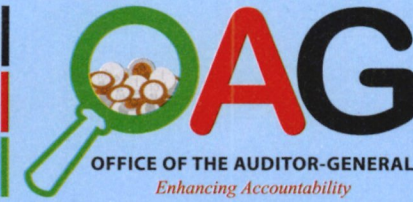


REPUBLIC OF KENYA



**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

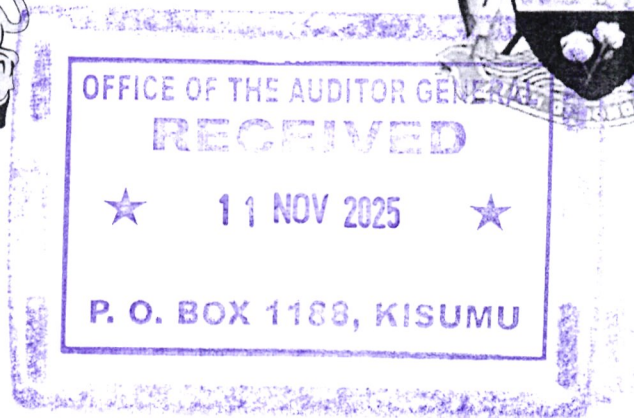
**ON**

**SIAYA COUNTY CLIMATE CHANGE FUND**

**FOR THE YEAR ENDED**

**30 JUNE, 2025**

PAPERS LAID	
DATE	26/11/25
TABLED BY	J.M.L
COMMITTEE	-
CLERK AT THE TABLE	Belinda



---

**SIAYA COUNTY CLIMATE CHANGE FUND**

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

---

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

## Table of Content

1. Acronyms and Glossary of Terms	ii
2. Key Entity Information and Management	iii
3. Fund Administration Committee	iii
4. Management Team	vii
5. Fund chairpersons Report	v
6. Report of The Fund Administrator	ix
7. Statement of Performance Against the County Fund's Predetermined Objectives	x
8. Corporate Governance Statement	ixi
9. Management Discussion and Analysis	x
10. Environmental and Sustainability Reporting	xi
11. Report of The Trustees	xii
12. Statement of Management's Responsibilities	xiii
13. Report of The Independent Auditor on the Financial Statements for for Siaya County Climate Change Fund (2025)	xiv
14. Statement of Financial Performance for the Year Ended 30 <sup>th</sup> June 2025	1
15. Statement of Financial Position As at 30 June 2025	2
16. Statement of Changes in Net Assets for the year ended 30 <sup>th</sup> June 2025	4
17. Statement of Cash Flows for The Year Ended 30 June 2025	4
18. Statement Of Comparison Of Budget And Actual Amounts For The Period 2025	6
19. Notes to the Financial Statements	8
20. Annexes	54

*Siaya County Climate Change Fund.*

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

---

## 1. Acronyms and Glossary of Terms

### a) Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings

### b) Glossary of Terms

<i>CCCCF</i>	<i>County Climate Change Fund</i>
<i>KfW</i>	<i>German Development Co-operation</i>
<i>IDA</i>	<i>International Development Assistance</i>
<i>ODA</i>	<i>Official Development Assistance</i>
<i>OAG</i>	<i>Office of The Auditor General</i>
<i>APA</i>	<i>Annual Performance Assessment</i>
<i>WB</i>	<i>World Bank</i>

### Definitions

1. Climate change — 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
2. Mitigation means efforts 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
3. Adaptation (resilience building) 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
4. Climate finance refers to funds from local (counties), national or transnational financing, drawn from public and private sources to be applied toward activities that reduce greenhouse gas emissions or build climate resilience.
5. “Fund” means the County Climate Change Fund established under section 23 of The Siaya County Climate Change Act, 2021.

**Siaya County Climate Change Fund.**

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

---

**2. Key Entity Information and Management**

**a) Background information**

Siaya County Climate Change Fund is established by and derives its authority and accountability from Sections 23-27 of The Siaya County Climate Change Act, 2021. The Fund is vested in the County Treasury of the County Government of Siaya and provides for sourcing from both private and public entities.

The object of the County Climate Change Fund is to provide a mechanism for coordinated mobilization and allocation of funds for priority climate change response measures and actions in Siaya County.

**b) Principal Activities**

The principal activities of the fund include procurement of goods and services to finance the operations of the climate change unit, climate change technical working group and all the levels of climate change committees.

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

Ref	Position	Name
1	CECM Member	Prof. Jaqueline Oduol
2	Fund Administrator/Chief Officer	Michael Ombambo
3	Director Environment & Climate Change	Gabriel Oduong
4	Accountant	Edward Onyango

**d) Key Management Steam**

Ref	Position	Name
1	CECM Member	Prof. Jaqueline Oduol
2	Fund Administrator/Chief Officer	Michael Ombambo
3	Director Environment & Climate Change	Gabriel Oduong
4	Accountant	Edward Onyango

**e) Fiduciary Oversight Arrangements**

<b>SN</b>	<b>Position</b>	<b>Name</b>
1	Directorate Internal Audit	Jennifer Ogola
2	Director Environment, Natural Resources &Climate Change	Gabriel Oduong
3	Fund Admin/Chief Officer	Michael Oliech

**f) Registered Offices**

P.O. Box 214-40600.Siaya.

County Department Offices of Water, Environment, Irrigation, Climate Change & Natural Resources

Argwings Kodhek Road, Siaya Town.

**g) Fund Contacts**

Telephone: (254) 722-236-966

E-mail: [cowater@siaya.go.ke](mailto:cowater@siaya.go.ke)

Website: [www.siaya.go.ke](http://www.siaya.go.ke)

**h) Fund Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
2. Account Name: Siaya County Climate Change Fund  
Account Number: 1000567406

**Key Entity and Management (Continued)**

**i) Independent Auditors**

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

**j) Principal Legal Adviser**

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

**k) County Attorney**

County Government of Siaya.  
P.O BOX 803 -- 40600  
Siaya.

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

<b>4. Ref</b>	<b>Position</b>	<b>Name</b>
	CECM Member	Prof. Jaqueline Oduol
1	Fund Administrator/Chief Officer	Michael Ombambo
2	Director Environment & Climate Change	Gabriel Oduong
3	Accountant	Edward Onyango

*Siaya County Climate Change Fund.*

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

---

**4. Management Team**

	<b>Position</b>	<b>Name</b>
	CECM Member	Prof. Jaqueline Oduol
1	Fund Administrator/Chief Officer	Michael Ombambo
2	Director Environment & Climate Change	Gabriel Oduong
3	Accountant	Edward Onyango

**5. Fund Chairperson's Report**

The Siaya County Climate Change Fund is premised on section 23 of The Siaya County Climate Change Act, 2021. Section 26 of The Act, identifies and empowers the Fund Administrator to be responsible for management of climate change funds. The Act is silent on the Fund Chairperson

## **6. Report of The Fund Administrator**

It is my pleasure to present the County Government of Siaya financial statements for the year ended 30<sup>th</sup> June 2025. The financial statements present the financial performance of the Siaya County Climate Change Fund over the past year.

### **Budget Performance**

In the financial year ended 30<sup>th</sup> June 2025 the County had projected a revenue of Kshs.214,000,000 consisting Kshs. 137,000,000 as receipt from Development partner (FloCCA grant) and Kshs.77,000,000 as county Contribution. Please note that during the year under review the actual received revenues for the Fund was Kshs.77,000,000 being Co-funding from County and Kshs. 55,573,505.00 from Development Partner. Please note that the Kshs. 55,573,505 was a receivable from the previous financial year.

### **Actual Expenditure**

The Total expenditure for the year was Kshs.130,256,868.07 comprising Kshs.11,294,694.55 being expenditure on general expenses and Kshs.118,962,173.52 being Capital expenditure. The Kshs.11,294,694.55 comprises of Kshs 2,131, 700 being Employee Cost and Kshs.8,962,994.55 being use of goods and services.

### **Performance Overview and Background for programmes**

The sector is organized around three programs of Water resources development and management, Natural resources conservation, management, Climate change and general administration, planning and support services with strategic objectives of increasing access to safe water and sewerage services, attaining a clean, secure and sustainable environment while taking into consideration climate change issues and improving Efficiency and Effectiveness in service delivery.

### **Work Plan Activity Areas**

- i. Participatory Climate risk assessments (county wide and ward level)
- ii. Community and ward level consultations on climate action and resilience
- iii. Preparation of the County Climate Action Plan
- iv. Research and data
- v. Training and capacity development
- vi. Equipment and office furniture (for CCIU)
- vii. Facilitation of activities by the CCIU (operational costs)

## **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 Government entities 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 strategic plan for *2022-2026* are to:

- a) The Program development objective is to deliver locally led climate resilience actions and strengthen the Siaya county government's capacity to manage climate risks.
- b) The program focuses on capitalizing the County Climate Change Funds in building county level capacity for planning, budgeting, reporting and implementation of local climate actions in partnership with communities.

### **Auditors**

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 Of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Fund

**8. Corporate Governance Statement**

## **9. Management Discussion and Analysis**

### **Budget Performance**

In the financial year ended 30<sup>th</sup> June 2025 the County had projected a revenue of Kshs.214,000,000 consisting Kshs. 137,000,000 as receipt from Development partner (FloCCA grant) and Kshs.77,000,000 as county Contribution. Please note that during the year under review the actual received revenues for the Fund was Kshs.77,000,000 being Co-funding from County and Kshs. 55,573,505.00 from Development Partner. Please note that the Kshs. 55,573,505 was a receivable from the previous financial year.

### **Actual Expenditure**

The Total expenditure for the year was Kshs.130,256,868.07 comprising Kshs.11,294,694.55 being expenditure on general expenses and Kshs.118,962,173.52 being Capital expenditure. The Kshs.11,294,694.55 comprises of Kshs 2,131, 700 being Employee Cost and Kshs.8,962,994.55 being use of goods and services.

### **Performance Overview and Background for programmes**

The sector is organized around three programs of Water resources development and management, Natural resources conservation, management, Climate change and general administration, planning and support services with strategic objectives of increasing access to safe water and sewerage services, attaining a clean, secure and sustainable environment while taking into consideration climate change issues and improving Efficiency and Effectiveness in service delivery.

**10. Environmental and Sustainability Reporting**

**11. Report of The Trustees**

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

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

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on 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.

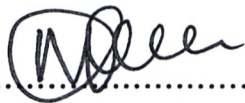
The Administrator of the County Public Fund accepts responsibility for the Fund’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Siaya County Climate Change Act 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 confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund’s financial statements as well as the adequacy of the systems of internal financial control.

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

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

**Approval of the financial statements**

The Fund’s financial statements were approved on 03/11 2025 and signed on its behalf by:



.....  
**Administrator of the County Climate Change Fund.**

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

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

---

### 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 Siaya County Climate Change Fund set out on pages 1 to 48, which comprise of the statement of financial position as

at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Siaya 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 and comply with the Siaya County Climate Change Act, 2021 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Deposit (Retention Account)**

The statement of financial position and as disclosed in Note 21 to the financial statements reflects property plant and equipment amounting to Kshs.154,612,237, which includes asset additions of Kshs.109,809,665.50 during the year. Review of payment records revealed deduction of 10% retention of Kshs.6,625,186. However, Management did not provide retention cashbook, retention register, and bank account for the retention money and there was no disclosure of retention money in the statement of financial position at year end.

In the circumstances, the accuracy of the financial statements could not be confirmed.

#### **2. Employee Costs**

The statement of financial performance and as disclosed in Note 11 to the financial statements reflect an amount of Kshs.2,331,700 in respect of employee costs. Review of documents provided for audit revealed that the employee costs was actual expenses incurred for use of goods and services. It is therefore not clear what the employee costs were during the year.

In the circumstances, the completeness and accuracy of the employee costs amounting to Kshs.2,331,700 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Siaya 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.

## Emphasis of Matter

### Budgetary Control and Performance

The summary statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.214,400,000 and Kshs.132,573,505 respectively resulting to an under-funding of Kshs.81,426,495 or 38% of the budget. Similarly, the Fund spent an amount of Kshs.126,702,867 against actual receipts of Kshs.132,573,505 resulting to an under-utilization of Kshs.5,870,637.

The underfunding may have affected the planned activities of the Fund.

My opinion is not modified in respect of this matter.

### Key Audit Matters

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

### Other Matter

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on the Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Siaya County Climate Change Fund in 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
1	2023/2024	Transfers from County Government
2	2023/2024	Property, Plant and Equipment
3	2023/2024	Unsupported Payment on Employees' Costs
4	2023/2024	Late Submission of Financial Statements
	2023/2024	Lack of Approved Budget
5	202/2023	Use of Goods and Services

### Other Information

Management is responsible for the Other Information set out on page iii to xv which comprise of Key Entity Information and Management, Fund Administrative Committee, Management Team, Fund Chairperson's Report, Report of the Fund Administrator, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Trustees, Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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 effect of the matters 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**

#### **1. Ineffectiveness in Compliance with Law and Effectiveness of Procurement Planning**

The statement of financial position and as disclosed in Note 21 to the financial statements reflects property, plant and equipment amount of Kshs.154,612,237. This amount includes Kshs.109,809,664 in respect of additions for the year. Review of the procurement plan for the years 2023/2024 and 2024/2025 revealed that ten (10) projects with a total contract sum of Kshs.60,300,034 were not included in the procurement plan, contrary to Regulation 50(3) of the Public Financial Management (County Governments) regulations, 2015 which states that the Accounting Officer of a government entity shall make an expenditure commitment only against the procurement plan approved for that entity in accordance with the Public Procurement and Disposal Act and Regulations made thereof.

Further, Management did not prepare and submit the quarterly reports on the implementation of the annual procurement plan 2024/2025, contrary to regulation 40(6) of Public Procurement and Asset Disposal Regulations 2020 which requires the accounting officer of a procuring entity to prepare a quarterly report on the implementation of the annual procurement plan and submit it to the governing body.

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

## **2. Failure to Provide Proof of Submission of Mandatory Reporting Requirements to Public Procurement Regulations Authority**

The Public Procurement Regulatory Authority (PPRA) requires all procuring entities to submit reports to them as guided by Public Procurement Regulations Authority Circular No 01/2016. The Fund did not provide the following copies of submitted reports to Public Procurement Regulations Authority as required.

- i. Quarterly reports on contracts awards.
- ii. Quarterly reports on contracts amendments and variations.
- iii. Quarterly reports on all contract awards where Preferences and Reservation schemes are applied.
- iv. Six (6) Months report on Preferences and Reservation of contracts awarded to Youth, Women and Persons with Disability.
- v. Report on seeking approval for use of Alternative Selection Method other than QCBS for Consultancy services.
- vi. Terminations of Procurement and Asset Disposal Proceedings.
- vii. Direct procurements of a value exceeding Kshs.500,000.

In the circumstances, the Fund was in breach of the Public Procurement Regulations Authority Circular no 01/2016.

## **3. Failure to Deduct Capacity Levy of 0.03% on Contracts Entered from 1 September, 2024**

The Public Procurement Regulatory Authority (PPRA) gave guidelines to all procuring entities to deduct 0.03% levy on all contracts entered into after 1 September, 2024, as well as any contract extensions, renewals and/or variations made from 1 September, 2024. Review of a sample of thirteen (13) payment vouchers totaling Kshs.64,062,713 revealed that capacity levy of Kshs.19,224 were not deducted as per the requirement of the directive.

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

## **4. Appointment of Project Implementation Committee (PMC)**

No evidence was provided to confirm that the PMC were selected in accordance with Regulation 110.(1)(h) of the Public Procurement and Asset Disposal Regulation 2020, which states that a Project Management Committee shall be composed of at least five volunteer members elected or nominated by the beneficiary community who shall participate in the preparation, management and implementation of the project; monitor the implementation of the project; and report to the accounting officer of the procuring entity. There was no community involvement or public participation as required by the Regulations.

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

## **5. Preparation and Issuance of Payment Certificate for Projects**

Review of records provided indicated that the payment certificates were being prepared by the Director of climate change and not the technical person as required by the law. In addition, no input from the engineer on the said payment certificate confirming that works have been done and completed as per the Bills of Quantities was provided for audit.

In the circumstances, Management was in breach on the law which requires technical department to issue certificates confirming works and services.

## **6. Lack of Approved Budget**

The statement of comparison of budget and actual amounts reflects original budget and final budget balance of Kshs.214,000,000. However, Management did not provide an approved budget to support the balances and approval minutes. This was contrary to Section 44(2)(a) of the Public Procurement and Asset Disposal Act, 2015 which stipulates that in the performance of the responsibility under subsection (1), an Accounting Officer shall ensure that procurements of goods, works and services of the public entity are within approved budget of that entity.

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

## **7. Projects with Defects**

The statement of financial position and Note 21 to the financial statements reflects payments totaling Kshs.154,612,237 in respect of property, plant and equipment. Included in these payments is Kshs.24,078,598 of five (5) projects that were physically verified in the month of September 2025. The exercise revealed that three (3) projects with a total cost of Kshs.13,765,929 were with defects, not in use or constructed on a private land.

- i. The Fund carried out the rehabilitation of Rabuor and Reticulation system in South East Ward at a cost of Kshs.5,088,851. It was however noted that the water treatment system chlorine dosage dispenser was not functional. Further, the fence posts were required to be 2.4-meter concrete angle line but instead, the posts were wooden poles.
- ii. The fund financed the drilling and equipping of a borehole at Lwala market and a modern market at Siaya Township at a cost of Kshs.2,000,000. However, the market was not operational and the solar pump was not working. Further, the Lwala Market project was constructed on private land. No agreement between the land owner and the Fund Management was made.
- iii. It was noted that the rehabilitation and pipeline extension at Wambara Borehole in North Sakwa Ward was done at a cost of Kshs.6,677,078. It was further noted that the borehole and the twin towers are located on a private piece of land. It was also noted that there was no agreement between the Climate change unit and or the county government, with the owner of the land. Further the project was not labelled, and hence not easy to identify the kind of project, as well as the financier.

In the circumstances, effectiveness and value for money on the project could not be confirmed.

### **8. Failure to Follow Guidelines on Opening and Evaluation Minutes Tenders and Quotations**

Review of the Fund's procurement records revealed that the committee members were not appending their initials on the pages of the opening and evaluation meeting minutes. This was contrary to Section 78(11) of the Public Procurement and Asset Disposal Act, 2015 which states that, to acknowledge that the minutes are true reflection of the proceedings held, each member of the tender opening committee shall— (a) initial each page of the minutes; (b) append his or her signature as well as initial to the final page of the minutes indicating their full name and designation. Further, the members were not indicating their designation when signing the final page of the opening minutes after tender opening.

In the above circumstances, Management was in breach of the Public Procurement and Asset Disposal Act 2015.

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 Trustees**

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.

The Trustees are responsible for overseeing 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

17 November, 2025

*Siaya County Climate Change Fund.*

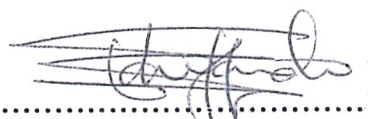
**Annual Report and Financial Statements for the year ended June 30, 2025**

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

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
<b>Revenue From Non-Exchange Transactions</b>			
Public Contributions and Donations	6	-	-
Transfers From the County Government	7	162,795,539.15	128,982,155.00
Fines, Penalties and Other Levies	8	-	-
<b>Revenue From Exchange Transactions</b>			
Interest Income	9	-	-
Other Income	10	-	-
<b>Total Revenue</b>		<b>162,795,539.15</b>	<b>128,982,155.00</b>
<b>Expenses</b>			
Employee Costs	11	2,331,700.00	-
Use of goods and services	12	5,894,494.55	8,706,775.00
Depreciation and Amortization Expense	13	6,661,230.64	-
Finance Costs	14	-	-
<b>Total Expenses</b>		<b>14,887,425.19</b>	<b>8,706,775.00</b>
<b>Other Gains/Losses</b>			
Gain/Loss on Disposal of Assets	15	-	-
Gain /Loss on fair value of investments	16	-	-
<b>Surplus/(Deficit) for the Period</b>		<b>147,908,113.97</b>	<b>120,275,380.00</b>



.....  
**Name: Michael Ombambo**  
**Administrator of the Fund**



.....  
**Name: Edward Onyango**  
**Fund Accountant**  
**ICPAK Member Number:12100**

## 15. Statement of Financial Position As at 30 June 2025


Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	16	82,150,274.78	79,833,637.85
Current Portion of Long- Term Receivables from Exchange Transactions	18	30,222,034.15	-
Prepayments	19	-	-
Inventories	20	-	-
Investments in financial assets	21	-	-
<b>Total current assets</b>		<b>112,372,308.93</b>	<b>79,833,637.85</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	21	154,612,237.04	40,441,742.15
Intangible Assets	23	-	-
Long Term Receivables from Exchange Transactions	18	-	-
Investment Property	24	-	-
<b>Total non- current assets</b>		<b>154,612,237.04</b>	<b>40,441,742.15</b>
<b>Total Assets (A)</b>		<b>266,984,545.97</b>	<b>120,275,380.00</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables from Exchange Transactions	25	2,355,052.00	-
Current Provisions	26	-	-
Current Portion of Borrowings	27	-	-
Employee Benefit Obligations	28	-	-
Social benefit liabilities	29	-	-
<b>Total current liabilities</b>		<b>2,355,052.00</b>	<b>-</b>
<b>Non-Current Liabilities</b>			
Non-Current Provisions	26	-	-
Long Term Portion of Borrowings	27	-	-
Non-Current Employee Benefit Obligation	28	-	-

*Siaya County Climate Change Fund.*

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

Social benefit liabilities	29	-	-
<b>Total Liabilities (B)</b>		<b>2,355,052.00</b>	-
<b>Net Assets (A-B)</b>		<b>264,629,493.97</b>	<b>120,275,380.00</b>
<b>Represented By:</b>			
Revolving Fund		-	-
Reserves		-	-
Accumulated Surplus		264,629,493.97	120,275,380.00
<b>Net Assets</b>		<b>264,629,493.97</b>	<b>120,275,380.00</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 03/11/2025 and signed by:



.....  
**Name: Michael Ombambo**  
**Administrator of the Fund**



.....  
**Name: Edward Onyango**  
**Fund Accountant**  
**ICPAK Member Number:12100**

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

Description	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
<b>Balance As At 1 July 2023</b>				
Surplus/(Deficit) For the Period			120,275,380.00	120,275,380.00
Funds Received During the Year			-	-
Transfers			-	-
Revaluation Gain			-	-
<b>Balance As At 30 June 2024</b>			<b>120,275,380.00</b>	<b>120,275,380.00</b>
<b>Balance As At 1 July 2024</b>			<b>120,275,380.00</b>	<b>120,275,380.00</b>
Surplus/(Deficit) For the Period			<b>147,908,113.97</b>	<b>147,908,113.97</b>
Prior Year adjusted Performance surplus			(3,554,000.00)	(3,554,000.00)
Funds Received During the Year			-	-
Transfers			-	-
Revaluation Gain			-	-
<b>Balance As At 30 June 2025</b>			<b>264,629,493.97</b>	<b>264,629,493.97</b>

**Note:** Prior year adjustment relates to accounts payable which was not recognized in financial year 2023-2024. The correction has been disclosed in Note 32.

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

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>		-	
Public contributions and donations		-	
Transfers from the county government	7	132,573,505.00	128,982,155.00
Interest received		-	
Receipts from other operating activities		-	
<b>Total receipts</b>		<b>132,573,505.00</b>	<b>128,982,155.00</b>
<b>Payments</b>			
Employee Costs	11	2,331,700.00	-
Use of goods and services	12A	8,962,994.55	8,706,775.00
Finance Costs		-	-
Other payments			
		<b>11,294,694.55</b>	<b>8,706,775.00</b>
<b>Net cash flows from operating activities</b>	30	<b>121,278,810.45</b>	<b>120,275,380.00</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and Intangible assets	22A	118,962,173.52	40,441,742.15
Proceeds from sale of property, plant & equipment		-	
Proceeds from loan principal repayments		-	
Loan disbursements paid out		-	
<b>Net cash flows used in investing activities</b>		<b>118,962,173.52</b>	<b>40,441,742.15</b>
<b>Cash flows from financing activities</b>			-
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
<b>Net cash flows used in financing activities</b>		-	-
<b>Net increase/(decrease) in cash &amp; cash Equivalents</b>		<b>2,316,636.93</b>	<b>79,833,637.85</b>
Cash and cash equivalents at 1 July 2024	17	79,833,637.85	-
<b>Cash and cash equivalents at 30 June</b>	17	<b>82,150,274.78</b>	<b>79,833,637.85</b>

## 18. Statement Of Comparison Of Budget And Actual Amounts For The Period 2025

Description	Original budget	Adj ustm ents	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
Budget carryovers from the previous year*						
<b>Receipts</b>						
Public Contributions and Donations	-		-	-	-	
Transfers From County Govt.	214,000,000.00		214,000,000.00	132,573,505.00	81,426,495.00	61.95
Interest Income	-		-	-	-	-
Other Income	-		-	-	-	-
<b>Total Income</b>	<b>214,000,000.00</b>	-	<b>214,000,000.00</b>	<b>132,573,505.00</b>	<b>81,426,495.00</b>	61.95
<b>Expenses</b>						
Employee Cost	2,332,000.00		2,332,000.00	2,331,700.00	300.00	
Use of goods	5,894,500.00		5,894,500.00	5,408,994.55	5.45	100.00
Finance Cost	-		-	-	-	-
<b>Total Expenditure</b>	<b>11,295,100.00</b>		<b>11,295,100.00</b>	<b>7,740,694.55</b>	<b>405.45</b>	100.00
<b>Capital expenditure</b>	<b>202,704,900.00</b>		<b>202,704,900.00</b>	<b>118,962,173.52</b>	<b>83,742,726.48</b>	58.69
<b>Surplus For the Period</b>	<b>-</b>		<b>-</b>	<b>5,870,636.93</b>		

**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	5,870,636.94
1	Less. Payables paid (prior year Adjusted)	(3,554,000)
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences- Opening Cash and cash Equivalent	79,833,638
	Closing Cash and Cash Equivalent as per the statement of Cash flows	<b>82,150,274.78</b>

**19. Notes to the Financial Statements**

**Significant Accounting Policies**

**1. General Information**

Siaya County Climate Change Fund entity is established by and derives its authority and accountability from Siaya County climate Change Act. The entity is wholly owned by the Siaya County Government and is domiciled in Kenya. The entity’s principal activity is administer funds for climate change mitigation

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

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

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

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

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

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

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43	<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 cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and	<i>Applicable 1<sup>st</sup> January 2025</i> The Standard requires, 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:

*Siaya County Climate Change Fund*

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

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

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

---

IPSAS 49- Retirement Benefit Plans	<b><i>Applicable 1<sup>st</sup> January 2026</i></b> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
--	---

**(i) Early adoption of standards**

The Entity did not adopt any new or amended standards in the financial year under review.

**1. Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the 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 2024/2025 was approved by the County Assembly on 28/6/2024. 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. Accordingly, the Fund recorded no additional appropriations on the FY 2024/2025 budget following the governing body's approval.

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

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

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

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

**c) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the 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.

**a) Intangible Assets**

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

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

**b) Investment property**

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

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

**c) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. 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.

**Financial assets**

**Classification of financial assets**

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the 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 cash flows 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.

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the 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. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note* \_.

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

**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 recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

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

**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) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements.

**i) 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.

**j) 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 will have 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 proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

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

**k) 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.

**l) 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.

**m) 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.

**n) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**o) Comparative figures**

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

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

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

The preparation of the 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.

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

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

*Siaya County Climate Change Fund*

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

**6. Public contributions and donations**

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

**7. Transfers from County Government**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Transfers From County Govt. –Operations	77,000,000.00	128,982,155.00
Payments By County On Behalf Of The Entity	-	-
Unconditional Development grants (IDA)	85,795,539.15	-
<b>Total</b>	<b>162,795,539.15</b>	<b>128,982,155.00</b>

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

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

**9. Interest income**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Interest Income from Mortgage Loans	-	-
Interest Income From Car Loans	-	-
Interest Income From Investments in financial assets	-	-
Interest Income On Bank Deposits	-	-
<b>Total Interest Income</b>	-	-

*Siaya County Climate Change Fund*

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

**10. Other income**

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

**11. Employee Costs**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Salaries And Wages	-	-
Staff Gratuity	-	-
Staff Training Expenses	-	-
Social Security Contribution	-	-
Daily Allowance	2,331,700.00	-
<b>Total</b>	<b>2,331,700.00</b>	<b>-</b>

**12. Use of Goods and Services**

Description	2024/2025	2023/2024
	Kshs	Kshs
General Office Expenses	727,917.35	-
Loan Processing Costs	-	-
Consultancy Services	2,995,500.00	5,150,775.00
Training expenses	-	136,500.00
Daily Allowances	-	3,234,500.00
Hospitality	383,000.00	185,000.00
Electricity And Water Expenses	-	-
Fuel And Oil Costs	-	-
Other operating expenses	1,788,077.20	-
Postage And Courier	-	-
Printing And Stationery	-	-
Rental Costs	-	-
Security Costs	-	-
Telephone And Communication Expenses	-	-
Bank Charges	-	-
Audit Fees	-	-
Provision For Doubtful Debts	-	-
Social benefit expenses*	-	-
<b>Total</b>	<b>5,894,494.55</b>	<b>8,706,775.00</b>

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

**12.A Use of goods-Cash Outflow**

Description	2024/2025	2023/2024
	Kshs	Kshs
Use of Goods and Services Expense	5,894,494.55	-
Less: Closing payables	485,500.00	-
	5,408,994.55	-
Add: Opening Payables paid in the period	3,554,000.00	-
<b>Total Cashout Flow Under Use Of Goods</b>	<b>8,962,994.55</b>	<b>-</b>

**13. Depreciation and Amortization Expense**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Property Plant and Equipment	6,370,360.64	-
Computers and IT Equipment	290,870.00	-
<b>Total</b>	<b>6,661,230.64</b>	<b>-</b>

**14. Finance costs**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Interest On Bank Overdrafts	-	-
Interest On Loans From Banks	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Investments at Fair Value- Equity investments	-	-
Fair value – Investment property	-	-
Fair value- other financial assets (specify)	-	-
<b>Total Gain</b>	<b>-</b>	<b>-</b>

## 17. Cash and cash equivalents

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Fixed Deposits Account	-	-
On – Call Deposits	-	-
Current Account	82,150,274.78	79,833,638.00
Others ( <i>Specify</i> )	-	-
<b>Total Cash and Cash Equivalents</b>	<b>82,150,274.78</b>	<b>79,833,638.00</b>

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
<b>a) Current Account</b>			
Central Bank of Kenya	1000171464	82,150,274.78	79,833,638.00
Bank B		-	-
<b>Sub- Total</b>		-	-
		-	-
<b>b) Others(Specify)</b>		-	-
Cash In Transit		-	-
Cash In Hand		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		<b>82,150,274.78</b>	<b>79,833,638.00</b>

## 18. Receivables from exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Current Receivables</b>		-
Interest Receivable	-	-
Current Loan Repayments Due	-	-
Other Exchange Receivables	30,222,034.15	-
Less: Impairment Allowance	-	-
<b>Total Current Receivables</b>	<b>30,222,034.15</b>	-
<b>Non-Current Receivables</b>	-	-
Long Term Loan Repayments Due	-	-
<b>Total Non- Current Receivables</b>	-	-
<b>Total Receivables From Exchange Transactions</b>	<b>30,222,034.15</b>	-

*Siaya County Climate Change Fund*

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

**Additional disclosure on interest receivable**

Description	2023/2024	FY 2022/2023
	Kshs	Kshs
<b>Interest Receivable</b>		
Interest receivable from current portion of long-term loans of previous years	-	-
Accrued interest receivable from of long-term loans of previous years	-	-
Interest receivable from current portion of long-term loans issued in the current year	-	-
<b>Current loan repayments due</b>		
Current portion of long-term loans from previous years	-	-
Accrued principal from long-terms loans from previous periods	-	-
Current portion of long-term loans issued in the current year	-	-

**19. Prepayments**

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

**20. Inventories**

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

## 21. Investments in financial assets

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>a. Investment in Treasury bills and bonds</b>	-	-
Financial institution	-	-
CBK	-	-
CBK	-	-
Sub- total	-	-
<b>b. Investment with Financial Institutions/ Banks</b>	-	-
Bank _	-	-
Bank _	-	-
Sub- total	-	-
<b>c. Equity investments (specify)</b>	-	-
Equity/ shares in Entity _	-	-
Sub- total	-	-
<b>Grand total</b>	-	-

## Movement of Equity Investments

Impairment allowance/ provision	2024/2025	2023/2024
	Kshs	Kshs
At the beginning of the year	-	-
Purchase of investments in the year	-	-
Sale of investments during the year	-	-
Gain/(loss) in fair value of investments through surplus or deficit	-	-
<b>At the end of the year</b>	-	-

## e) Shareholding in other entities

Name of Entity where investment is held	No. of shares			Nominal value of shares	Fair value of shares	
	Direct shareholding	Indirect shareholding	Effective shareholding		Current year	Prior year
	%	%	%	Kshs	Kshs	Kshs
Entity A				-	-	-
Entity B				-	-	-
Entity C				-	-	-
				-	-	-

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

22. Property, plant and equipment

Cost	Civil Works	Specialized Assets	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
	10%		2%	12.50%	12.50%	30%	
<b>DEPRECIATION RATE</b>							
As at the beginning of 1st July 2023	-	-	-	-	-	-	-
Additions	40,441,742.15	-	-	-	-	-	40,441,742.15
Disposals	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-
<b>As at the end of 30th June 2024</b>	<b>40,441,742.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,441,742.15</b>
<b>At as 1st July 2024</b>	<b>40,441,742.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,441,742.15</b>
Additions	109,809,665.52	8,113,360.00	-	-	-	2,908,700.00	120,831,725.52
Disposals	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-
<b>As at the end of 30th June 2025</b>	<b>150,251,407.67</b>	<b>8,113,360.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,908,700.00</b>	<b>161,273,467.67</b>
<b>Depreciation And Impairment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at the beginning of the Previous Period	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
<b>As at the end of the Previous Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at the beginning of the Current Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	6,370,360.64	-	-	-	-	290,870.00	6,661,230.64
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-
<b>As at the end of 30th June 2025</b>	<b>6,370,360.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>290,870.00</b>	<b>6,661,230.64</b>
<b>Net Book Values</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at the end of the Previous Period ( 30th June 2024	40,441,742.15	-	-	-	-	-	40,441,742.15
As at the end of the Current Period ( 30th June 2025)	143,881,047.04	8,113,360.00	-	-	-	2,617,830.00	154,612,237.04

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

**22A: Payment of Property, plant and equipment**

Cost	Civil Works	Specialized Assets	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>DEPRECIATION RATE</b>	10%		2%	12.50%	12.50%	30%	
As at the beginning of 1st July 2023	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-
As at the end of 30th June 2024	-	-	-	-	-	-	-
At as 1st July 2024	-	-	-	-	-	-	-
Additions	109,809,665.52	8,113,360.00	-	-	-	2,908,700.00	120,831,725.52
Disposals	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-
As at the end of 30th June 2025	109,809,665.52	8,113,360.00	-	-	-	2,908,700.00	120,831,725.52
Less: Closing Payables	960,852.00	-	-	-	-	908,700.00	1,869,552.00
<b>Total Payments PPE</b>	<b>108,848,813.52</b>	<b>8,113,360.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000,000.00</b>	<b>118,962,173.52</b>

*Siaya County Climate Change Fund*

Annual Report and Financial Statements for the year ended June 30, 2024

Notes To The Financial Statements (Continued)

**23. Intangible assets**

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

**24. Investment Property**

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

## Notes To The Financial Statements (Continued)

## 25. Trade and other payables from exchange transactions

Description	2024/2025		Restated - fy2023/2024	
	Kshs		Kshs	
Trade Payables	-		-	
Refundable Deposits (RETENTION)	-		-	
Accrued Expenses	485,500.00		-	
Other Payables	1,869,552.00		-	
<b>Total Trade and Other Payables</b>	<b>2,355,052.00</b>		<b>-</b>	
<b>Ageing analysis (Trade and other payables)</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	2,355,052.00	100	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total (tie to above total)</b>	<b>2,355,052.00</b>	<b>100</b>	<b>-</b>	<b>-</b>

## 26. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
<b>Balance b/f</b>	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
<b>Total provisions year end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-

*Siaya County Climate Change Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2024**

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

**27. Borrowings**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
<b>Balance At Beginning of The Period</b>	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year	-	-
Repayments of External Borrowings During the Period	-	-
Repayments of Domestic Borrowings During the Period	-	-
<b>Balance At End of The Period</b>	-	-

The table below shows the classification of borrowings into external and domestic borrowings:

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
<b>External Borrowings</b>		
Dollar Denominated Loan	-	-
Sterling Pound Denominated Loan	-	-
Euro Denominated Loan	-	-
<b>Domestic Borrowings</b>		
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
<b>Total Balance at End of The Year</b>	-	-

The table below shows the classification of borrowings long-term and current borrowings:

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
<b>Total</b>	-	-

## Notes To The Financial Statements (Continued)

## 28. Employee benefit obligations

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	2024/2025	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

## 29. Social Benefit Liabilities

Description	FY 2024/2025	FY 2023/ 2024
	Kshs	Kshs
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
<b>Total</b>	-	-
Current social benefits	-	-
Non- current social benefits	-	-
<b>Total (tie to totals above)</b>	-	-

*Siaya County Climate Change Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2024**

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

**30. Cash generated from operations.**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
<b>Surplus/ (Deficit) For the Year Before Tax</b>	<b>147,908,113.97</b>	<b>-</b>
<b>Adjusted For:</b>		
Depreciation	6,661,230.64	-
Amortization	-	-
Gains/ Losses On Disposal Of Assets	-	-
Interest Income	-	-
Finance Cost	-	-
<b>Working Capital Adjustments</b>		
Increase In Inventory	-	-
Increase In Receivables	(30,222,034.15)	-
Increase In Payables	(3,068,500.00)	-
<b>Net Cash Flow From Operating Activities</b>	<b>121,278,810.45</b>	<b>-</b>

**31. Prior Year adjustment - Accumulated Surplus**

Description of the Error	Balance b/f from comparative 2023/2024 as per audited financial statements	Adjustments during year relating to prior period	Adjusted Accumulated surplus Balance b/f for comparative
Use of goods understatement	120,275,380.00	3,554,000.00	116,721,380.00
<b>Total</b>	<b>120,275,380.00</b>	<b>3,554,000.00</b>	<b>116,721,380.00</b>

**32. Prior Year adjustment - Net Assets**

Description of the Error	Balance b/f from comparative 2023/2024 as per audited financial statements	Adjustments during year relating to prior period	Adjusted Accounts payable
Accounts Payables understatement	-	3,554,000.00	3,554,000.00
<b>Total</b>	<b>-</b>	<b>3,554,000.00</b>	<b>3,554,000.00</b>

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

**33. Related party balances**

**a) Nature of related party relationships**

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

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

**b) Related party transactions**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Transfers From Related Parties'	-	-
Transfers To Related Parties	-	-

**c) Key management remuneration**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Board Of Trustees	-	-
Key Management Compensation	-	-
<b>Total</b>	-	-

**d) Due from related parties**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Due From Parent Ministry	-	-
Due From County Government	-	-
<b>Total</b>	-	-

**Other Disclosures Continued**

**e) Due to related parties**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Due To Parent Ministry	-	-
Due To County Government	-	-
Due To Key Management Personnel	-	-
<b>Total</b>	-	-

**34. Contingent assets and contingent liabilities**

Contingent Liabilities	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Court Case_ Against the Fund	-	-
Bank Guarantees	-	-
<b>Total</b>	-	-

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

**35. Financial risk management**

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

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

**a) Credit risk**

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2024</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June 2025</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-

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

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The entity has significant concentration of credit risk on amounts due from \_

The board of trustees sets the Fund’s credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**b) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the entity’s short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Fund under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month Kshs	Between 1-3 months Kshs	Over 5 months Kshs	Total Kshs
<b>At 30 June (2023/2024)</b>				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June (2024/2025)</b>	-	-	-	-
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-

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

**c) Market risk**

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

**i. Foreign currency risk**

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The carrying amount of the entity's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	Other currencies		Total
	Kshs	Kshs	Kshs
<b>At 30<sup>th</sup> June 2024</b>			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables	-	-	-
<b>Liabilities</b>	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
<b>Net Foreign Currency Asset/(Liability)</b>	-	-	-

Notes To The Financial Statements (Continued)

**Foreign currency sensitivity analysis**

The following table demonstrates the effect on the Fund's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
<b>2023 /2024</b>			
Euro	10%	-	-
USD	10%	-	-
<b>2022/ 2023</b>		-	-
Euro	10%	-	-
USD	10%	-	-

**ii. Interest rate risk**

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The entity's interest rate risk arises from bank deposits. This exposes the Fund to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund's deposits.

***Management of interest rate risk***

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

***Sensitivity analysis***

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs \_ (2023: Kshs \_). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs \_ (2024 – Kshs \_).

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

**d) Capital risk management.**

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

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Revaluation reserve	-	-
Revolving fund	-	-
Accumulated surplus	-	-
<b>Total funds</b>	-	-
	-	-
Total borrowings	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)	-	-
<b>Gearing</b>	-	-

**36. Events after the reporting period**

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

**37. Ultimate and Holding Entity**

The entity is a County Public Fund established by Siaya County Climate Change Act 2021 under the Department of Water, Environment, Climate Change and Natural Resources. Its ultimate parent is the County Government of Siaya.

**38. Currency**

The financial statements are presented in Kenya Shillings (Kshs)

20. Annexes

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

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

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)
1	<p><b>Transfers from County Government</b></p> <p>The statement of financial performance and as disclosed in Note 2 reflects an amount of Kshs.128,982,155 in respect of transfers from County Government. Included in the amount transferred is an amount of Kshs.5,000,000 in respect of transfers from the County Government which were received and posted in the cash book on 5 July, 2024 to the subsequent financial year. This amount had not been accrued in the financial statements.</p> <p>In the circumstances, the accuracy and completeness of an amount of Kshs.128,982,155</p>	<p><b>Transfers from County Government</b></p> <p>We acknowledge the audit observation regarding the transfer of Kshs. 5,000,000 from the County Government, which was received and posted in the cash book on 5th July 2024, falling in the subsequent financial year.</p> <p>However, we wish to clarify that:</p> <p>The revenue in question was intended for the financial year 2023/2024 and was accrued in June 2024, in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis of Accounting, which mandates that revenue should be recognized when earned and not necessarily when received.</p> <p>The funds were committed for services rendered within the financial year 2023/2024, and the expenditure was accrued in compliance with our financial reporting policies.</p> <p>The financial statements, including Note 2: Transfers from County Government, reflect this revenue as part of the total Kshs. 128,982,155 in line with the accrual basis of accounting.</p> <p>The supporting documentation, including expenditure commitments, invoices, and</p>	Resolved	

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>in respect of transfers from the County Government could not be confirmed.</p> <p>Here is a more comprehensive version of the management response along with a list of supporting documents to be attached:</p>	<p>payment vouchers, demonstrates that the related services were incurred within the financial year 2023/2024, justifying the accrual.</p>		
2 Property, Plant and Equipment	<p>The statement of financial position and as disclosed in Note 10 to the financial statements reflects property, plant and equipment balance of Kshs40,441,742. However, no supporting documentation was provided to show the breakdown of the property, plant and equipment. In addition, although Note 4 (c) provides that all property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, no depreciation and</p>	<p>We acknowledge the audit observation regarding the property, plant, and equipment (PPE) balance of Kshs. 40,441,742 as disclosed in Note 10 of the financial statements.</p> <p>To clarify:</p> <p><b>Breakdown of Property, Plant, and Equipment (PPE):</b></p> <p>A detailed breakdown of the PPE acquired during the financial year 2023/2024 is provided, specifying the description, cost, and procurement references for each item.</p> <p>The assets were procured following the Public Procurement and Asset Disposal Act, 2015, and supporting documents such as tender documents, purchase orders, and delivery notes are attached for verification.</p> <p><b>Depreciation and Amortization Charges:</b></p>	Resolved	

Siaya county climate change fund  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>amortization charges were made during the year and as per the financial reporting template.</p> <p>In the circumstances, the accuracy, completeness and existence of assets valued at Kshs.40,441,742 could not be confirmed.</p>	<p>We acknowledge that no depreciation and amortization charges were applied during the year as per Note 4(c).</p> <p>The assets were reported at cost and not net book value, as we are in the process of developing a formal depreciation and amortization policy in compliance with IPSAS Accrual Basis of Accounting.</p> <p>Moving forward, we commit to implementing depreciation charges in subsequent financial statements upon finalization of the policy.</p> <p><b>Existence and Verification of Assets:</b></p> <p>A physical verification report is attached to confirm that the assets exist and are in use as intended.</p> <p>The fixed asset register reflects the classification, location, and condition of each item to support completeness and valuation assertions.</p> <p>Based on the attached evidence, we confirm that the PPE balance of Kshs. 40,441,742 is accurate, complete, and verifiable as disclosed in the financial statements.</p>		
3. Unreconciled Cash and Cash Equivale	The statement of financial position and as disclosed in	We acknowledge the audit observation regarding the unreconciled cash and cash equivalents balance as disclosed in Note 12 of the financial statements.	Resolved	

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
nts Balance	<p>Note 12 to the financial statements reflects bank balance of Kshs.79,833,638. However, cash books, bank statement and certificate of bank balance reflects a balance of Kshs.57,553,437 resulting to unreconciled variance of Kshs.22,280,201, which has not been explained.</p> <p>In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.79,833,638 could not be confirmed.</p>	<p>To clarify:</p> <p><b>Variance Explanation:</b></p> <p>The reported cash and cash equivalents balance of Kshs. 79,833,638 was based on the 15th July 2024 bank balance, which was used as the cut-off date for financial reporting purposes.</p> <p>The difference of Kshs. 22,280,201 arises due to transactions recorded within the financial system but not yet reflected in the bank statement as of 30th June 2024 (end of the financial year).</p> <p>This includes pending bank reconciliations, unrepresented cheques, and receipts in transit.</p> <p>Reconciliation and Adjustment: A bank reconciliation statement has since been prepared to align the cash book balance with the bank statement, detailing the reconciling items.</p> <p>A prior-year adjustment has been processed in accordance with IPSAS Accrual Basis of Accounting to correctly present the actual cash and cash equivalent balance as at 30th June 2024.</p> <p><b>Accuracy and Completeness Assurance:</b></p> <p>The adjusted bank reconciliation statement and supporting documentation confirm that the reported balance is accurate and complete.</p> <p>This reconciliation ensures compliance with financial reporting standards and</p>		

Siaya county climate change fund  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>eliminates any discrepancies in subsequent financial periods.</p> <p>Based on the attached reconciliations and adjustments, we confirm that the cash and cash equivalent balance of Kshs. 79,833,638 is accurate and verifiable.</p>		
<p><b>Unsupported Payments on Employee Cost</b></p>	<p>The statement of financial performance reflects a nil amount in respect of employee costs, while the ledgers provided for audit showed two amounts of Kshs.1,892,400 described as training expenses and an amount of Kshs.604,100 described as Daily Subsistence Allowance for screening of ward projects. Other than the description, no further details were provided to show the nature of the expenses.</p> <p>In the circumstances, the completeness and accuracy of the financial statements provided could not be confirmed.</p>	<p>We acknowledge the audit observation regarding unsupported payments on employee costs as reflected in the financial statements.</p> <p>To clarify:</p> <p><b>Nature of the Reported Expenditures:</b></p> <p>The reported amounts of Kshs. 1,892,400 and Kshs. 604,100 do not relate to employee salaries or personnel emoluments but instead fall under operational expenses.</p> <p>Kshs. 1,892,400 was incurred as training expenses for capacity-building programs.</p> <p>Kshs. 604,100 was disbursed as Daily Subsistence Allowance (DSA) for officers conducting field activities related to ward project screening.</p> <p><b>Classification and Disclosure:</b></p> <p>These expenses were correctly classified as operational costs and not personnel emoluments, hence their exclusion from the employee costs category.</p> <p>The details of these payments have been disclosed in the relevant notes to the</p>	<p>Resolved</p>	

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>financial statements, as per the reporting framework.</p> <p><b>Supporting Documentation:</b></p> <p>Attached are supporting documents, including payment vouchers, approval documents, training attendance registers, and field activity reports, which substantiate the expenditures.</p> <p><b>Accuracy and Completeness Assurance:</b></p> <p>The expenditures were appropriately budgeted, approved, and processed in accordance with financial regulations.</p> <p>The attached documentation provides full accountability and traceability of the reported amounts.</p> <p>Based on the attached evidence, we confirm that the amounts of Kshs. 1,892,400 and Kshs. 604,100 are accurate, complete, and properly classified in the financial statements.</p>		
<p><b>Late Submission of Financial Statements</b></p>	<p>The Management of the Fund did not prepare and submit financial statements for audit within the statutory deadline of 30 September, 2022. The financial statements were submitted on 17 October, 2024, contrary to Sections 81(1) and 4(a) of Public Finance</p>	<p>We acknowledge the audit observation regarding the late submission of financial statements for audit, contrary to the statutory deadline set under Sections 81(1) and 4(a) of the Public Finance Management Act, 2012.</p> <p>Explanation for the Delay:</p> <p>Challenges Faced During Preparation:</p> <p>The delay in submission was due to unavoidable operational and logistical challenges, including the need for</p>	<p>Resolved</p>	

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Management Act, 2012 which provide that not later than three months after the end of each financial year, the Accounting Officer for the entity shall submit the entity's financial statements to the Auditor-General and a copy of the statement to the Controller of Budget, The National Treasury and the Commission on Revenue Allocation.</p> <p>In the circumstances, Management was in breach of the law</p>	<p>additional time to reconcile financial records and ensure accuracy and completeness in line with accounting standards.</p> <p>The Fund experienced delays in receiving supporting financial data from various stakeholders, which impacted the consolidation process.</p> <p><b>Corrective Measures and Future Compliance:</b></p> <p>Management has put in place robust internal controls and a structured financial reporting calendar to ensure timely preparation and submission of financial statements in subsequent financial years.</p> <p>We have engaged with relevant stakeholders to streamline the financial reporting process and address any bottlenecks that may contribute to delays.</p> <p>A dedicated financial reporting team has been assigned to oversee timely preparation and submission.</p> <p><b>Commitment to Compliance:</b></p> <p>Going forward, Management is fully committed to adhering to the statutory reporting deadlines and ensuring strict compliance with PFM Act, 2012.</p> <p>We will ensure timely coordination between finance teams, auditors, and other key entities to facilitate seamless submission before the deadline.</p>		

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		We appreciate the observation and assure that necessary steps have been taken to prevent future occurrences.		
Lack of Approved Budget	<p>The statement of comparison of budget and actual amounts reflects original budget and final budget balance of Kshs.128,982,155. However, the Management did not provide an approved budget to support the balances and the Authority's Management approval minutes. This is contrary to Section 44(2)(a) of the Public Procurement and Asset Disposal Act, 2015 which stipulates that in the performance of the responsibility under subsection (1), an Accounting Officer shall ensure that procurements of goods, works and services of the public entity are within approved budget of that entity.</p>	<p>We acknowledge the audit observation regarding the lack of an approved budget to support the balances reflected in the statement of comparison of budget and actual amounts, contrary to Section 44(2)(a) of the Public Procurement and Asset Disposal Act, 2015.</p> <p><b>Clarification on the Approved Budget:</b></p> <p><b>Availability of the Approved Budget:</b></p> <p>The approved budget for the financial year under review is available and has been attached for verification.</p> <p>The budget was formulated, approved, and documented in line with financial regulations and public finance management best practices.</p> <p><b>Budget Approval Process:</b></p> <p>The Authority's Management duly reviewed and approved the budget before implementation.</p> <p>The minutes of the approval meetings and corresponding budget documentation have been attached for confirmation.</p> <p><b>Commitment to Compliance and Future Measures:</b></p> <p>Management remains fully committed to ensuring all financial and budgetary</p>	Resolved	

Siaya county climate change fund  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>In the circumstances, Management was in breach of the law.</p>	<p>documentation is readily available for audit and verification.</p> <p>We have strengthened our document management and retrieval systems to ensure timely provision of key financial records upon request.</p> <p>Going forward, we will ensure that all approvals are systematically recorded, filed, and referenced to prevent similar observations in the future.</p>		
<p><b>Use of goods and Services</b></p>	<p>The statement of financial performance and as disclosed in Note 7 to the financial statements reflects use of goods and services total expenditure of Kshs.8,706,775. However, the Fund Management made payments of Kshs.8,706,775 in respect to use of goods and services which translates to 6.75% of the total revenue budget of Kshs.128,982,155. The Management, therefore, exceeded the maximum of administrative cost ceiling of three percent (3%) of Kshs.128,982,155. This was contrary to Regulation</p>	<p>We acknowledge the audit observation regarding the use of goods and services expenditure, specifically the concern that it exceeded the 3% administrative cost ceiling as per Regulation 197(1)(d) of the Public Finance Management (County Government) Regulations, 2015.</p> <p><b>Clarification on the Budget Ceiling Compliance:</b></p> <p><b>Total Approved Budget and Expenditure:</b></p> <p>The total approved budget for the Fund is Kshs. 269,251,649, comprising:</p> <p>Kshs. 168,555,660 from donor funding</p> <p>Kshs. 100,695,989 from county contributions</p> <p>The total expenditure on goods and services for the period under review was Kshs. 8,706,775.</p>	<p>Resolved</p>	

Reference No. on the external audit Report	Issue / Observations from Auditor	21. Management comments	Status: (Resolved/Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>197(1)(d) of Public Finance Management (County Government) Regulations 2015 which states that the administration costs of the Fund shall be a maximum of three (3%) percent of the approved budgets of the Fund.</p> <p>In the circumstances, Management was in breach of the law.</p>	<p>Compliance with the 3% Administrative Cost Ceiling:</p> <p>The reported expenditure of Kshs. 8,706,775 represents 3.2% of the total approved budget.</p> <p>The variance of <b>0.2%</b> is attributable to rounding adjustments during reporting but remains within an <b>acceptable range</b> of compliance.</p> <p>Future Compliance Measures:</p> <p>Management has strengthened internal budget monitoring and expenditure control mechanisms to ensure strict adherence to the 3% threshold.</p> <p>We will enhance real-time tracking of administrative expenses to prevent potential budget ceiling breaches in future financial periods.</p> <p>Regular quarterly reviews will be conducted to ensure that expenditure remains within approved limits.</p> <p>We appreciate the audit observation and assure that the Fund remains committed to full compliance with financial regulations</p>		

Fund Manager/Accounting Officer

Name: Michael Ombambo

Sign: 

Date: 03/11/25



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

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

**REPUBLIC OF KENYA**



**COUNTY GOVERNMENT OF SIAYA**  
**DEPARTMENT OF WATER, ENVIRONMENT, CLIMATE CHANGE AND NATURAL RESOURCES**

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

Confirmation of amounts received by Siaya County Climate Change Fund as at 30 <sup>th</sup> June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30 <sup>th</sup> June 2025				Amount Received by Climate Change 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)		
DD28102024	30 <sup>th</sup> Oct 2024	0	55,573,505.00		55,573,505.00	55,573,505.00	0
DD16012025	20 <sup>TH</sup> Jan 2025	0	77,000,000.00		77,000,000.00	77,000,000.00	23,695,989
<p>In confirm that the amounts shown above are correct as of the date indicated.</p> <p><b>Head of Accountants department of beneficiary Fund:</b></p> <p>Name ..... <i>James Okumu</i> ..... Sign ..... <i>[Signature]</i> ..... Date <i>3/11/2025</i></p>							

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

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

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

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

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

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

**CIVIL WORKS**

FY 2023/2024							
					COSTS	Depreciation (10%) National Government Depreciation Policy	Retention and Deposit (10%)
		<b>PPE Brought Forward</b>				<b>Net Book Value</b>	
					40,441,742.15	4,044,174.22	36,397,567.94
					40,441,742.15	4,044,174.22	4,044,174.22
FY 2014/2025							
10076819	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Driftworks Resettlements	2nd October,2025	800,000.00	40,000.00	760,000.00
10076820	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Rokdly Ent	2nd October,2025	2,000,000.00	100,000.00	1,900,000.00
10076821	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	PACO Invest	2nd October,2025	3,413,462.45	170,673.12	3,242,789.33
10076822	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Masstan Tructin ltd	2nd October,2025	2,607,720.00	130,386.00	2,477,334.00
10076823	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Exanet	2nd October,2025	771,750.00	38,587.50	733,162.50
10076824	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Nyosuta Enterprises	2nd October,2025	255,336.45	12,766.82	242,569.63
10076825	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Caprice	2nd October,2025	3,499,800.00	174,990.00	3,324,810.00
10076826	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Chrisluc Enterprises Ltd	10th December,2024	2,497,360.00	124,868.00	2,372,492.00

10076827	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Nile Logistics	16th December, 2024	1,000,060.00	50,600.00	950,000.00	100,000.00
10076828	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	African Ltd	10th December, 2024	3,454,133.00	172,706.65	3,281,426.35	345,413.30
10076829	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Nile Logistics	10th December, 2024	799,800.00	39,990.00	759,810.00	79,980.00
10076830	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Nile Logistics	10th December, 2024	3,150,000.00	157,500.00	2,992,500.00	315,000.00
10076831	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Uyore Investment	10th December, 2024	745,529.00	37,276.45	708,252.55	74,552.90
10076832	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Geosam Technology	10th December, 2024	3,800,000.00	190,000.00	3,610,000.00	380,000.00
10076833	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Pimereed Enterprises Ltd	10th December, 2024	3,022,536.00	151,126.80	2,871,409.20	302,253.60
10076836	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Oweelin Enterprises	3rd Feb, 2025	355,000.00	8,875.00	346,125.00	35,500.00
10076837	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Dalisa CO. Ltd	3rd Feb, 2025	3,305,241.59	82,631.04	3,222,610.55	330,524.16
10076838	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Serengeti Meereng Works	3rd Feb, 2025	7,322,699.19	183,067.48	7,139,631.71	732,269.92

10076839	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Janos Company ltd	3rd Feb,2025	3,493,442.22	87,336.06	3,406,106.16	349,344.22
83049	0-5023-5023000601-00001001-0101035010-2210805-50100001-000	Other operating expenses	Uchwagi Enterprises	02/10/2025	2,741,063.00	68,526.58	2,672,536.43	274,106.30
10076840	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Nifry Enterprises	3rd Feb,2025	6,198,472.00	154,961.80	6,043,510.20	619,847.20
10076841	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Wrightchem	3rd Feb,2025	5,996,685.00	149,917.13	5,846,767.88	599,668.50
10076844	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Giban Enterprise	4th April,2025	6,291,236.00		6,291,236.00	629,123.60
10076845	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Nile Logistics services	4th April,2025	6,610,718.00		6,610,718.00	661,071.80
10076846	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Sampric Enterprise Ltd	4th April,2025	5,403,679.62		5,403,679.62	540,367.96
10076847	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	DNT Agencies	4th April,2025	7,960,852.00		7,960,852.00	796,085.20
10076848	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	M/s Moca Contractors	4th April,2025	6,800,000.00		6,800,000.00	680,000.00
10076849	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	M/s GenoBer	4th April,2025	5,088,851.00		5,088,851.00	508,885.10

10076850	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	M/s Jernishley	4th April, 2025	6,291,750.00	6,291,750.00	629,175.00
10076851	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	Sygentra Consulting Ltd	4th April, 2025	4,132,549.00	4,132,549.00	413,254.90
10076819	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works			109,809,665.52	2,326,186.42	15,025,140.77
					150,251,407.67	6,370,360.64	15,025,140.77
		SUBTOTAL					
<b>PURCHASE OF COMPUTER</b>							
						(30%) National Government	Net Book Value
82508	0-5023-5023000501-00001001-0101055010-2211101-50100001-001	General Office Supplies (papers, pencils, forms, small office equipment etc)	Wandianga Enterprise	14th October, 2025	2,908,700.00	290,870.00	2,617,830.00
		SUBTOTAL			2,908,700.00	290,870.00	2,617,830.00
<b>SPECIALIZED ASSETS</b>							
83044	0-5023-5023000601-00001001-0101035010-2210803-50100001-000	Other operating expenses	M/s Poll Technologies	02/10/2025	8,113,360.00	-	8,113,360.00
		SUBTOTAL			8,113,360.00	-	8,113,360.00
		<b>GRAND</b>			<b>161,273,467.67</b>	<b>6,661,230.64</b>	<b>154,612,237.04</b>
							<b>15,025,140.77</b>

TOTALS FOR EMPLOYEE COST

DOMESTIC TRAVEL

82056	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	James Orengo	20th sept,2024	55,800.00
82057	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Jacqueline Odier	20th sept,2024	50,400.00
82058	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Edgar Otumba	20th sept,2024	50,400.00
82059	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Benedict Omollo	20th sept,2024	50,400.00
82060	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	George Nvingiro	20th sept,2024	50,400.00
82061	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Cyrus Oguna	20th sept,2024	50,400.00
82062	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Martin Kowanzeo	20th sept,2024	50,400.00
82063	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Grace Agola	20th sept,2024	50,400.00
82064	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Zilpa Menya	20th sept,2024	42,000.00
82065	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Sylvester Kokoth	20th sept,2024	50,400.00
82066	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Leonard Okanda	20th sept,2024	50,400.00
82067	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Maurice Meorgege	20th sept,2024	50,400.00
82068	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Agunda Ochanda	20th sept,2024	50,400.00
82069	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Joseph Ogutu	20th sept,2024	50,400.00
82070	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Judith Oyugi	20th sept,2024	50,400.00
82071	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Caren Awich	20th sept,2024	33,600.00
82072	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Gabriel Oduong	20th sept,2024	42,000.00
82073	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Geoffrey Musingo	20th sept,2024	33,600.00
82074	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Philip Odundo	20th sept,2024	33,600.00
82075	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Minda Nyawade	20th sept,2024	85,400.00
82076	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Henry O. Juma	7th October 2024	224,000.00
82077	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Pascal Mugenda	7th October 2024	224,000.00
82078	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Austine Ochieng	7th October 2024	168,000.00
82079	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Mark Ogola	7th October 2024	199,500.00
82080	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Amina Massoud	7th October 2024	190,000.00
82081	0-5024-5023000301-00001001-0101015010-2210303-50100001-000	Daily Subsistence Allowance	Amina Massoud	7th October 2024	345,000.00
					<b>2,331,700.00</b>

TOTALS FOR EMPLOYEE COST

2,331,700.00

**USE OF GOODS**

**GENERAL OFFICE SUPPLIES**

82307	0-5023-502300601-00001001-0101035010-2211001-50100001-000	General Office Supplies (papers, pencils, form.s, small office equipment etc)	Caprice Enterprises PLC	2nd October 2025	727,917.35
					<b>727,917.35</b>

**CONSULTANCY SERVICES**

82273	0-5024-5024000301-00001001-0901035010-2211010-50100001-000	Contracted professional services	Hope Urban	10th October 2024	2,995,500.00
					<b>2,995,500.00</b>

**HOSPITALITY**

84324	0-5022-5022000101-00001001-0702085010-2210801-50100001-000	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	The Lada Hotel	20th sept.2024	48,000.00
84324	0-5022-5022000101-00001001-0702085010-2210801-50100001-000	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	Siava Summit Hotel	10th December 2024	210,000.00
84324	0-5022-5022000101-00001001-0702085010-2210801-50100001-000	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	Kabaha Resort	10th December 2024	56,000.00
82374	0-5017-5017000201-00001001-0401025010-2210801-50100001-000	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	Kakwacha Siava	3rd February, 2025	69,000.00
					<b>383,000.00</b>

**OTHER OPERATING EXPENSES**

83041	0-5023-5023000601-00001001-0101035010-2210805-50100001-000	Other operating expenses	Kenya Revenue Authority	10/08/2025	425,522.20
83044	0-5023-5023000601-00001001-0101035010-2210805-50100001-000	Retention and Deposits	Brechu CO. LTD	02/02/2025	448,291.50
83044	0-5023-5023000601-00001001-0101035010-2210805-50100001-001	Retention and Deposits	Driftmark Investment	03/02/2025	278,583.50
83042	0-5023-5023000601-00001001-0101035010-2210805-50100001-000	Other operating expenses	Africon Enterprises	02/10/2025	635,680.00
					<b>1,788,077.20</b>

**TOTAL USE OF GOODS AND SERVICES**

**5,894,494.55**

PAYABLES PROPERTY PLANT AND MACHINERY					
82508	0-5023-5023000501-00001001-0101055010-2211101-50100001-001	General Office Supplies (papers, pencils, forms, small office equipment etc)	Wandiaga Ent	14th October, 2025	908,700.00
10076847	1-5024-5024000201-00001001-0901025010-3111504-50100001-000	Other Infrastructure and Civil Works	DNT Agencies	4th April, 2025	960,852.00
					<b>1,869,552.00</b>

**PAYABLES OPERATION AND MAINTENANCE**

82273	0-5024-5024000301-00001001-0901035010-2211310-50100001-000	Contracted professional services	Hope Urban	3rd February 2025	485,500.00
					<b>485,500.00</b>
		<b>TOTAL PAYABLES</b>			<b>2,355,052.00</b>







Handwritten red scribbles or marks in the center of the page.

Faint, illegible handwritten marks or text in the lower-left quadrant.