 20303  
County Head Office,  
Ol Kalou, Kenya

**g) Fund Contacts**

**Nyandarua County Government**

Directorate Environment, Climate Change and Natural Resources  
Telephone: (+254) 727 810988  
E-mail: [dcnyandarua@gmail.com](mailto:dcnyandarua@gmail.com)  
Website: [www.nyandarua.go.ke](http://www.nyandarua.go.ke)

**h) Fund Bankers**

Central Bank of Kenya  
SPA- Nyandarua County Climate Change Fund Account  
Account No: 1000528923  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya

**i) Independent Auditors**







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

**j) County Attorney**






The County Attorney,  
Nyandarua County Government  
P.O. Box 701 – 20303  
Ol Kalou, Kenya

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

**3. County Climate Change Steering Committee**

Ref	Name	Role
1.	 H.E Mathara Mwangi	H.E Deputy Governor Nyandarua County  Chairperson
2.	 Hon. Samuel W. Wachira	CECM Water, Sanitation, Tourism, Environment, Climate Change, and Natural Resources  Secretary
3.	 Hon. Mary Kamande	CECM- Finance, Economic Planning, ICT and Revenue  Member
4.	 Hon. Juliana Syoweu	CECM- Health services  Member
5.	 John Thuo	County Director of Meteorology  Member
6.	 Josiah Nyandoro	County Director NEMA  Member






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

7.	 Moses Mathenge	CBOs representative  Member
8.	 Elizabeth Muthoni	Women representative  Member
9.	 Collins Maina	Youth representative  Member
10	 Martin Mwenja	Private sector  Member
11	 Njeri H. Njoroge	Chief Officer - Tourism, Environment, Climate Change, and Natural Resources  Fund administrator





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

**4. Management Team**

Roles and Responsibilities:

Name	Details of qualifications and experience
 Hon. Samuel W. Mugo	<p><b>CECM Water, Sanitation, Tourism, Environment, Climate Change, and Natural Resources since 2022</b></p> <p>Masters in Urban and Regional Planning            Bachelor of Technology in Land Surveying            Full Member Institution of Surveyors of Kenya            In charge of policy development and implementation</p>
 Njeri H. Njoroge	<p><b>Chief Officer - Tourism, Environment, Climate Change, and Natural Resources since 2023</b></p> <p>MSc. Sustainable Urban Development            BA. Lands Economics            Responsible for the Administration of the Fund and the Accounting Officer</p>
 Eng. Mwanzia Kyambia	<p><b>Director Climate Change since 2021</b></p> <p>MSc. Water Resources and Environment Management            Responsible for the implementation and coordination of climate change programs, action plans, policies, and strategies</p>
 Phoebe Mbiyu	<p><b>Programme Accountant</b></p> <p>MSc. Finance (Accounting)            Bachelor of Business Management and Administration (Accounting)            CPA            Program Accountant responsible for Climate finance tracking and reporting of the County Climate Change Fund</p>
 Josphat Karanja	<p><b>Senior Climate Change Officer</b></p> <p>BSc. Environmental Conservation and Natural Resources Management            Coordinating the ward committees in the implementation of locally led climate actions and reporting thereof</p>

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

 <p>Kevin Nderitu</p>	<p><b>Senior Climate Change Officer</b> BSc. Environmental Science Coordination of public education, awareness strategies, implementation programs, and reporting thereof</p>
 <p>Joseph Mburu</p>	<p><b>Economist</b> BA. Economics and Sociology Preparation of climate change budgets, monitoring, evaluation, and reporting of climate actions; M&amp;E Officer</p>
 <p>Miriam Ngotho</p>	<p><b>Ag. Director Environment</b> Master of Development Studies Post Graduate Certificate in Sustainable Environment Management Environment Safeguards Focal Person: coordinating the screening and environmental compliance of projects in the implementation of the program</p>
 <p>Daniel Nyongo</p>	<p><b>Social Development Officer</b> <b>BA. Project Planning and Management</b> Social safeguards Focal Person, coordinating social inclusion, the Grievances Redress Mechanism, and citizen engagement in the implementation of the program</p>

**5. Chairperson County Climate Change Steering Committee report**



It is my honor to present this report on the operations and performance of the Nyandarua County Climate Change Fund (NCCCF) for the Financial Year 2024/2025. Established under the Department of Water, Sanitation, Tourism, Environment, Climate Change and Natural Resources, and operationalized in line with the Public Finance Management Act, 2012, the Climate Change Act, 2016, and the Nyandarua County Climate Change Fund Regulations. The Fund continues to serve as a dedicated financing mechanism for climate-resilient development within the County.

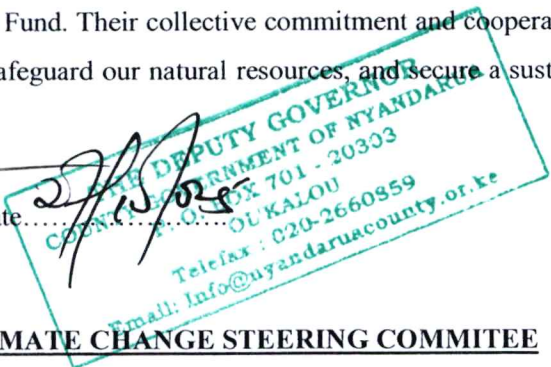
During the reporting period, the Fund registered commendable progress in the implementation of priority interventions, including water harvesting and storage infrastructure, sustainable land management, afforestation and ecosystem restoration, and the promotion of climate-smart agriculture. In addition, the Fund successfully supported the strengthening of ward climate change planning committees, thereby promoting citizen participation and inclusivity in climate governance. Looking forward, the Fund is committed to consolidating these gains by scaling up investments in climate-resilient projects, mobilizing additional resources from both County allocations and external partners, and mainstreaming climate change considerations across all sectors of the County's development framework. Particular focus will be placed on enhancing monitoring, evaluation, and reporting systems to ensure transparency and accountability, while also expanding awareness creation and capacity-building initiatives to safeguard the rights and interests of Nyandarua's citizens. The Fund also acknowledges the inherent risks associated with climate variability, limited fiscal resources, and institutional capacity gaps; however, through robust governance structures, statutory compliance, and continued collaboration with stakeholders, the Fund is well-positioned to overcome these challenges and sustain its impact.

In conclusion, I wish to express my sincere appreciation to the citizens of Nyandarua, the County leadership, development partners, and all stakeholders who have continued to support the operationalization of the Nyandarua County Climate Change Fund. Their collective commitment and cooperation are invaluable as we strive to strengthen resilience, safeguard our natural resources, and secure a sustainable future for the people of Nyandarua.

Signature..... Date.....

**H. E MATHARA MWANGI  
DEPUTY GOVERNOR**

**CHAIRPERSON- COUNTY CLIMATE CHANGE STEERING COMMITTEE**



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

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**6. Report of The Fund Administrator**

I am pleased to present the report of the Nyandarua County Climate Change Fund (NCCCF) for the Financial Year 2024/2025. The Fund has continued to finance climate-resilient interventions across the County, focusing on water security, renewable energy, climate smart agriculture and environmental conservation.

**Budget and Financial Performance:** The Fund recorded a budget absorption rate of 32.33%, with resources directed mainly to water security projects, followed by energy and conservation initiatives. Utilization has remained consistent with the Nyandarua County Climate Change Action Plan 2023-2027.

**Physical Progress and Community Benefits:** The Projects were implemented as follows:

- *Water Security:* Silibwet Roof Harvesting (40m<sup>3</sup> storage, 100%); Njabini Ngwataniro (1,000 people, 100%); Mbuyu (300 households, 100%); Gathiriga (200 households, 100%); Thindi borehole (300 Households, 30%), Michore boreholes (300 households, 70%); Mwiyumia (300 households, 30%). Planned: Ex-Major Dam (1,000 people) FY 2025/26.
- *Energy:* North Kinangop (30 households, 1 school, 95%); Gathanji (100%). Both provide biogas, reducing firewood use, emissions, and indoor pollution.
- *Conservation:* Lake Ol Bolossat (500 households, 2 schools, 100%); Urban Forestry (FY 2025/26) to enhance carbon sinks and beautify towns.
- *Administration:* Field Vehicle (100%) facilitating monitoring, evaluation and accountability of locally-led climate actions; trainings.

**Value for Money:** Investments prioritized community-driven projects that reduce vulnerability, improve food security, and lower emissions, ensuring high social and economic returns.

**Challenges and Outlook:** The Fund faced delayed procurement due to delayed disbursement of FLLoCA Grant, and climate-related risks such as floods and geophysical challenges which resulted to delays in implementation. Despite these challenges, the County is committed to enhance stakeholder awareness and continuous monitoring to enhance Fund scale up and project implementation.

**Risk Management:** Measures include diversification of projects, strict compliance with statutory frameworks, and continuous monitoring to safeguard resources.

In conclusion, the Fund has delivered impactful outcomes, strengthened resilience, and built public trust. We remain committed to advancing sustainable development in Nyandarua County.



Njeri H. Njoroge

County Climate Change Fund Administrator - Nyandarua County



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

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer, when preparing financial statements of each County Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives.

The key development objectives of the Fund, as per the Nyandarua County Climate Change Act, 2021, are to:

- a) Make people at the community level aware of the possible impact of climate change on their lives and, through increased awareness, enhance their resilience.
- b) Implement the Climate Change Action Plans developed in a participatory manner
- c) Incentivizing the County Governments to increase County contributions to the County Climate Change Fund (CCCF)

**Progress on attainment of Strategic development objectives**

To implement and cascade 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 to track progress and performance measurement.

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

<b>Project</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
The Lake Ol Bolossat conservation	To restore and rehabilitate degraded catchment areas	Springs protected and rehabilitated, households provided with fruit trees, primary schools supplied with trees	1 Springs protected (Chepalungu) and rehabilitated, 500 households and 2 Schools	<i>100% Complete</i>
Silibwet Secondary School Roof water harvesting	To enhance water security	40 Cubic metres of water harvesting	Improved tree seedlings production	<i>100% Complete</i>
North Kinangop Green Energy Project	To reduce GHGs emissions	Clean cooking and heating energy	1 School unit, 30 households supplied with Biogas	<i>95% Complete</i>
Gathanji Green Energy Project	To reduce GHGs emissions	Clean cooking and heating energy (Gathanji Sec)	1 School unit, 30 households supplied with Biogas	<i>100% Complete</i>
Urban forestry initiative	To reduce GHGs emissions	Enhanced carbon sinks, improved air quality and aesthetic beauty	1 town beautified and planted with trees	<i>To be implemented in FY 2025/2026</i>
Gathiriga Borehole community water project	To enhance water security	Enhanced water supply	200 households served	<i>100% Complete</i>
Thindi borehole community water project	To enhance water security	Enhanced water supply	300 households served	<i>30% Complete</i>
Njabini Ngwataniro Water Project	To enhance water security	Enhanced water supply and promotion of small -scale irrigation	1000 people served	<i>100% Complete</i>
Mwiyumia Community Water Project	To enhance water security	Enhanced water supply	Supply water to 300 households	<i>25% Complete</i>

*Nyandarua County Climate Change Fund*

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

Ex major Dam water project	To enhance water security	Enhanced water supply, improved livelihoods through small scale farming	1000 people served	<i>To be implemented in FY 2025/2026</i>
Michore Borehole community water project	To enhance water security	Enhanced water supply	300 households served	<i>70% Complete</i>
Mbuyu Community Water Project	To enhance water security	Enhanced water supply	300 households served	<i>100% Complete</i>
Field Vehicle	To enhance mobility and	Supervision, inspection, Monitoring and evaluation of climate resilience projects	Supplied field Vehicle	<i>100% Complete</i>

### **8. Corporate Governance Statement**

The operationalization of the Fund involves three committees including 9-member ward climate change committees (25 in number), 16-member planning climate change committee and 13-member steering climate change committee. Each of this committee is mandated to conduct one meeting per quarter of every financial year with each playing a critical role in the implementation of the locally-led climate actions. The committees operate on a 5-year term after which another committee is to be selected.

During the deliberations, the members are supposed to declare interests especially in vote taking to manage conflict of interest in accordance with the Nyandarua County Climate Change Act, 2021. The Steering and Planning Committee members are remunerated in accordance with Salaries and Remuneration Committee Guidelines while the ward committees serve on voluntary basis but reimbursed transport facilitation as approved by the steering committee.

The Committees play different roles as follows:

**Ward Committees:** Conduct Public participation and propose priority climate actions to be implemented in the ward level.

**Planning Committee:** evaluate the priority projects as proposed by the ward committees and determine the budget breakdown in the Fund workplans for approval by the Steering Committee

**Steering Committee:** review and approve ward priority projects for funding as well as approve budgets, workplans and reports for dissemination.

**9. Management Discussion and Analysis**

During the Financial Year 2024/2025, the Fund continued to support climate-resilient development through financing of community-driven climate change adaptation and mitigation projects across the County. Key projects implemented or ongoing during the reporting period include the promotion of water harvesting and conservation infrastructure, rehabilitation, afforestation and reforestation programs, green energy programs and capacity-building for ward-level climate change planning committees. Investment decisions were guided by the Fund’s strategic priorities, ensuring equitable distribution of resources across the five sub-counties and alignment with both County and National climate change policies.

The Fund remained compliant with statutory requirements under the Public Finance Management Act, 2012, the Nyandarua County Climate Change Act, 2021, the Nyandarua County Climate Change Action Plan 2023-2027, and relevant procurement regulations, thereby upholding accountability and transparency in its operations. Management also identified and monitored major risks, including the unpredictability of climate hazards, limited financial resources compared to the scale of climate challenges, and potential delays in project implementation due to procurement or capacity constraints. The management notes that continuous strengthening of institutional capacity, timely resource mobilization, and enhanced community participation remain critical to sustaining the Fund’s impact and ensuring long-term climate resilience for Nyandarua County.

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

As stated in the County's mission statement, Nyandarua County seeks to transform the lives of its people through sustainable development. Accordingly, the County has anchored its development strategy on the three pillars of sustainability: the economy, environment, and society. The County is cognizant that for progress to be sustainable, it must not degrade the environment and should make the most economical use of available resources while impacting a high percentage of the population. With this in mind, the county has adopted various practices and commissioned a variety of programs to realize this vision.

#### **i) *Sustainability strategy and profile***

Since Kenya adopted the Sustainable Development Goals (SDGs) in 2015 and they were officially launched in 2016, the country has made considerable progress in implementing these goals. The 17 goals constitute an ambitious plan to shift the planet towards sustainable development. As a result of Kenya's unwavering commitment to meeting these goals, the SDGs have been mainstreamed in Kenya's vision 2030 and County Integrated Development Plans (CIDP) through extensive consultation with all stakeholders. Nyandarua County has not been left behind and has integrated these goals with the BETA and H.E. the Governor's manifesto in the five-year CIDP 3.

A key component in the implementation of sustainable development in the County is the inclusion of all stakeholders in determining the development priorities. To this end, the County Climate Change Unit regularly holds public participation forums to ensure that all opinions and views are collected before the implementation of projects. This was also ensured during the development of the participatory County Climate Risk Assessment and County Climate Change Action Plan, 2023-2027.

Furthermore, a Monitoring and Evaluation team will inspect and report on all projects implemented through the Fund before payment can be processed. This will ensure that the set standards are met and the projects are carried out as per the contract terms

#### **ii) *Environmental performance***

The Fund and the Program are anchored under the Nyandarua County Climate Change Act, 2021. The Act then gives leeway for the development of the Participatory Climate Risk Assessment, which was conducted in 2023. This highlighted the most prevalent risks and hazards and the most dominant areas within the County. This then provided for the development of the Nyandarua County Climate Change Action Plan, 2023-2027 which provides mechanisms and measures to

achieve low carbon climate resilient development in a manner that prioritizes adaptation. It gears towards carbon neutrality while at the same time fostering collaboration and partnership to achieve the goal. The Plan creates an avenue for climate finance through resource mobilization hence the establishment of the Fund.

The Public Finance Management (Nyandarua County Climate Change Fund) Regulations are aimed at ringfencing utilization of the County climate Change Fund and guide on the operationalization of the Fund. They have also ensured tracking, reporting and mobilization of more resources into the Fund. This Regulations are anchored on The Public Finance Management Act, 2012.

**iii) Employee welfare**

The Nyandarua County Public Service Board endeavors to establish a competent, efficient and motivated workforce within the county. To achieve this, all the program vacancies are advertised in the daily newspapers and applications are vetted based on merit to determine the best-suited candidates for the positions advertised. Some of the Program staff have been seconded from other units into the County Climate change Unit

The Program staff have been trained in a number of areas including Senior Management Course, Basic Enforcement Course, Grievance Redress Mechanism (GRM), climate finance, Environmental and Social Safeguards (ESS) among others. The Program ensures the safety, health and welfare of all its employees at work, working in his/her workplace in compliance with the policy on safety and compliance with the Occupational Safety and Health Act of 2007, (OSHA).

**iv) Market place practices-**

In pursuit of sustainability, our efforts are outlined as:

**a) Responsible competition practice.**

All the county government employees are bound by the code of ethics as stipulated by the Public Officer Ethics Act, 2003, as well as the Human Resource Policy and Procedures Manual (Part V). The County maintains a strict no-tolerance attitude to corruption, and all officers found culpable are personally answerable for their misdeeds. The County Government has ensured that all entities, especially the Climate Change Committees and the Climate Change Unit declare conflict of interest, hence allowing fair competition in accordance with the Nyandarua County Climate Change Act, 2021. Furthermore, to ensure fair competition, all tenders are advertised via the national dailies and county website, with an Open tendering process being followed, allowing involvement of all as per the Departmental service Charters.

***b) Responsible Supply chain and supplier relations***

It is estimated that public procurement accounts for up to 30% of the total Gross Domestic Product (GDP) in many developing countries. It is therefore paramount that County Governments leverage this power by adopting sustainable procurement practices. The Nyandarua County procurement department adheres to The Public Procurement and Asset Disposal Act, 2015, and The Public Procurement and Disposal (Preference and Reservations) Regulations, 2011, which requires that 30% of all procuring opportunities be set aside for vulnerable groups. By strict adherence and compliance to these acts, the County Government ensures equitable and fair distribution of the county resources. This is essential in fostering inclusivity.

***c) Responsible marketing and advertisement or Responsible engagement with the citizens.***

The Nyandarua County Climate Change Fund adheres to responsible and ethical standards in the dissemination of information to the public. All advertisements and public notices are conveyed through national and local dailies, the official Nyandarua County Government website, and verified social media platforms, ensuring timely and accurate communication. In compliance with the Public Procurement and Asset Disposal Act, 2015, tender notices are published within the prescribed statutory timelines, with open tenders accorded a minimum of **twenty-one (21) days' notice** and restricted tenders or requests for quotations given not less than **fourteen (14) days**. The Fund is committed to avoiding false, exaggerated, or misleading statements and instead provides clear, adequate, and verifiable information to facilitate transparency, fairness, and equitable participation by all stakeholders. Furthermore, the Fund conducts structured public sensitization fora across all **twenty-five (25) wards** and the **five (5) sub-counties** of Nyandarua, thereby creating inclusive platforms for dialogue, feedback, and citizen awareness on climate change interventions. These practices underscore the County's dedication to ethical engagement, respect for diversity, and the promotion of trust between government institutions and the public.

***d) Product stewardship or Awareness creation***

The Nyandarua County Climate Change Fund safeguards citizens' rights and interests by ensuring its programs and projects uphold public health, safety, and environmental protection. It provides clear and accessible information on its activities and financing opportunities through public notices, digital platforms, and sensitization fora, enabling informed participation. The Fund has

transparent grievance redress mechanisms with a 4-member GRM committee in every ward and an overall County GRM Committee to address concerns fairly and promptly, while also upholding confidentiality and protecting personal data collected during engagements. These measures ensure accountability, inclusivity, and sustainability in advancing climate resilience across the County.

**v) *Corporate Social Responsibility / Community Engagements***

The overarching goal of the FLLoCA Program and the Fund is to improve the lives of the citizenry, be it through climate-resilient development projects, policy formulation, and service delivery, all aimed at improving community resilience and adaptive capacity to the impacts of climate change. The County Government recognizes that sustainable development requires adaptability and innovation to ensure that scarce resources are utilized optimally and benefit all the residents of the county, and more so, the vulnerable population groups.

The Program has majored in community engagement, hence the name, “locally led climate action,” meaning the proposal has to be drawn from the local citizens. All projects are proposed by the community through the Ward Climate Change Committees as anchored in the Participatory County Change Action Plan 2023-2027. This reduces conflicts arising from the implementation of the program and ensures a sense of ownership, as well as promoting nature-based solutions.

In the spirit of community engagement, all the county offices are equipped with a suggestion box through which complaints and new ideas can be communicated to the county. The County has established the Grievance Redress Mechanism System to address community concerns pertaining to implementation of the program, including a county website with an outlined process as well as complaint-lodging forms. All the Ward Climate Change Committees have established Ward Grievance Redress Mechanisms (GRM) to address conflicts arising from the implementation of the projects. Each committee has a Conflicts Lodging Book held at the Ward Administrator’s office to keep track of the complaints raised.

**11. Statement of Management’s Responsibilities**

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by The Nyandarua County Climate Change Act No. 3 of 2021 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

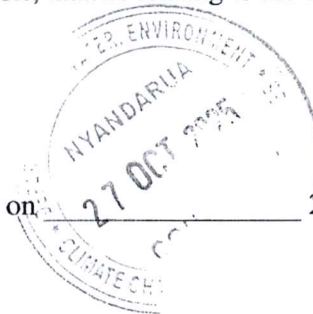
The Administrator of the County Public Fund accepts responsibility for the Fund’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and The Nyandarua County Climate Change Act No. 3 of 2021. The Administrator of the Fund is of the opinion that the Fund’s financial statements give a true and fair view of the state of Fund’s transactions during the financial year ended June 30, 2025, and of the Fund’s financial position as at that date. The Administrator further confirms the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund’s financial statements, as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The Fund’s financial statements were approved and signed on \_\_\_\_\_ 2025

.....  
Njeri H. Njoroge  
**Fund Administrator**



# REPUBLIC OF KENYA

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**HEADQUARTERS**  
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P.O Box 30084-00100  
NAIROBI

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

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### PREAMBLE

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

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

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

The three parts of the report 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 Nyandarua County Climate Change Fund as set out on pages 1 to 25, which comprise of the statement of change in net assets for the year ended 30 June, 2025, statement of financial performance, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nyandarua County Climate Change Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the County Governments Act, 2012 and the Public Finance Management Act, 2012 .

### **Basis for Qualified Opinion**

#### **Un-Reconciled Receivables**

The statement of financial position and as disclosed in Note 13 to financial statements reflects receivables amount of Kshs.10,257,840 which differs with the corresponding payables from County Revenue Fund account of Kshs.19,551,679 resulting to un-reconciled variance of Kshs.9,275,839.

In the circumstances, the accuracy and completeness of receivables amount of Kshs.10,257,840 could not be confirmed.

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

## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of comparison of budget and actual amount for the year reflects final receipts budget and actual on comparable basis of Kshs.357,123,385 and Kshs.186,537,952 respectively resulting to an under-funding of Kshs.170,585,433 or 48% of the budget. Similarly, the Fund spent a balance of Kshs.60,319,109 against actual receipts of Kshs.186,537,952 resulting to under-utilization of Kshs.126,218,843 or 58%.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

## **Other Matter**

### **Unresolved Prior Year Matters**

In the previous year's audit report, of the issues that were raised, the issues on Budgetary Control and Performance and Non-Adherence to Expenditure Control Guidelines had not been resolved as at 30 June 2025.

## **Other Information**

The Management is responsible for the Other Information set out on iii to xxiii which comprise Key Entity Information and Management, Report of the Chair person, Report of the Fund Administrator, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and the Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Nyandarua County Climate Change Fund financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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**

#### **Excess Expenditure on Administration Costs Above Set Limit**

Review of expenditure records revealed the Fund incurred administration expenses of Kshs.16,502,183 against total expenditure of Kshs.60,319,109 translating to twenty-seven (27%) percent which is way above the set limits of four (4) percent. This is contrary to Regulation 9(2) of Nyandarua County Climate Change Funds Regulation, 2024.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

## **Responsibilities of the 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 (Accrual Basis) and for maintaining effective internal controls 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 Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the

International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**14 November, 2025**

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

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
<b>Revenue from Non-Exchange Transactions</b>			
Public Contributions and Donations	1	-	-
Transfers from the CRF	2	196,813,792	47,100,000
Fines, Penalties, and Other Levies	3	-	-
		<b>196,813,792</b>	<b>47,100,000</b>
<b>Revenue from Exchange Transactions</b>			
Other Income	4	-	-
		-	-
<b>Total Revenue</b>		<b>195,813,792</b>	<b>47,100,000</b>
<b>Expenses</b>			
Employee Costs	5	-	-
Use of goods and services	6	18,393,333	15,497,070
Depreciation and Amortization Expenses	7	-	-
Finance Costs	8	-	-
<b>Total Expenses</b>		<b>18,393,333</b>	<b>15,497,070</b>
<b>Other Gains/Losses</b>			
Gain/Loss on Disposal of Assets	9	-	-
Gain /Loss on fair value of investments	10	-	-
<b>Surplus/Deficit) for the Period</b>		<b>178,420,459</b>	<b>31,602,930</b>

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 27/10/2025 and signed by:

.....  
 Njeri H. Mutoroge  
 Fund Administrator



.....  
 Phoebe Mbiyu  
 Fund Accountant  
 ICPAK Member Number: 16267

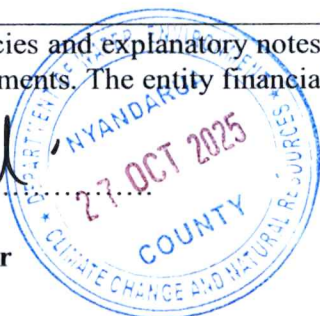
**Nyandarua County Climate Change Fund**  
**Annual Report and Financial Statements for the financial year ended June 30, 2025**

**14. Statement of Financial Position As at 30 June 2025**

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	11	159,453,248	33,234,405
Receivables	13	10,275,840	-
Investments in financial assets			
<b>Total current assets</b>		<b>169,729,088</b>	<b>33,234,405</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	15	43,816,926	-
Investment Property		-	-
<b>Total non- current assets</b>		<b>43,816,926</b>	<b>-</b>
<b>Total Assets (A)</b>		<b>213,546,014</b>	<b>33,234,405</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables from Exchange Transactions	18	1,891,150	-
Current Provisions		-	-
<b>Total current liabilities</b>		<b>-</b>	<b>-</b>
<b>Non-Current Liabilities</b>			
Non-Current Provisions		-	-
<b>Total Liabilities (B)</b>		<b>-</b>	<b>-</b>
<b>Net Assets (A-B)</b>		<b>211,654,864</b>	<b>33,234,405</b>
<b>Represented By:</b>			
Revolving Fund		-	-
Reserves		-	-
Accumulated Surplus		211,654,864	33,234,405
<b>Net Assets</b>		<b>211,654,864</b>	<b>33,234,405</b>

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 27/10/2025 and signed by:

.....  
Njeri H. Njoroge  
Fund Administrator



.....  
Phoebe Mbiyu  
Fund Accountant  
ICPAK Member Number: 16267

*Nyandarua County Climate Change Fund*

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

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

Description	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
<b>Balance As At 1 July 2023</b>	<b>0</b>	<b>0</b>	33,234,405	33,234,405
Surplus/(Deficit) For the Period	-	-		-
Funds Received During the Year	-	-	-	-
Transfers				
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2024</b>	<b>-</b>	<b>-</b>	<b>33,234,405</b>	<b>33,234,405</b>
<b>Balance As At 1 July 2024</b>	<b>-</b>	<b>-</b>	<b>33,234,405</b>	<b>33,234,405</b>
Surplus/(Deficit) For the Period		-	178,420,459	178,420,459
Funds Received During the Year	-	-	-	-
Transfers	-		-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2025</b>	<b>-</b>	<b>-</b>	<b>211,654,864</b>	<b>211,654,864</b>

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

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from CRF		186,537,952	47,100,000
Fines, penalties, and Other Levies		-	-
Cash generated from operations		-	-
<b>Total receipts</b>		<b>186,537,952</b>	<b>47,100,000</b>
<b>Payments</b>			
Employee Costs		-	-
Use of goods and services		16,502,183	15,497,070
Finance cost		-	-
<b>Total Payments</b>		<b>16,502,183</b>	<b>15,497,070</b>
<b>Net cash flows from operating activities</b>	19	<b>170,035,769</b>	<b>31,602,930</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and Intangible assets		43,816,926	-
Intangible assets			
Investment Property			
<b>Net cash flows used in investing activities</b>		<b>43,816,926</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
<b>Net cash flows used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash &amp; cash Equivalents</b>		<b>126,218,843</b>	<b>31,602,930</b>
Cash and cash equivalents at 1 July		33,234,405	1,631,475
<b>Cash and cash equivalents at 30 June</b>	11	<b>159,453,248</b>	<b>33,234,405</b>

17. Statement of Comparison of Budget and Actual Amounts for The Period Ended 30<sup>th</sup> June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
<b>Revenue</b>						
Public Contributions and Donations	-	-	-	-	-	-
Transfers from County Govt.	229,685,079	127,438,306	357,123,385	186,537,952	170,585,433	52
Interest Income	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
<b>Total Income</b>	<b>229,685,079</b>	<b>127,438,306</b>	<b>357,123,385</b>	<b>186,537,952</b>	<b>170,585,433</b>	<b>52</b>
<b>Expenses</b>						
Fund Administration Expenses	-	-	-	-	-	-
General Expenses	2,000,000	15,428,130	17,428,130	16,502,183	925,947	95
Finance Cost	-	-	-	-	-	-
Capital expenditure	227,685,079	112,010,176	339,695,255	43,816,926	295,878,329	13
<b>Total Expenditure</b>	<b>229,685,079</b>	<b>127,438,306</b>	<b>357,123,385</b>	<b>60,319,109</b>	<b>296,804,276</b>	<b>17</b>
<b>Surplus for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126,218,843</b>	<b>126,218,843</b>	

**18. Significant Accounting Policies**

**General Information**

Nyandarua County Climate Change Fund is established by and derives its authority and accountability from The Nyandarua County Climate Change Act No. 3 of 2021. The entity is wholly owned by the Nyandarua County Government and is domiciled in Kenya. The principal entity's aims at improving the adaptive capacity of the communities to impacts of climate change by enhancing climate finance and building the capacity of the county governments in planning, budgeting, reporting and implementation of locally led climate actions.

**Statement of compliance and basis of preparation**

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

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

*(i) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025*

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

*(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.*

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

**Nyandarua County Climate Change Fund**

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

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

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

	cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<b>Applicable 1<sup>st</sup> January 2027</b> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</li> <li>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing, and certainty of future cash flows from any exploration and evaluation assets recognized.</li> </ul>

**(i) Early adoption of standards**

The Entity did not early-adopt any new or amended standards in the financial year.

**2. Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Transfers from other government entities**

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

**ii. Revenue from exchange transactions**

**Interest income**

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

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the Entity's right to receive payments is established.

**Rental income**

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

**b) Budget information**

The original budget for FY 2025 was approved by the County Assembly on 30<sup>th</sup> June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

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

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts, and the actual as per the statement of financial cash flows has been presented.

**c) Property, plant and equipment**

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

**Summary of Significant Accounting Policies (Continued)**

**a) Intangible Assets**

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

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

**b) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition.

**c) Financial instruments**

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

**Summary of Significant Accounting Policies (Continued)**

**Financial assets**

**Classification of financial assets**

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

**Subsequent measurement**

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

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

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Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through surplus or deficit**

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

**Trade and other receivables**

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

**Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

**Financial liabilities**

**Classification**

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

**d) Inventories**

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

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange,

or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

**e) Provisions**

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

**f) Social Benefits**

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

**g) Contingent liabilities**

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.

**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.

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

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**Summary of Significant Accounting Policies (Continued)**

**i) Employee benefits – Retirement benefit plans**

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**j) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**k) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**l) Related parties**

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

**m) 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 these financial statements, cash and cash equivalents also include short-term cash imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**Summary of Significant Accounting Policies (Continued)**

**n) Comparative figures**

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

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

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

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

**a) Estimates and assumptions –**

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

**b) Useful lives and residual values**

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

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

**c) Provisions**

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

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

**19. Notes to the Financial Statements**

**1. Public contributions and donations**

Description	2024-2025	2023-2024
	Kshs	Kshs
Donation from Development Partners	-	-
Contributions from The Public	-	-
<b>Total</b>	-	-

**2. Transfers from CRF**

Description	2024-2025	2023-2024
	Kshs	Kshs
Counterpart funding through County Department of WECCNR	72,000,000	36,100,000
Other transfers from CRF	124,813,792	11,000,000
Unconditional Development grants	-	-
<b>Total</b>	<b>196,813,792</b>	<b>47,100,000</b>

**3. Fines, penalties and other levies**

Description	2024-2025	2023-2024
	Kshs	Kshs
Late Payment Penalties	-	-
Fines	-	-
<b>Total</b>	-	-

**4. Other income**

Description	2024-2025	2023-2024
	Kshs	Kshs
Insurance Recoveries	-	-
Income from Sale of Tender Documents	-	-
Bad debts recovered	-	-
Miscellaneous Income	-	-
<b>Total Other Income</b>	-	-

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

**Notes to the Financial Statements Continued**

**5. Employee Costs**

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and Wages	-	-
Staff Gratuity	-	-
Staff Training Expenses	-	-
Social Security Contribution	-	-
Other ( <i>Specify</i> )	-	-
<b>Total</b>	-	-

**6. Use of Goods and Services**

Description	2024-2025	2023-2024
	Kshs.	Kshs.
General Office Expenses		-
Domestic travel and subsistence	12,533,437	13,953,070
Professional Services Costs	-	-
Administration Fees	-	-
Committee Allowances	3,101,910	-
Training	442,836	-
Electricity and Water Expenses	-	-
Fuel and Oil Costs	1,500,000	-
Postage and Courier	-	-
Printing and Stationery	-	-
Rental Costs	-	-
Hospitality supplies and services	837,550	1,544,000
Telephone and Communication Expenses	-	-
Audit Fees	-	-
Provision for Doubtful Debts	-	-
EIA and Hydrological survey		-
<b>Total</b>	<b>18,393,333</b>	<b>15,497,070</b>

**Notes to the Financial Statements Continued**

**7. Depreciation and Amortization Expense**

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Property Plant and Equipment	-	-
Intangible Assets	-	-
<b>Total</b>	-	-

**8. Finance costs**

Description	2024-2025	2023-2024
	Kshs	Kshs
Interest on Bank Overdrafts	-	-
Interest on Loans from Banks	-	-
<b>Total</b>	-	-

**9. Gain/(loss) on disposal of assets**

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
<b>Total</b>	-	-

**10. Gain/ (loss) on Fair Value Investments**

Description	2024-2025	2023-2024
	Kshs	Kshs
Investments at Fair Value- Equity investments	-	-
Fair value – Investment property	-	-
Fair value- other financial assets (specify)	-	-
<b>Total Gain</b>	-	-

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

**Notes to the Financial Statements Continued**

**11. Cash and cash equivalents**

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank accounts	159,453,248	33,234,405
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
<b>Total Cash and Cash Equivalents</b>	<b>159,453,248</b>	<b>33,234,405</b>

Detailed analysis of the cash and cash equivalents are as follows:

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
<b>Project Bank Account</b>			
Central Bank of Kenya	1000528923	159,453,248	33,234,405
<b>Sub- Total</b>		<b>159,453,248</b>	<b>33,234,405</b>
<b>Grand Total</b>		<b>159,453,248</b>	<b>33,234,405</b>

**12. Receivables from exchange transactions**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Current Receivables</b>		
Receivables	10,275,840	-
Current Loan Repayments Due	-	-
Other Exchange Debtors	-	-
Less: Impairment Allowance	-	-
<b>Total Current Receivables</b>	<b>10,275,840</b>	<b>-</b>
<b>Non-Current Receivables</b>		
Long Term Loan Repayments Due	-	-
<b>Total Non- Current Receivables</b>	<b>-</b>	<b>-</b>
<b>Total Receivables from Exchange Transactions</b>	<b>10,275,84</b>	<b>-</b>

**13. Prepayments**

Description	2024-2025	2023-2024
	Kshs	Kshs
Prepaid Rent	0	0
Prepaid Insurance	0	0
Prepaid Electricity Costs	0	0
Other Prepayments ( <i>Specify</i> )	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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

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**Notes to the Financial Statements Continued**

**14. Inventories**

<b>Description</b>	<b>2024-2025</b>	<b>2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>
Consumable Stores	0	0
Spare Parts and Meters	0	0
Catering	0	0
Other Inventories (Specify)	0	0
<b>Total Inventories at The Lower of Cost and Net Realizable Value</b>	<b>0</b>	<b>0</b>

*Nyandarua County Climate Change Fund*

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

**15. Property, plant, and equipment**

	<b>Infrastructural Assets</b>	<b>Motor vehicles</b>	<b>Furniture and fittings</b>	<b>Computers and Office Equipment</b>	<b>Total</b>
<b>Cost</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
At 1 <sup>st</sup> July 2023	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-
At 1st July 2024	-	-	-	-	-
Additions	32,841,046	6,989,000	-	3,986,880	43,816,926
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
<b>At 30th June 2025</b>	<b>32,841,046</b>	<b>6,989,000</b>	<b>-</b>	<b>3,986,880</b>	<b>43,816,926</b>
<b>Depreciation and Impairment</b>					
At 1 <sup>st</sup> July 2023	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-
At 1st July 2024	-	-	-	-	-
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 30th June 2025</b>	-	-	-	-	-
<b>Net Book Values</b>					
At 30 <sup>th</sup> June 2024	-	-	-	-	-
At 30th June 2025	32,841,046	6,989,000	-	3,986,880	43,816,926

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

**Notes to the Financial Statements Continued**

**16. Intangible assets**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Cost</b>	<b>0</b>	<b>0</b>
At Beginning of The Year	0	0
Additions	0	0
<b>At End of The Year</b>	<b>0</b>	<b>0</b>
<b>Amortization and Impairment</b>		
At Beginning of The Year	0	0
Amortization	0	0
<b>At End of The Year</b>	<b>0</b>	<b>0</b>
Impairment Loss	0	0
<b>At End of The Year</b>	<b>0</b>	<b>0</b>
<b>NBV</b>	<b>0</b>	<b>0</b>

**17. Investment Property**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>At beginning of the year</b>	<b>0</b>	<b>0</b>
Additions	0	0
Disposal during the year	0	0
Depreciation	0	0
Impairment	0	0
Gain/(loss) in fair value (if fair value is elected)	0	0
<b>At end of the year</b>	<b>0</b>	<b>0</b>

**18. Trade and other payables from exchange transactions**

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade Payables	1,891,150		0	
Refundable Deposits	0		0	
Accrued Expenses	0		0	
Other Payables	0		0	
<b>Total Trade and Other Payables</b>	<b>1,891,150</b>		<b>0</b>	
<b>Ageing analysis (Trade and other payables)</b>	<b>2024-2025</b>	<b>% of the Total</b>	<b>2022-2023</b>	<b>% of the Total</b>
Under one year	0	0	0	0
1-2 years	0	0	0	0
2-3 years	0	0	0	0
Over 3 years	0	0	0	0
<b>Total (tie to above total)</b>	<b>0</b>		<b>0</b>	

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

**Notes to the Financial Statements Continued**

**19. Cash generated from operations.**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Surplus/ (Deficit) For the Year Before Tax</b>	<b>178,420,459</b>	<b>31,602,930</b>
<b>Adjusted For:</b>	-	-
Depreciation	-	-
Amortization	-	-
Gains/ Losses on Disposal of Assets	-	-
Interest Income	-	-
Finance Cost	-	-
<b>Working Capital Adjustments</b>	-	-
Increase in Inventory	-	-
Increase in Receivables	-10,275,840	-
Increase in Payables	1,891,150	-
<b>Net Cash Flow from Operating Activities</b>	<b>170,035,769</b>	<b>31,602,930</b>

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

**20. Annexes**

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

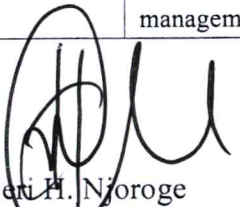
The following is a summary of the issues raised by the external auditor, along with management's comments provided to the auditor.

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><b>Budgetary Control and Performance</b> The statement of comparison of budget and actual amounts reflects the total income budget and actual on a comparable basis of Kshs. 150,006,477 and Kshs. 47,100,000, respectively. Report of the Auditor-General on Nyandarua County Climate Change Fund for the year ended 30 June, 2024 3 resulting in budget under funding of Kshs.. 102,906,477 or 68.6% of the budget. Out of the actual funding of Kshs 47,100,000, only Kshs 15,497,970 was utilized, resulting into an unabsorbed amount of Kshs 31,602,030 or 67% The budget under-performance affected the planned activities and may have impacted negatively on service delivery to the public.</p>	<p>This was as a result of late disbursement of the grant money from National Treasury</p>	<p>Resolved: The National Treasury transfers were received in July 2024</p>	<p>Resolved</p>
	<p><b>Non-adherence to Expenditure Control Guidelines</b> Review of documents supporting the domestic and subsistence allowances amount of Kshs 991,198 paid to various officers indicated that the facilitation was for conferences and meetings outside the confines of the County headquarters to prepare financial statements instead of choosing a cheaper alternative. It was further noted that, the majority of the participants were drawn from the staff working for the Fund contrary to Section 93 (4) (a) of the</p>	<p>The management noted this for future improvement</p>	<p>Ongoing</p>	<p>Continuous</p>

**Nyandarua County Climate Change Fund**

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

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)
	Public Finance Management (County Government) which provides that before issuing temporary imprest the Accounting Officer shall ensure that the main objective of the journey cannot be achieved by other cheaper means. In the Circumstances, Management was in breach of the law.			
	<b>Late submission of financial statements to the office of the Auditor General</b> The financial statements for the year ended June 30, 2024, for the Fund were submitted on 12 November 2024 to the office of the Auditor General 42 days after the statutory date of 30 September provided under Section 146 of the Public Finance Management Act, 2012.	The assertion is true; however, the department has ensured that this year's financial statements are submitted on time	Resolved	Resolved
	<b>Untagged Assets</b> The assets register provided for audit revealed that the climate change unit owned assets, including workstations, chairs, desktops, laptops, a projector, a projector screen, and a printer. However, physical verification revealed that the assets had not been tagged, posing doubt on whether the assets are secure and trackable in case of loss. In the circumstances, the effectiveness of the controls in place in regard to asset management could not be confirmed	The assets have since been tagged	Resolved	Resolved

  
 Njati H. Njoroge  
**Fund Administrator**

  
 Date.....

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

**Annex II: Inter-Fund Confirmation Letter**



REPUBLIC OF KENYA  
COUNTY GOVERNMENT OF NYANDARUA  
DEPARTMENT OF WATER, ENVIRONMENT, CLIMATE CHANGE, AND NATURAL  
RESOURCES  
[www.nyandarua.go.ke](http://www.nyandarua.go.ke)



TELEPHONE: 0202660859 P.O. BOX 701-20303-OL'KALOU Email.info@nyandarua.go.ke

Nyandarua County Climate Change Fund  
P.O. Box 701, Ol'kalou

The Fund Administrator wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2025, as indicated in the table below.

Confirmation of amounts received by Nyandarua County Climate Change Fund as at 30 <sup>th</sup> June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by [CC/SAGA/Fund] (Kshs) as at 30 <sup>th</sup> June 2025				Amount Received by [beneficiary Fund] (Kshs) as at 30 <sup>th</sup> June 2025 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
FT24191SVCNR	09-Jul-24		52,268,976		52,268,976		
FT24261JGNS2	17-Sept-24	11,000,000			11,000,000		
FT24261RKRXZ	17-Sept-24		52,262,976		52,262,976		
FT243330JZR2	28-Nov-24		6,000		6,000		
FT25099709CM	09-Apr-25		69,000,000		69,000,000		
FT25107TFQ70	17-Apr-25	2,000,000			2,000,000		
<b>TOTAL</b>		<b>13,000,000</b>	<b>173,537,952</b>		<b>186,537,952</b>		

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

Program Accountant - FLLoCA:  
Name Phoebe Mbiyu Sign [Signature] Date 27/10/25

*Nyandarua County Climate Change Fund*

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

**Annex III: Reporting of Climate-Relevant Expenditures**

Project Name	Project Description	Project Objectives	Project Activities	Expenditure		Source Of Funds	Implementing Partners
				Q3	Q4		
Silibwet Secondary School Roof water harvesting	School roof catchment system installed (guttering, storage tanks) & tree nursery equipment	Roof water harvesting is outlined in Priority 5 - Enhanced water security	Guttering, storage tanks) & tree nursery equipment		1,393,190	FLLoCA	
North Kinangop Green Energy Project	Construction of an Individual/ community Biogas plant and school energy saving Jikos	Priority 8 - Green and Renewable Energy, Priority 9 - Climate Resilient Infrastructure, as well as Priority 10 - Carbon Emission Trading	Construction of an Individual/ community Biogas plant and school energy saving Jikos		2,938,595	FLLoCA	
Gathanji Green Energy Project	Construction of an institutional Biogas plant and School Energy Saving Jikos	Priority 8 - Green and Renewable Energy, Priority 9 - Climate Resilient Infrastructure as well as Priority 10 - Carbon Emission Trading	Construction of an institutional Biogas plant and School Energy Saving Jikos	2,782,045	2,782,045	FLLoCA	
Environmental and Social impact assessments and NEMA Approvals	It's a prerequisite before any project to be certified by NEMA through a comprehensive EIA/ESIA	Anchored in Priority 11 on Environmental and Social Performance in the NCCAP 2023-2027, ensuring compliance	Tendering, Contract awarding		918,500	County Contribution	

***Nyandarua County Climate Change Fund***

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

Gathiriga Borehole community water project	Borehole drilling, solar equipping, elevated storage tank, and distribution pipeline	NCCAP 2023-2027 has prioritized water security as well as the usage of green and renewable energy sources in the water provision.	Borehole drilling, solar equipping, elevated storage tank, and distribution pipeline		2,782,045	FLLoCA	
Njabini Ngwataniro Water Project	Expansion of intake, Construction of storage tanks, Rehabilitation of the gravity main, and distribution pipelines	NCCAP 2023-2027 has prioritized water security as well as the usage of green and renewable energy sources in the water provision.	Expansion of intake, Construction of storage tanks, Rehabilitation of gravity main, and distribution pipelines		10,774,996	FLLoCA	
Mwiyumia Community Water Project	Borehole drilling, solar equipping, elevated storage tank, and distribution pipelines	NCCAP 2023-2027 has prioritized water security as well as the usage of green and renewable energy sources in the water provision.	Borehole drilling, solar equipping, elevated storage tank, and distribution pipelines	1,964,800		FLLoCA	
Mbuyu Community Water Project	Distribution network and installation of water meters in (Mithuri, Nyakinywa, Muthiga, Kanyagia, Kindipa)	NCCAP 2023-2027 has prioritized water security as well as the usage of green and renewable energy sources in the water provision.	Distribution network and installation of water meters		6,205,250	FLLoCA	
Borehole Hydrogeological survey, dams' hydrological surveys, and WRA Permits	Environmental and Social Performance in the NCCAP 2023-2027, ensuring compliance	Anchored in Priority 11 on Environmental and Social Performance in the NCCAP 2023-2027, ensuring compliance	Tendering, Contract awarding	699,600		County Contribution	



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Handwritten text in blue ink, possibly a signature or initials.

