

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

07 DEC 2023

OF

P. Hines
Hon. Owen Bayo CBS MP
Deputy majority leader
W. Shindiga

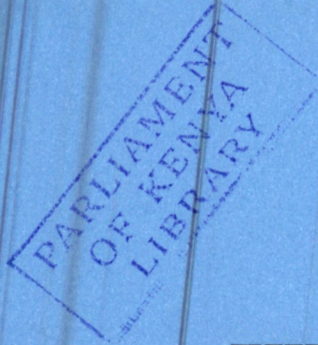
THE AUDITOR-GENERAL

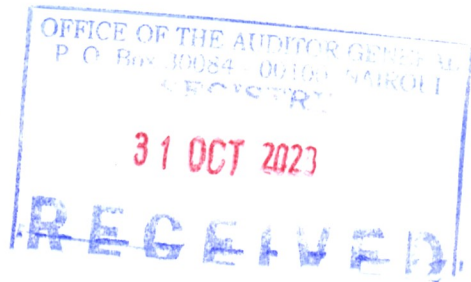
ON

**KENYA CLIMATE SMART AGRICULTURE
PROJECT (IDA CREDIT NO. 5945-KE)**

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

**STATE DEPARTMENT FOR CROP
DEVELOPMENT**





**PROJECT NAME: KENYA CLIMATE SMART AGRICULTURE
PROJECT (KCSAP)**

**IMPLEMENTING ENTITY: STATE DEPARTMENT FOR CROP
DEVELOPMENT**

PROJECT GRANT/CREDIT NUMBER: 5945-KE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2023

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

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| Table Contents | Page |
|---|-------------|
| 1. Acronyms and Glossary of Terms..... | ii |
| 2. Project Information and Overall Performance | iii |
| 3. Statement of Performance against Project’s Predetermined Objectives | xii |
| 4. Environmental and Sustainability reporting | xiv |
| 5. Statement of Project Management responsibilities..... | xix |
| 6. Report of independent Auditor on Financial Statements for Kenya Climate Smart Agriculture Project (KCSAP) | xxi |
| 7. Statement of Receipts and Payments for the year ended 30th June 2023 | 1 |
| 8. Statement of Financial Assets as at 30 th June 2023 | 2 |
| 9. Statement of Cashflow for the year ended 30 th June 2023..... | 3 |
| 10. Statement of Comparison of Budget and Actual amounts for year ended 30 th June 2023..... | 5 |
| 11. Significant Accounting Policies..... | 6 |
| 12. Notes to the Financial Statements..... | 13 |

Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023

1. Acronyms and Glossary of Terms

| | |
|----------------|--|
| CBK | Central Bank of Kenya |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IMF | International Monetary Fund |
| IPSAS | International Public Sector Accounting Standards |
| NT | National Treasury |
| PFM | Public Finance Management. |
| PSASB | Public Sector Accounting Standards Board |
| WB | World Bank |
| Comparative FY | Financial year preceding the current financial year. |
| KCSAP | Kenya Climate Smart Agriculture Project |
| ASAL | Arid and Semi- Arid land |
| KPI | Key performance indicators |
| CIGs | Common Interest groups |
| VMGs | Vulnerable and Marginalised Groups |
| PO | Producer Organisation |
| M & E | Monitoring and Evaluation |
| PMIS | Project Management Information System |
| KEBs | Kenya Bureau of Standards |
| PPDA | Public Procurement and Disposal Act |
| PICD | Participatory Integrated Community Development |

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project’s official name is Kenya Climate Smart Agriculture Project (KCSAP)

Objective

The key objective of the project is *‘to increase agricultural productivity and build resilience to climate change risks in the targeted smallholder farming and pastoral communities in Kenya, and in the event of an Eligible Crisis or Emergency, to provide immediate and effective response.’*

Address

The project headquarters offices are in Capitol Hill Towers 3rd Floor

The address of its registered office is: Capitol Hill Towers 3rd Floor, Cathedral Road Next to Kilimo House.

Post office address: Box 8073 00200,
 Nairobi - Kenya

The project also has offices/branches as follows:

Selected 24 KCSAP participating counties

| | Arid Counties | | Semi-Arid Counties | | Non-ASAL Counties |
|---|----------------------|----|---------------------------|---|--------------------------|
| 1 | Marsabit | 1 | West Pokot | 1 | Busia |
| 2 | Isiolo | 2 | Baringo | 2 | Siaya |
| 3 | Tana River | 3 | Laikipia | 3 | Nyandarua |
| 4 | Garissa | 4 | Nyeri | 4 | Bomet |
| 5 | Wajir | 5 | TharakaNithi | 5 | Kericho |
| 6 | Mandera | 6 | Lamu | 6 | Kakamega |
| | | 7 | TaitaTaveta | 7 | Uasin Gishu |
| | | 8. | Machakos | 8 | Elgeyo-Marakwet |
| | | 9 | Kajiado | 9 | Kisumu |

Contacts: The following are the project contacts

Telephone: (254) 020 2715466

E-mail: infi@kcsap.go.ke

Website: www.kcsap.go.ke

Project information and overall performance (continued)

2.2 Project Information

| | |
|---------------------|---|
| Project Start Date: | The project start date is 16 th May, 2017 |
| Project End Date: | The project end date is 30 th November, 2023 |
| Project Manager: | The project manager is Mr. John M. Nginyangi |
| Project Sponsor: | The project sponsor is World Bank - IDA |

2.3 Project Overview

| | |
|---|---|
| Line Ministry/State Department of the project | The project is under the supervision of the Ministry of Agriculture & livestock Development/ State Department of Crop Development and Agriculture Research. |
| Project number | IDA Credit 5945-KE |
| Strategic goals of the project | The project development objective is “to increase agricultural productivity and build resilience to climate change risks in the targeted smallholder farming and pastoral communities in Kenya , and in the event of an Eligible Crisis or Emergency, to provide immediate and effective response.” |
| Achievement of strategic goals | To achieve its overall goal (project development objective), the project is implemented in four components and tracked in 106 Key performance indicators (KPIs) (as detailed in the project’s M&E manual and PMIS namely; 1.Up scaling Climate Smart Agricultural Practices-45 KPIs (#1-45) 2.Strengthening Climate Smart Agriculture Research and Seed Systems-31 KPIs (#46-86) 3.Supporting Agro-weather, Market, Climate and Advisory Services-19KPIs (#87-95) 4.Project Coordination and Management- 11KPIs (#96-106) |

| | |
|--|--|
| Other important background information of the project | <p>The project has mobilized 23,022 micro-projects composed of Common Interest Groups (CIGs) and Vulnerable and Marginalized Groups (VMGs). Out of this number, 10,537 have been funded at a cumulative value of about KSHS 6.623 billion. The total no. of mobilized beneficiaries for the funded and non-funded beneficiaries is 771,597 (338,234M, 423,284F). The beneficiaries are offered a range of productivity enhancement services, nutrition and livelihood diversification technologies, innovations and management practices.</p> <p>The project has also mobilized 199 Producer Organizations (PO) out of which 155 have received inclusion grants valued at KSHS 100,604,290. 72 POs have been approved for Enterprise Development Fund valued at about KSHS 775,080,153 million. Of the 72 approved EDPs, 45 have received funds/disbursed at a cumulative value of 230 Million. Additionally, 215 sub-projects have been approved for funding valued at about KSHS 5.3 billion. Of the approved sub projects, 190 have been implemented and successfully completed at a cumulative value of 4.8 Billion.</p> |
| Current situation that the project was formed to intervene | <p>The project was formed to intervene in the following areas:</p> <ul style="list-style-type: none">(i) Increase productivity(ii) Building resilience(iii) Reduce greenhouse gas emissions |
| Project duration | <p>The project started on 16th May, 2017 and will close 30th November, 2023</p> |

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the current year:

- (i) Central Bank of Kenya.
- (ii) Kenya Commercial Bank

2.5 Independent Auditor

The project is audited by Office of the Auditor general (OAG)

2.6 Roles and Responsibilities

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

| Names | Title designation | Key qualification | Responsibilities |
|---------------------|------------------------------|--|--|
| John Nginyangi | National Project Coordinator | Msc. Agricultural and Applied Economics | Overall Coordination of the Project |
| James W. Singi | Component 1 Leader | Msc. Environmental Planning and Management | Responsible for Up scaling Climate-Smart Agricultural Practices: |
| Dr. Charles Lungaho | Component 2 Leader | PhD. Agronomy | Responsible for Strengthening Climate-Smart Agricultural Research and Seed Systems |
| riscilla W Muiruri | Component 3 Leader | Msc. Agriculture and Rural Development | Supporting Agro-weather, Market, Climate and Advisory Services, |
| Wycliffe Amariati | M& E Officer | Bsc in Agriculture | Oversee the development and implementation of the KCSAP planning, monitoring and evaluation system |
| Albert N. Bengi | Finance Officer | BBA - Finance | Responsible for managing |

| | | | |
|-----------------|-----------------------------|---------------------------------|--|
| | | CPA III Section V | project finances in accordance with the requirements of the Financing Agreement PFM Act and related Project documents |
| Vincent Rotich | Procurement Officer | Bcom - Procurement | Responsible for overseeing the preparation and execution of the project procurement plans to effectively support project operations, ensuring strict adherence to World Bank and GoK procurement guidelines. |
| Nixon Cheruiyot | Project Auditor Internal | Bcom - Finance Option CPA(K) | Responsible for ensuring compliance with the laid down Government regulations and value for money in application of project funds towards attainment of the PDO. |

2.7 Funding summary

The Project is for duration of 6.5 years from 16th May, 2017 to 30th November, 2023 with an approved budget of US\$ 279.7 million equivalent to Kshs 27.9 billion as highlighted in the table below:

*Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

| Source of funds | Donor Commitment- | | Amount received to date – 30 June 2023 | | Undrawn balance to date 30 June 2023 | |
|---|-------------------|------------------|---|------------------|---|-----------------|
| | Donor currency | Kes | Donor currency | Kes | Donor currency | Kes |
| | (A) | (A') | (B) | (B') | (A)-(B) | (A')-(B') |
| | \$ Million | Kes. Million | \$ Million | Kes. Million | \$ Million | Kes. Million |
| (i) Loan | USD | Kes | USD | Kes | USD | Kes |
| Credit From World Bank (IDA) | 250.00 | 28,159.70 | 249.90 | 28,149.7 | 0.89 | 10.00 |
| (ii) Project Co- Financing (GOK) | 29.70 | 2,970.00 | 9.23 | 922.63 | 20.47 | 2,047.37 |
| Total | 279.70 | 31,129.70 | 259.13 | 29,072.33 | 21.36 | 2,057.37 |

*Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Project information and overall performance (continued)

B. Application of Funds

| Application of funds | Amount received to date – 30 June 2023 | | Cumulative amount paid to date - 30th June 2023 | | Unutilised balance to date 30 June 2023 | |
|-----------------------------------|---|------------------|--|------------------|--|---------------|
| | Donor currency | Kes | Donor currency | Kes | Donor currency | Kes |
| | (A) | (A') | (B) | (B') | (A)-(B) | (A')-(B') |
| (i) Loan | \$Million | Kes Million | \$Million | Kes Million | \$ Million | Kes Million |
| World Bank | 249.90 | 28,149.70 | 249.90 | 27,861.82 | - | 287.88 |
| (ii) Counterpart Funds | - | - | - | - | - | - |
| GOK Counterpart Funds | 9.23 | 922.63 | 9.23 | 922.63 | - | - |
| Total | 259.13 | 29,072.33 | 259.13 | 28,784.45 | - | 287.88 |

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

i) Budget performance against actual amounts for current year and for cumulative to-date,

The project budget performance against actual amounts for the current year was very impressive having absorbed 92% of the allocated budget. The cumulative figures are also good because the project has absorbed 99% of the total project cost. The balance of 1% will be absorbed in the remaining three months to project closure which is set for November 30, 2023

ii) Physical progress based on outputs, outcomes, and impacts since project commencement,

So far the project has mobilized 23,022 micro-projects composed of Common Interest Groups (CIGs) and Vulnerable and Marginalized Groups (VMGs) out of which 10,537 have been funded at a cumulative value of about KSHS 6.623 billion. The total no. of mobilized beneficiaries for the funded and non-funded beneficiaries is 771,518 (M 348,234; F 423,282) across all the investments (Micro Projects; Sub Projects & Producer Organizations). The beneficiaries have continued to receive a range of productivity enhancement services, nutrition and livelihood diversification technologies, innovations and management practices as part of up scaling technologies even beyond the project period. As part of project support to extension, 20,515 lead farmers have been identified at CIG level and trained to support community-based extension along with 2,642 Farmer Field Schools operationalized.

The project has mobilized 215 Sub Projects out of which 190 have been implemented and successfully completed at a cumulative value of KES 4.8 Billion.

Additionally, the project has mobilized 199 Farmer Producer Organizations, 53% of CIGs and VMGs linked to these FPOs. All the mobilized POs have been supported through universal inclusion grants, 45 FPOs received Enterprise Development Plan (EDP) grants to scale up value chain operations at a value of KES 230 Million with additional support to Coffee Revitalization Programme at cumulative value of KES 104 Million.

Cumulatively the project has developed 900 climate smart agricultural technologies innovations and management practices (TIMPs). The project has released the following TIMPs: - Cassava (32), Green grams (13), Sorghum (15), Finger millet (23), Pigeon Pea (7), Banana (28), Tomato (27), Potato (36); and Livestock related - Apiculture (4), Indigenous Chicken (10), Dairy (23), Red Meat (11), Pasture & Fodder (10), Animal Health (5) and 36 aquaculture.

The project has procured and installed 154 Automatic Weather Stations (AWSs). These include 120 Synoptic, 17 Agro-meteorological and 17 Hydro-meteorological Stations. These AWSs are supplying fortnightly data to the Big Data platform to enable agro weather advisories to be provided to farmers. The project has further supported 235 Markets which are uploading market information on the Kenya Agricultural Market Information System (KAMIS). This information is

being accessed by 70 Countries in Africa, Asia, Australia, Europe, Middle East, North & South America.

Big Data platform and High Performing Computing System supplied, configured, installed, and commissioned at KALRO. A farmer database of 5 million farmers has been established and updated with farmers receiving integrated agro weather and market advisories.

On Green House Gas emissions, there was general reduction Greenhouse emissions of selected commodities e.g. Dairy, Finger Millet, Sorghum and Cassava as a result of mitigation and adaptation measures the project instituted. In addition, there was increase in productivity for farms implementing various TIMPs disseminated with productivity of targeted value chains increasing by between 8 – 35 %.

iii) *Indicate the absorption rate for each year since the commencement of the project.*

KCSAP Absorption Rate From Inception to June 30, 2023

| No. | Financial Year | Expenditure Amount (KES) | Project Cost (Cash) KES | %age Absorption |
|-----|----------------|--------------------------|-------------------------|-----------------|
| 1 | 2017/2018 | 281,548,570.00 | 29,082,700,000.00 | 1% |
| 2 | 2018/2029 | 923,995,434.00 | 29,082,700,000.00 | 3% |
| 3 | 2019/2020 | 7,001,086,285.00 | 29,082,700,000.00 | 24% |
| 4 | 2020/2021 | 17,601,108,710.00 | 29,082,700,000.00 | 61% |
| 5 | 2021/2022 | 23,625,007,445.00 | 29,082,700,000.00 | 81% |
| 6 | 2022/2023 | 28,796,158,359.00 | 29,082,700,000.00 | 99% |

iv) *List the implementation challenges and recommended next steps.*

- (a) The greatest implementation challenge is the irregular counterpart contribution by GoK. The recommendation here is that GoK plans on how to disburse Counterpart contribution regularly over the project period.
- (b) Delayed approval of the disbursement framework to the Counties. Recommendation is that disbursement frameworks for the subsequent year be approved by the closure of the proceeding Fy

- (c) Political interference slowed phase of implementation especially at county level, addressed through continuous sensitization and consultative forums to unlock any emerging stalemate.
- (d) COVID – 19 pandemic affected delivery of services due to log down and restricted travel, addressed through a No Cost extension of the project to complete project activities.

2.9 Summary of Project Compliance:

The project has fully complied with the implementation covenants inclusive of the laws and regulations with regard to the following:

- Establishment of the project implementation structures at the National level which are the National Project Steering Committee (NPSC) and the National Technical Advisory Committee (NTAC); and at the County level which are the County Project Steering Committee (CPSC) and the County Technical Advisory Committee (CTAC)
- Signing of the project implementation agreements and memorandum of understanding with the relevant implementing agencies including County governments, KALRO and KMD
- Designing and operationalization of the Project Management Implementation System (PMIS) which is now fully operational
- Addressing fully all the agreed actions during the Implementation Support Missions (ISMs)
- Full compliance with the Environmental and Social Safeguard instruments in all the project investments
- Timely progress reporting on technical and fiduciary matters
- Noncompliance of any of the above would result to withholding of funds by the Bank until all conditions are met.

3. Statement of Performance against Project's Predetermined Objectives

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of the *project's agreement/ plan* are to:

- a) Increase agricultural productivity
- b) Build resilience to climate change risks in the targeted smallholder farming and pastoral communities in Kenya,
- c) In the event of an Eligible Crisis or Emergency, to provide immediate and effective response

(i) Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound

(SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement:

The following table provides the progress on attainment of the stated objectives; -

| Project | Objective | Outcome | Indicator | Performance |
|---|--|--|--|--|
| The project is under the supervision of the Ministry of Agriculture & Livestock Development - State Department of Crops & Agriculture Research “Project Name – Kenya Climate Smart Agriculture Project” | The project development objective is “to increase agricultural productivity and build resilience to climate change risks in the targeted smallholder farming and pastoral communities in Kenya, and in the event of an Eligible Crisis or Emergency, to provide immediate and effective response.” | <i>Triple wins:</i> - - Increased productivity - Building resilience -Reduction of Green House Gases | <i>To achieve its overall goal (project development objective), the project is implemented in four components and tracked in 106 Key performance indicators (KPIs) (as detailed in the project’s M&E manual and PMIS namely;</i> <i>1.Up scaling Climate Smart Agricultural Practices-45 KPIs (#1-45)</i> <i>2.Strengthening Climate Smart Agriculture Research and Seed Systems-31 KPIs (#46-86)</i> <i>3.Supporting Agro-weather, Market, Climate and</i> | The project has mobilized 23,022 micro-projects composed of Common Interest Groups (CIGs) and Vulnerable and Marginalized Groups (VMGs). Out of this number, 10,537 have been funded at a cumulative value of about KSHS 6.623 billion. The total no. of mobilized beneficiaries for the funded and non-funded beneficiaries is 771,597 (338,234M, 423,284F). The beneficiaries are offered a range of productivity enhancement services, nutrition and livelihood diversification technologies, innovations and management practices. The project has also mobilized 199 Producer Organizations (PO) out of which 155 have received inclusion grants valued at KSHS 100,604,290. 72 POs have been approved for |

| | | | | |
|--|--|--|---|---|
| | | | <p><i>Advisory Services- 19KPIs (#87-95) 4.Project Coordination and Management- 11KPIs (#96-106</i></p> | <p>Enterprise Development Fund valued at about KSHS 775,080,153 million. Of the 72 approved EDPs, 45 have received funds/disbursed at a cumulative value of 230 Million. Additionally, 215 sub-projects have been approved for funding valued at about KSHS 5.3 billion. Of the approved sub projects, 190 have been implemented and successfully completed at a cumulative value of 4.8 Billion.</p> |
|--|--|--|---|---|

4. Environmental and Sustainability reporting

1. Sustainability strategy and profile

1. KCSAP is a 6.5 -year project (16th May 2017 to 30th November, 2023) and to ensure continuity in the interventions initiated at community level beyond the project period, benefiting groups (CIGs/VMGs and FPOs) are required to contribute at least 30 percent of the estimated costs, 5 percent of which must be in cash and the rest in-kind. To increase access to rural finance and enhance the sustainability of project interventions, CIGs/VMGs have been encouraged to form savings groups that will federate into Savings and Credit Cooperatives (SACCOs). The project provided matching grants to boost SACCOs' capital of up to 50 percent of members' total savings. These intermediary financial institutions will ultimately be linked to micro-finance institutions and commercial banks for finance and credit access in the post-project period.

2. KCSAP recognizes that Sustainable Land Management (SLM) is critical to the well-being of the most vulnerable and to improving the livelihoods of the targeted rural communities in the long-term. The project has therefore invested in SLM practices that increase agricultural productivity, while enhancing resilience to climate change in the targeted counties. Typical SLM investments at the county/multi-community level include tree planting, soil and water conservation measures, water harvesting and storage facilities and rehabilitation of degraded areas (e.g., water catchments, river banks, gullies, areas affected by landslides, and deforested/degraded lands).
3. Towards achievement of the PDO, ex-ante risk assessment of the project indicated that fiduciary risk was “High,” while “political and governance”, “institutional capacity for implementation” and “sustainability” risks were “Substantial.” The remaining risks – macroeconomic, technical design of project, environmental and social safeguards, and stakeholders’ assessment were rated to be “Moderate.” For areas which were rated as either substantial or high, a risk management and mitigation measure framework has been developed by NPCU that include; Financial and Procurement risk management framework to ensure that the potential risks are addressed and sustainability of the project guaranteed.

2. Environmental performance

1. The project is implemented in compliance with the Environmental Management Act (EMCA) – 1999, Revised in 2015 and also the World Bank policies. In order to ensure Sustainable Land Management (SLM), the project implementation is guided by the Environmental and Social Management Framework (ESMF), which also encompasses the Integrated Pest management Plan (IPMP). The project also bases the inclusion of the Vulnerable and Marginalised Groups (VMGs), including the Indigenous People (IPs). The project has also developed a Resettlement of Peoples Framework(RPF) as a precautionary measure in case of any physical or economic displacement of people during project implementation
2. KCSAP carries out its activities in an environmentally friendly a way as possible. The project promotes increased productivity but realizes that this can potentially cause environmental degradation mainly due to poor farming practices and deforestation in catchment areas leading to siltation of rivers, reservoirs, and irrigation canals, and the ultimate loss of fertile top soils. The

project therefore emphasizes on integration of Sustainable Land Management (SLM) practices in the development of VCs selected by counties and communities. SLM practices are critical not only for increasing production along the selected VCs, but also for enhancing resilience to climate change shocks. The project provides competitive grants of up to KSHS 500,000 to beneficiary groups (CIGs/VMGs) to finance SLM interventions to reduce soil erosion, sedimentation, and non-point source pollution, while at the same time enhancing water quality and resilience to climate change. All the micro projects under KCSAP are screened for compliance to Environmental and Social Safeguards (ESS) and the corresponding Environmental and Social Management Plans(ESMPs) developed to assist the Project staff and beneficiaries to monitor and mitigate any adverse effects to the environment and community.

3. Additionally, KCSAP is a category B project according to NEMA rating because no significant and/or irreversible adverse environmental issues are anticipated from the investments to be financed under the project. Proposed investments in civil works lead to relatively limited air and water pollution during the construction phases, and once the works are completed, limited loss of non-critical animal and plant habitats. The potential negative impacts for the propose investments are assessed through a screening process and appropriate mitigation measures proposed and finally implemented through environmental and social management plans.

3. Employee welfare

All employees working within the KCSAP establishment are deployed from State departments within the Ministry of Agriculture, Livestock, Fisheries and cooperatives, the Kenya Agricultural and Livestock Research Organization (KALRO) and the National Treasury. While academic qualifications and experience are a major ingredient in the selection criteria the gender ratio as prescribed in the constitution has also been observed. In terms of career development and progression KCSAP has sponsored 172 students among them KCSAP employees to pursue various masters and Phd Courses in local universities. Besides KCSAP supports employees within its establishment to pursue short term courses in various disciplines aimed career progression. KCSAP also provides a safe working environment through provision of well aerated offices, thermogun for checking temperatures at the entrance, sanitizers and hand washing areas positioned strategically within the offices in compliance with the heath Act 2007.

4. Market place practices-

a) Responsible Supply chain and supplier relations-

The procurement activities are conducted in an open environment and the suppliers or their representatives are witnessed to witness the opening of the bids.

The project ensures that there is fair competition while undertaking procurement activities through competitive bidding and requests for quotation. The unsuccessful competitors are notified with reasons

b) Responsible ethical practices

KCSAP implements its procurement activities in conformity with the various laws and regulations guiding procurement. This includes the Public Procurement and Asset Disposal Act (PPDA), World Bank Procurement Guidelines. The Project strives to ensure that the suppliers' contracts are honoured and respective payments made with the stipulated timelines.

c) Regulatory impact assessment

KCSAP mainly deals with agricultural commodities, agricultural outputs and input.

The following aspects of ethical market are upheld by the project;

- Food safety- Food processing and storage are well separated from inputs such as chemicals and fertilizers. All KCSAP affiliated products must have Kenya Bureau of Standards (KEBS) certification before rolling out to the public. Poisonous products are always marketed as such and warning given for safety purposes.
- Transparency- Products advertisements ensure information given is as true as possible and also proper labelling is included. Efforts to maintain ethical marketing practices.

Product stewardship-

KCSAP advocates the following consumer rights;

- Right to safety in relation to consumption or handling of agricultural products and inputs respectively pertaining to goods and services which are hazardous to life and property.
- Right to choose what to produce and consume
- Right to be informed and educated of any information related to the products.

- Right to be heard in an eventuality that the consumer has concern of the product
KCSAP has open door policy and redress within the agreed procedures.
efforts to safeguard consumer rights and interests.

5. Community Engagements

To ensure that communities were involved in the project initiatives, the Participatory Integrated Community Development (PICD) process was used by KCSAP. This is a process where communities were mobilized and facilitated to identify problems in the community, establish the causes and suggest potential solutions. Consequently, the potential solutions were prioritized and community development plans developed indicating resources required and target institutions to take action. PICD was conducted within the initial 6-9 months of the project commencement to allow communities to participate fully in selecting priority value chains and alternative livelihood interventions and in planning micro-projects. The ample participation period enhanced ownership and sustainability of the interventions supported by the project. KCSAP also supported interventions targeting vulnerable and marginalized groups, including women- and youth-only groups,

Even though KCSAP has been carefully designed and has posted impressive achievements to date, potential unexpected problems and complaints may arise that create tension and leave some of the parties unsatisfied or some project objectives unfulfilled. The problems and complaints may relate to potential non-compliance with Government and project implementation guidelines, perception of wrongdoing or mismanagement, or other concerns. KCSAP all problems and complaints that arise from beneficiaries seriously, irrespective of the cause. The project implementing agencies at National, County and Community levels are responsible for responding to complaints and concerns that arise during project preparation and implementation. In addition, the Project has adopted guidelines that need to be respected that include Environmental and Social Safeguards, Fiduciary Standards, Gender Equality, Stakeholder Engagement, Indigenous Peoples, Project Operations. In addition, the project is expected to have in place a Grievance

Management System to respond to complaints from project-affected people and communities, including on potential policy non-compliance

5. Statement of Project Management responsibilities

The *Principal Secretary* for the Ministry of Agriculture and livestock development and the *Project Coordinator* for *Kenya Climate Smart Agriculture Project* are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year ended on June 30, 2023.

This responsibility includes (i) Maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period, (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

The *Principal Secretary* for the Ministry of Agriculture and livestock development and the *Project Coordinator* for *Kenya Climate Smart Agriculture Project* accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

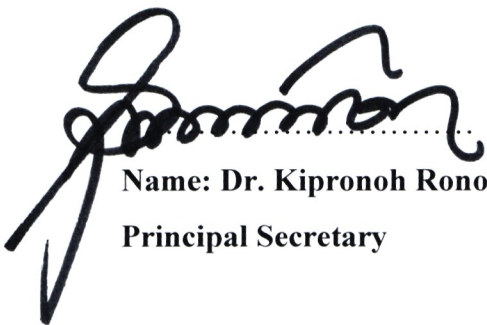
The *Principal Secretary* for the Ministry of Agriculture and livestock development and the *Project Coordinator* for *Kenya Climate Smart Agriculture Project* are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year ended June 30, 2023, and of the Project's financial position as at that date. The *Principal Secretary* for Ministry of Agriculture and livestock development and the *Project Coordinator* for *Kenya Climate Smart Agriculture Project* further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023

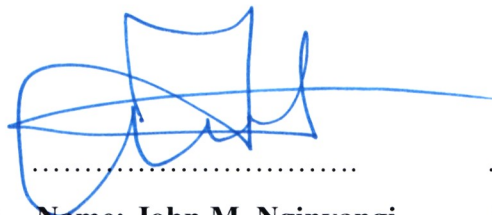
The *Principal Secretary* for the Ministry of Agriculture and livestock development and the *Project Coordinator* for **Kenya Climate Smart Agriculture Project** confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project Financial Statements

The Project financial statements were approved by the *Principal Secretary* for the Ministry of Agriculture and livestock development and the *Project Coordinator* for **Kenya Climate Smart Agriculture Project** on 30.10. 2023 and signed by:



Name: Dr. Kipronoh Ronoh P.
Principal Secretary



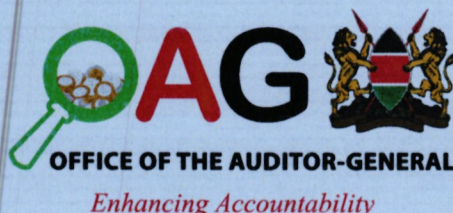
Name: John M. Nginyangi
Project Coordinator



Name: Albert N. Bengi
Project Accountant

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 KENYA CLIMATE SMART AGRICULTURE PROJECT (IDA CREDIT NO. 5945-KE) FOR THE YEAR ENDED 30 JUNE, 2023 – STATE DEPARTMENT FOR CROP DEVELOPMENT

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Climate Smart Agriculture Project (KCSAP) set out on pages 1 to 27, which comprise the statement of financial

Report of the Auditor-General on Kenya Climate Smart Agriculture Project (IDA Credit No. 5945-Ke) for the year ended 30 June, 2023 – State Department for Crop Development

assets as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kenya Climate Smart Agriculture Project (KCSAP) as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Financing Agreement No. 5945-KE dated 07 April, 2017 between the International Development Association (IDA) and the Republic of Kenya and the Public Finance Management Act, 2012.

Basis for Opinion

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total final receipt budget and actual receipts amounting to Kshs.5,595,694,774 and Kshs.2,665,710,653 respectively resulting to underfunding of Kshs.2,929,984,121 or 52% of the budget.

The underfunding may negatively affect achievement of the planned objectives of the Project hence affecting delivery of goods and services to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Un-Approved Workplans

The Project's Annual Work Plans and Budgets (AWP&Bs) for the year under review were not approved by National Project Steering Committee This is contrary to Annex 3 to the Kenya Climate Smart Agriculture Project Appraisal Documents which requires the National Project Steering Committee to approve the Projects Annual Work Plans and Budgets. Further, review documents revealed that the National Project Steering Committee did not hold any meeting in the year under review. The last meeting was held on 19 December, 2019 to approve the 2020/2021 Work Plan.

In the circumstances, Project's Annual Work Plans and Budgets (AWP&Bs) for the year under review were irregularly implemented and the National Project Steering Committee was in breach of the Project Appraisal Document.

2. Consultancy Services for Project Completion Report

The statement of receipts and payments reflects purchase of goods and services totalling to Kshs.1,483,368,564. The amount includes consultancy and training expense of Kshs.934,788,826 as disclosed in Note 3 to the financial statement. The consultancy and training expenses includes an expenditure of Kshs.42,369,109 incurred on consultancy services for project completion report vide tender number KE-MOALF-326579-CS-CQS. However, t no documentary in the form of contracts, recommendations and agreements were provided to confirm that the consultant had the requisite experience in World Bank funded projects and an experience of five years. Further, Management did not negotiate fees charged by the Consultant. This is contrary to Clause 2.29 of the World Bank Procurement Guidelines,

In the circumstances, the value for money on the procurement of the consultancy services was not achieved.

3. Failure to Remit Counterpart Funds by Selected Counties

Review of project documents and records maintained at sampled County Project Offices revealed that Busia County, Bomet County and Siaya County had not remitted

counterpart funds amounting to Kshs.120,554,295, Kshs.1,887,950 and Kshs.44,676,011.42 respectively, all totaling to Kshs.167,118,256. This contravened Paragraph 34 of Project Appraisal Document which requires that County Governments to contribute at least 20 percent of the total cost of the sub-projects.

In the circumstances, Management of the affected counties were in breach of the Financing Agreement.

4. Delayed Upgrading of Biricha Irrigation Water Project and Construction of Water Storage Tanks in Mugunda Ward

The County Government of Nyeri entered into contract on 26 July, 2021 for the upgrading of Biricha Irrigation Water Project and Construction of Water Storage Tanks in Mugunda Ward. Review of documents revealed that the contractor was paid Kshs.18,321,908.32. However, the contract was terminated on 19 January, 2023 due to fundamental breach of the contract by the contractor. Management has not initiated modalities of completing the remaining works.

In the circumstances, value for money has not been achieved from the Water Project.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 4000. The Standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and 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 the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 2330. The Standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as the 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 overall governance.

In preparing the financial statements, the Management is responsible for assessing the Project's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Project or to cease operations.

The 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, the Management is also responsible for ensuring that the activities, financial transactions, and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Project'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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in

compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

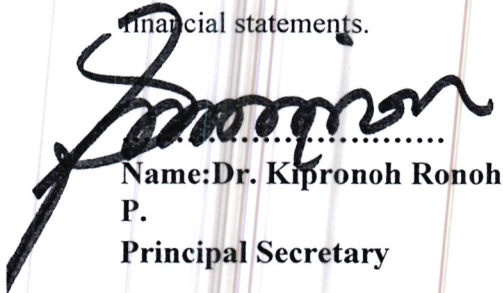
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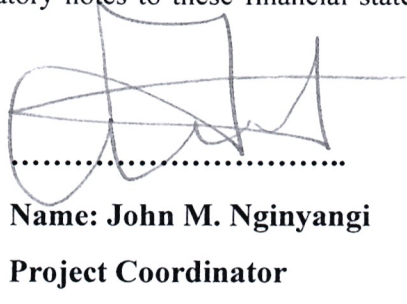
Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023

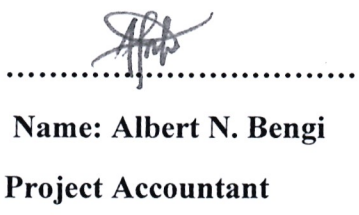
7. Statement of Receipts and Payments for the year ended 30th June 2023

| | Note | 2022/23 | | | 2021/22 | | | Cumulative to-date (From Inception) |
|--|-------|--|--------------------------------|----------------------|---|--------------------------------|----------------------|-------------------------------------|
| | | Receipts and payments controlled by the entity | Payments made by third parties | Total | Receipts and payment controlled by the entity | Payments made by third parties | Total | |
| | | Kes | Kes | | Kes | Kes | | |
| RECEIPTS | | | | | | | | |
| Transfer from Government entities - Counties | 1 | 415,694,774 | - | 415,694,774 | 167,507,452 | - | 167,507,452 | 922,625,959 |
| Loan from External Development Partners | 2 | 2,250,015,879 | - | 2,250,015,879 | 7,384,505,978 | - | 7,384,505,978 | 27,850,234,234 |
| Direct Payment | | - | - | - | 0 | - | 0 | 299,468,748 |
| TOTAL RECEIPTS | | 2,665,710,653 | - | 2,665,710,653 | 7,552,013,430 | - | 7,552,013,430 | 29,072,328,941 |
| PAYMENTS | | | | | | | | |
| Purchase of goods and services | 3 | 1,483,368,564 | - | 1,483,368,564 | 1,230,962,857 | - | 1,230,962,857 | 5,689,685,193 |
| Acquisition of non-financial assets | 4 | 202,320,017 | - | 202,320,017 | 217,411,414 | - | 217,411,414 | 1,778,120,119 |
| Transfers to other State Departments | 5 (a) | 945,234,861 | - | 945,234,861 | 465,756,285 | - | 465,756,285 | 4,414,039,336 |
| Transfers to County Governments | 5 (b) | 2,528,521,149 | - | 2,528,521,149 | 4,109,768,180 | - | 4,109,768,180 | 16,914,313,711 |
| TOTAL PAYMENTS | | 5,159,444,590 | - | 5,159,444,590 | 6,023,898,736 | - | 6,023,898,736 | 28,796,158,359 |
| SURPLUS/DEFICIT | | 2,493,733,937 | - | 2,493,733,937 | 1,528,114,694 | - | 1,528,114,694 | 276,170,582 |

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


 Name: Dr. Kipronoh Ronoh P.
 Principal Secretary

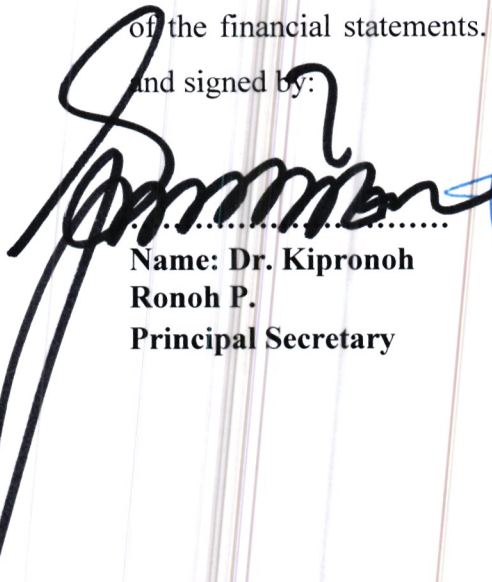

 Name: John M. Nginyangi
 Project Coordinator


 Name: Albert N. Bengi
 Project Accountant

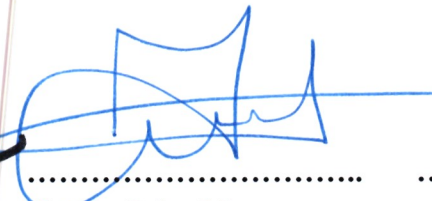
8. Statement of Financial Assets as at 30th June 2023

| | Note | 2022/23 | 2021/22 |
|--|------|--------------------|----------------------|
| | | Kes | Kes |
| FINANCIAL ASSETS | | - | - |
| Bank Balances | 7 A | 287,613,218 | 2,765,108,105 |
| Cash Balances | 7 B | 263,688 | 1,490,103 |
| Total Cash and Cash Equivalents | - | 287,876,906 | 2,766,598,208 |
| Outstanding Imprests and Advances | 8 | - | 15,012,635 |
| TOTAL FINANCIAL ASSETS | - | 287,876,906 | 2,781,610,843 |
| REPRESENTED BY | - | - | - |
| Fund balance b/fwd | 9 | 2,781,610,843 | 1,253,496,149 |
| Surplus/Deficit for the year | - | (2,493,733,937) | 1,528,114,694 |
| NET FINANCIAL POSITION | - | 287,876,906 | 2,781,610,843 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30.10. 2023 and signed by:



Name: Dr. Kipronoh
 Ronoh P.
 Principal Secretary



Name: John M.
 Nginyangi
 Project Coordinator



Name: Albert N. Bengi
 Project Accountant

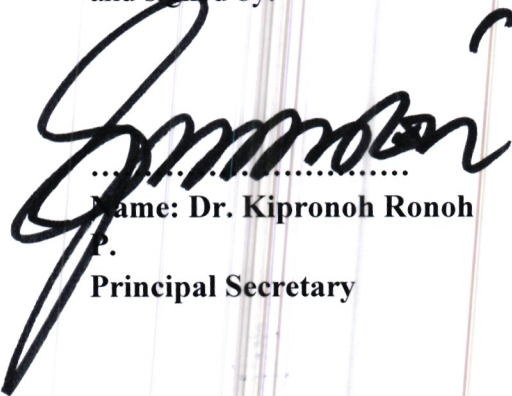
Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023

9. Statement of Cashflow for the year ended 30th June 2023

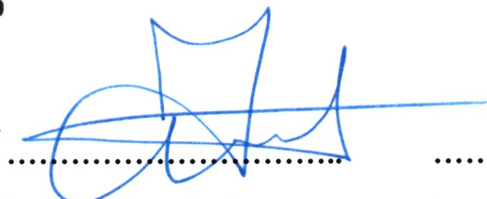
| | | 2022/23 | 2021/22 |
|--|-------------|------------------------|------------------------|
| Description | Note | Kes | Kes |
| Cash From Operating Activities | - | - | - |
| Receipts | - | - | - |
| Transfer from Government entities - Counties | 1 | 415,694,774 | 167,507,452 |
| Total Receipts | - | 415,694,774 | 167,507,452 |
| Payments | - | - | - |
| Purchase of goods and services | 3 | 1,483,368,564 | 1,230,962,857 |
| Transfers to other State Departments | 5 | 945,234,861 | 465,756,285 |
| Transfers to other government entities - Counties | 6 | 2,528,521,149 | 4,109,768,180 |
| Total Payments | | 4,957,124,573 | 5,806,487,322 |
| Adjustments during the year | - | - | - |
| Decrease/(Increase) in account receivables | 10 | (15,012,635) | (89,543,876) |
| Net cash flow from operating activities | | (4,526,417,164) | (5,549,435,994) |
| Cashflow from Investing activities | - | - | - |
| Acquisition of non-financial assets | 4 | 202,320,017 | 217,411,414 |
| Net cash flows from Investing Activities | - | 202,320,017 | 217,411,414 |
| Cash from Financing Activities | - | - | - |
| Proceeds from Foreign Borrowings | - | 2,250,015,879 | 7,384,505,978 |
| Net cash flow from financing activities | - | 2,250,015,879 | 7,384,505,978 |
| Net increase in cash and cash equivalent | - | (2,478,721,302) | 1,617,658,570 |
| Cash and cash equivalent at BEGINNING of the year | - | 2,766,598,208 | 1,148,939,638 |
| Cash and cash equivalent at END of the year | - | 287,876,906 | 2,766,598,208 |

Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023


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 30.10. 2023 and signed by:



.....
Name: **Dr. Kipronoh Ronoh**
Principal Secretary



.....
Name: **John M. Nginyangi**
Project Coordinator



.....
Name: **Albert N. Bengi**
Project Accountant

**Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023**

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

| Receipts/Payments Item | Original Budget a | Adjustments b | Final Budget c=a+b | Actual on Comparable Basis d | Budget Utilization Difference e=c-d | % of Utilization f=d/c % |
|--|----------------------|------------------------|-----------------------|------------------------------------|---|--------------------------------|
| Receipts | - | - | - | - | - | - |
| Transfer from Government entities | 415,694,774 | - | 415,694,774 | 415,694,774 | - | 100% |
| Proceeds from borrowings | 7,022,111,400 | (1,842,111,400) | 5,180,000,000 | 2,250,015,879 | 2,929,984,121 | 43% |
| Total Receipts | 7,437,806,174 | (1,842,111,400) | 5,595,694,774 | 2,665,710,653 | 2,929,984,121 | 48% |
| Payments | - | - | - | - | - | - |
| Purchase of goods and services | 2,094,625,642 | (230,000,000) | 1,864,625,642 | 1,483,368,564 | 381,257,078 | 80% |
| Acquisition of non-financial assets | 298,474,328 | (41,161,206) | 257,313,122 | 202,320,017 | 54,993,105 | 79% |
| Transfers to other government entities | 945,234,861 | - | 945,234,861 | 945,234,861 | - | 100% |
| Transfers to County Governments | 4,099,471,343 | (1,570,950,194) | 2,528,521,149 | 2,528,521,149 | - | 100% |
| Total Payments | 7,437,806,174 | (1,759,788,988) | 5,595,694,774 | 5,159,444,591 | 436,250,183 | 92% |
| Surplus or Deficit | - | (82,322,412) | - | (2,493,733,938) | 2,493,733,938 | - |

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



Name: **Dr. Kipronoh Ronoh P.**
Principal Secretary



Name: **John M. Nginyangi**
Project Coordinator



Name: **Albert N. Bengi**
Project Accountant

11. Significant Accounting Policies

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

a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted have been consistently applied to all the years presented.

b) Reporting entity

The financial statements are for Kenya Climate smart agriculture project under the State Department of crops. The financial statements are for the reporting entity KCSAP as required by Section 81 of the PFM Act, 2012 .

c) Reporting currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Project and all values are rounded to the nearest Kenya Shilling.

d) Recognition of receipts

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

i) Transfers from the Exchequer

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

Significant Accounting Policies (continued)

ii) External Assistance

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

iii) Other receipts

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

iv) Donations and grants

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

v) Proceeds from borrowing.

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

vi) Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and **relate** to funding for the Project currently under development where conditions have **been** satisfied or their ongoing satisfaction is highly likely and the project is **anticipated** to continue to completion. An analysis of the Project's undrawn external assistance is **shown** in the funding summary.

Significant Accounting Policies (continued)

e) Recognition of payments

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

i) Compensation to employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

ii) Use of goods and services

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

iii) Interest on borrowing

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

iv) Repayment of borrowing (principal amount)

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

Significant Accounting Policies (continued)

v) Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

f) In-kind donations

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

g) Cash and cash equivalents

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

Significant Accounting Policies (Continued)

h) Restriction on cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third part deposits.

i) Imprests and Advances

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

j) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships,

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. **Annex 6** of this financial statement is a register of the contingent liabilities in the year.

Significant Accounting Policies (Continued)

k) Contingent Assets

(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.

l) Pending bills

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

m) Budget

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation. A high-level assessment of

the Project's actual performance against the comparable budget for the financial year/period under review has been *included in an annex to these financial statements*.

Significant Accounting Policies (Continued)

n) Third party payments

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

o) Exchange rate differences

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates (Kenya Shillings). Transactions in foreign currencies during the year/period are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of receipts and payments.

p) Comparative figures

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

q) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2023

r) Prior period adjustments

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s)

12. Notes to the Financial Statements

1. Transfers from Government entities

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

Counterpart Funding Through Ministry of Agriculture

| COUNTIES | 2022/23 | 2021/22 | |
|-----------------------------|-----------------------|-----------------------|---------------------------|
| | Kes | Kes | Cumulative to date |
| Counterpart funds Quarter 1 | 9,481,286.00 | 62,972,484.00 | 75,553,770.00 |
| Counterpart funds Quarter 2 | 112,297,878.60 | 6,200,000.00 | 229,421,551.60 |
| Counterpart funds Quarter 3 | 83,272,056.64 | 26,518,370.00 | 184,995,371.64 |
| Counterpart funds Quarter 4 | 210,643,553.00 | 71,816,597.85 | 411,655,265.85 |
| TOTAL | 415,694,774.24 | 167,507,451.85 | 901,625,959.09 |

Counterpart Funding Through Ministry of Agriculture

| NATIONAL GOVERNMENT | 2022/23 | 2021/22 | |
|-----------------------------|-----------------------|-----------------------|---------------------------|
| | Kes | Kes | Cumulative to date |
| Counterpart funds Quarter 2 | - | - | 21,000,000.00 |
| TOTAL | - | - | 21,000,000.00 |
| GRAND TOTAL | 415,694,774.24 | 167,507,451.85 | 922,625,959.09 |

Notes to the Financial Statements (Continued)

2. Loan from External Development Partners

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

DA 1

| Name of Donor | Date Received | Amount in Loan Currency | Loans Received in Cash | Loans received as direct payment | Total Amount In Kshh | |
|--------------------|---------------|-------------------------|------------------------|----------------------------------|----------------------|----------------------|
| | | | | | 2022/23 | 2021/22 |
| - | - | USD | Kes | Kes | | |
| - | - | 17,060,936 | 2,112,826,374 | - | 2,112,826,374 | 2,405,931,500 |
| - | - | - | - | - | - | 1,536,329,228 |
| SUB - TOTAL | | 17,060,936 | 2,112,826,374 | - | 2,112,826,374 | 3,942,260,728 |

DA 2

| Name of Donor | Date Received | Amount in Loan Currency | Loans Received in Cash | Loans received as direct payment | Total Amount In Kshh | |
|--------------------|---------------|-------------------------|------------------------|----------------------------------|----------------------|----------------------|
| | | | | | 2022/23 | 2021/22 |
| - | - | USD | Kes | Kes | | |
| - | - | 1,044,935 | 137,189,504 | - | 137,189,504 | 1,101,700,000 |
| - | - | - | - | - | - | 932,585,250 |
| - | - | - | - | - | - | 1,407,960,000 |
| SUB - TOTAL | | 1,044,935 | 137,189,504 | - | 137,189,504 | 3,442,245,250 |
| TOTAL | | 18,105,871 | 2,250,015,879 | - | 2,250,015,879 | 7,384,505,978 |

Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023

Notes to the Financial Statements (Continued)

3. Purchase of Goods and Services

| | 2022/2023 | | | 2021/2022 | Cumulative to date (From Inception) |
|-----------------------------------|-------------------------------------|--------------------------------|----------------------|----------------------|-------------------------------------|
| | Payments made by the Entity in Cash | Payments made by third parties | Total Payment | Total Payment | |
| Consultancy and Training Payments | 978,570,409 | | 978,570,409 | 1,050,032,568 | 3,789,678,766 |
| Routine maintenance of vehicles | 4,894,444 | | 4,894,444 | 5,950,469 | 22,551,239 |
| Other operating expenses | 59,046,580 | | 59,046,580 | 109,424,236 | 280,141,672 |
| Contingency Emergency Response | 9,695,450 | | 9,695,450 | 9,888,150 | 1,079,648,402 |
| Agriculture Transformation Office | 431,161,681 | | 431,161,681 | 55,667,434 | 517,665,115 |
| Total | 1,483,368,564 | | 1,483,368,564 | 1,230,962,857 | 5,689,685,193 |

Notes to the Financial Statements (Continued)

4. Acquisition of Non-Financial Assets

| | FY 2022/23 | | | FY 2021/22 | Cumulative to date (From Inception) Kes |
|--|-------------------------------------|--------------------------------|--------------------|--------------------|--|
| | Payments made by the Entity in Cash | Payments made by third parties | Total Payment | Total Payments | |
| | Kes | Kes | Kes | Kes | |
| Overhaul & refurbishment of construction and civil works | 17,490,188 | - | 17,490,188 | 31,411,092 | 121,730,957 |
| Purchase of vehicles & other transport equipment | - | - | - | 118,272,933 | 636,663,898 |
| Purchase of office furniture & general equipment | 184,829,829 | - | 184,829,829 | 67,727,389 | 1,019,725,264 |
| Total | 202,320,017 | - | 202,320,017 | 217,411,414 | 1,778,120,119 |

Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023

Notes to the Financial Statements (Continued)

5. Transfers to other Government Entities

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

5. (a) Transfers to Other State Departments

| State Departments | FY 2022/23 | | | FY 2021/22 | Cumulative to date (From Inception) |
|-----------------------|---------------------------------|--------------------------------|--------------------|--------------------|-------------------------------------|
| | Payments made by entity in Cash | Payments made by third parties | Total Payments | Total Payments | |
| Transfer to KALRO | 842,969,345 | - | 842,969,345 | 568,399,137 | 3,921,785,941 |
| Transfer to KMD | 53,498,000 | - | 53,498,000 | 45,794,500 | 193,653,998 |
| Transfer to LIVESTOCK | 58,694,950 | - | 58,694,950 | (148,437,352) | (148,437,352) |
| Refund from KMD | (9,927,434) | - | (9,927,434) | - | 282,645,566 |
| | - | - | - | - | 15,953,832 |
| Total | 945,234,861 | - | 945,234,861 | 465,756,285 | 4,265,601,985 |

5 (b) Transfers to County Governments

| State Departments | FY 2022/23 | | | FY 2021/22 | Cumulative to date (From Inception) |
|----------------------------|---------------------------------|--------------------------------|----------------------|----------------------|-------------------------------------|
| | Payments made by entity in Cash | Payments made by third parties | Total Payments | Total Payments | |
| Transfer to Counties - IDA | 2,112,826,374 | - | 2,112,826,374 | 3,942,260,728 | 16,012,687,752 |
| Transfer to Counties - GOK | 415,694,774 | - | 415,694,774 | 167,507,452 | 901,625,959 |
| Total | 2,528,521,149 | - | 2,528,521,149 | 4,109,768,180 | 16,914,313,711 |

Breakdown of KCSAP IDA Disbursements to Counties for 2022/2023

| No. | County Name | Allocation Per County (USD) | Exchange Rate | Allocation per County (KES) |
|-----|-----------------|-----------------------------|---------------|-----------------------------|
| 1 | Baringo | 753,547.00 | 123.84 | 93,319,260.48 |
| 2 | Bomet | 608,182.00 | 123.84 | 75,317,258.88 |
| 3 | Busia | 1,012,016.75 | 123.84 | 125,328,154.00 |
| 4 | Elgeyo-Marakwet | 650,789.34 | 123.84 | 80,593,752.00 |
| 5 | Garissa | 607,792.72 | 123.84 | 75,269,050.00 |
| 6 | Isiolo | 2,097,908.87 | 123.84 | 259,805,034.00 |
| 7 | Kajiado | 607,487.24 | 123.84 | 75,231,220.00 |
| 8 | Kakamega | 800,310.39 | 123.84 | 99,110,439.00 |
| 9 | Kericho | 586,890.98 | 123.84 | 72,680,579.00 |
| 10 | Kisumu | 565,305.49 | 123.84 | 70,007,432.00 |
| 11 | Laikipia | 534,506.22 | 123.84 | 66,193,250.00 |
| 12 | Lamu | 42,285.50 | 123.84 | 5,236,636.00 |
| 13 | Machakos | 549,423.56 | 123.84 | 68,040,614.00 |
| 14 | Mandera | 655,619.76 | 123.84 | 81,191,951.00 |
| 15 | Marsabit | 445,692.50 | 123.84 | 55,194,559.00 |
| 16 | Nyandarua | 611,423.21 | 123.84 | 75,718,650.00 |
| 17 | Nyeri | 1,007,051.28 | 123.84 | 124,713,230.00 |
| 18 | Siaya | 608,592.14 | 123.84 | 75,368,050.00 |
| 19 | Taita-Taveta | 1,005,507.15 | 123.84 | 124,522,005.00 |
| 20 | Tana-River | 665,263.19 | 123.84 | 82,386,194.00 |
| 21 | Tharaka-Nithi | 796,182.02 | 123.84 | 98,599,181.36 |
| 22 | Uasin-Gishu | 681,357.24 | 123.84 | 84,379,280.00 |
| 23 | Wajir | 323,813.96 | 123.84 | 40,101,121.00 |
| 24 | West-Pokot | 843,988.00 | 123.84 | 104,519,473.92 |
| | Total | 17,060,936.49 | | 2,112,826,374.64 |

Kenya Climate Smart Agriculture Project (KCSAP)

Annual Report and Financial Statements for the financial year ended June 30, 2023

Breakdown of Counterpart Contribution by Counties

| No | County Name | Amount (Ksh) |
|----|-----------------|-----------------------|
| 1 | Baringo | 32,901,054.64 |
| 2 | Bomet | - |
| 3 | Busia | - |
| 4 | Elgeyo-Marakwet | 5,000,000.00 |
| 5 | Garissa | - |
| 6 | Isiolo | 100,959,460.00 |
| 7 | Kajiado | 5,008,160.00 |
| 8 | Kakamega | 3,000,000.00 |
| 9 | Kericho | 26,782,616.60 |
| 10 | Kisumu | 22,774,095.00 |
| 11 | Laikipia | 14,000,000.00 |
| 12 | Lamu | 15,000,000.00 |
| 13 | Machakos | 30,000,000.00 |
| 14 | Mandera | - |
| 15 | Marsabit | - |
| 16 | Nyandarua | 45,558,756.00 |
| 17 | Nyeri | 19,616,630.00 |
| 18 | Siaya | 5,000,000.00 |
| 19 | Taita-Taveta | 26,340,762.00 |
| 20 | Tana-River | 10,000,000.00 |
| 21 | Tharaka-Nithi | 12,553,240.00 |
| 22 | Uasin-Gishu | 10,000,000.00 |
| 23 | Wajir | - |
| 24 | West-Pokot | 31,200,000.00 |
| | Total | 415,694,774.24 |

Notes to the Financial Statements (Continued)

6. Cash And Cash equivalents

| Local Currency Accounts | Kes | Kes |
|--------------------------------|--------------------|----------------------|
| | 2022/23 | 2021/22 |
| Bank Accounts | 287,613,218 | 2,765,108,105 |
| Cash in hand | 263,688 | 1,490,103 |
| Total | 287,876,906 | 2,766,598,208 |

KCSAP has 2 project accounts spread within the project implementation area and 2 foreign currency designated accounts managed by the National Treasury as listed below:

7. A Bank Accounts

Project Bank Accounts

| Local Currency Accounts | Kes | Kes |
|--|--------------------|----------------------|
| | 2022/23 | 2021/22 |
| Central Bank of Kenya A/c No. 100192558 | 880,698 | 2,189,994,625 |
| Kenya Commercial Bank No. 1266644504 | 286,732,520 | 575,113,480 |
| Total local currency balances | 287,613,218 | 2,765,108,105 |

Notes to the Financial Statements (Continued)

Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as at 30th June 2023 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

Kenya Climate Smart Agriculture Project (KCSAP)

Annual Report and Financial Statements for the financial year ended June 30, 2023

Below is the Special Deposit Account (SDA) movement schedule which shows the flow of funds that were voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

Special Deposit Accounts Movement Schedule

(The Special Deposit Account(s) reconciliation statement(s) has (have) been attached as Appendix 4 support these closing balance.

| | 2022/2023 | 2021/2022 |
|---|------------------|--------------------|
| DA 1 | Kes | Kes |
| (K) Climate Smart Agri Prj - V032-KE 1000357231 | - | - |
| Opening Balance | 297,277,809 | 359,030,699 |
| Exchange Gain | 16,494,320 | - |
| Total amount Deposited in the Account | 1,799,165,878.75 | 3,880,507,838 |
| Total Amount Withdrawn | 2,112,826,374.30 | 3,942,260,728 |
| Closing balance | 111,634 | 297,277,809 |
| DA2 | - | - |
| (K) Climate Smart Agri Prj - V0320-KE 1000319356 | - | - |
| Opening Balance | 122,602,213 | 973,644,044 |
| Exchange Gain | 14,587,291 | - |
| Total amount Deposited in the Account | - | 2,591,203,419 |
| Total Amount Withdrawn | 137,189,504 | 3,442,245,250 |
| Closing balance | - | 122,602,213 |

Notes to the Financial Statements (Continued)

7B Cash in hand

| CASH | 2022/23 | 2021/22 |
|------------------|----------------|------------------|
| | Kes | Kes |
| Cash in hand CBK | 30,000 | 4,695 |
| Cash in hand KCB | 233,688 | 1,485,408 |
| Total | 263,688 | 1,490,103 |

7. Imprests and Advances

| <i>Description</i> | 2022/23 | 2021/22 |
|---------------------|----------------|----------------------|
| | Kes | Kes |
| Government Imprests | - | 15,012,635.00 |
| Total | - | 15,012,635.00 |

8. Fund Balance Brought Forward

| Description | Kes | Kes |
|--------------------------------------|----------------------|----------------------|
| | 2022/23 | 2021/22 |
| Bank Accounts - National | 2,765,108,105 | 1,147,447,410 |
| Cash in Hand | 1,490,103 | 1,492,228 |
| Oustanding Advance | 15,012,635 | 104,556,511 |
| Total local currency balances | 2,781,610,843 | 1,253,496,149 |

*Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Notes to the Financial Statements (Continued)

9. Changes in Imprests and Advances

| <i>Description</i> | <i>2021 2022</i> | <i>2020-2021</i> |
|------------------------------|------------------------|------------------------|
| | <i>Kes</i> | <i>Kes</i> |
| Opening Receivables | 15,012,635.00 | 104,556,510.85 |
| Closing account receivables | - | 15,012,635.00 |
| Change in Receivables | (15,012,635.00) | (89,543,875.85) |

**Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023**

Annex 1: Variance explanations - Comparative Budget and Actual amounts for Current FY

| | Final Budget | Actual on Comparable Basis | Budget Utilization Difference | % of Utilization | Comments on Variance (below 90% and over 100%) |
|--|----------------------|-----------------------------------|--------------------------------------|-------------------------|---|
| | a | b | c=a-b | d=b/a % | |
| Receipts | | | | | |
| Transfer from Government entities | 415,694,774 | 415,694,774 | - | - | - |
| Proceeds from borrowings | 5,180,000,000 | 2,250,015,879 | 2,929,984,121 | 43% | The project is closing on 30 th November, and thus some percentage of the budget was for utilization of balances |
| Total Receipts | 5,595,694,774 | 2,665,710,653 | 2,929,984,121 | 48% | |
| Payments | | | | | |
| Purchase of goods and services | 1,864,625,642 | 1,483,368,564 | 381,257,078 | 80% | Some Consultancies were not completed as at the closure of the FY and could not be paid. |
| Acquisition of non-financial assets | 257,313,122 | 202,320,017 | 54,993,105 | 79% | Due to late approval of supplementary budget some procurement process could not be completed |
| Transfers to other government entities | 945,234,861 | 945,234,861 | - | 100% | - |
| Transfers to County Governments | 2,528,521,149 | 2,528,521,149 | - | 100% | - |
| Total payments | 5,595,694,774 | 5,159,444,591 | 436,250,183 | 92% | |

*Kenya Climate Smart Agriculture Project (KCSAP)
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Annex 2: Summary of Fixed Assets Register

| Asset class | Opening Cost | Purchases/ Additions in the Year | Disposals in the Year | Closing Cost |
|--|----------------------|---|------------------------------|--------------------------|
| | (Kes) | (Kes) | (Kes) | (Kes) |
| | 2022/23 | 2022/23 | 2022/23 | 2022/23 |
| | (a) | (b) | (c) | (d)= (a)+ (b)-(c) |
| Overhaul & refurbishment of construction and civil works | 104,240,769 | 17,490,188 | - | 121,730,957 |
| Purchase of vehicles & other transport equipment | 798,842,224 | - | - | 798,842,224 |
| Purchase of office furniture & general equipment | 672,717,109 | 184,829,829 | - | 857,546,938 |
| Total | 1,575,800,102 | 202,320,017 | - | 1,778,120,119 |

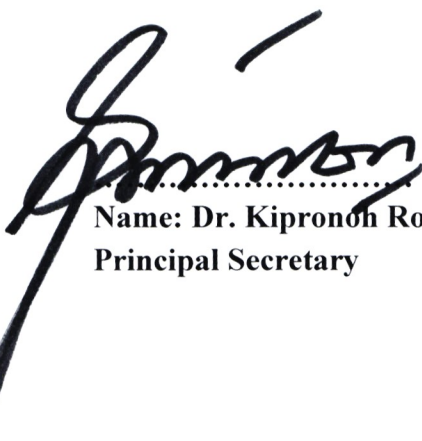
Annex 3: Prior Year Auditor-General's Recommendations

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|---|---|---|---|---|
| 1537 | Budget underabsorption by Kes 1,528,114,694 | This was occasioned by late approval of the disbursement framework and the supplementary budget | Resolved. The current year 2022/23 the project has absorbed 92% of the budget | Already done |
| 1538 | Irregular Procurement of assorted Furniture | Project engaged a supplier who was not prequalified | Not yet Resolved | Awaiting PAC meeting by 15 th October, 2023 |
| 1539 | Rehabilitation of LTI through an expired contract | Contract was extended and the supplier paid | Resolved. | Awaiting PAC clearance by 15 th October, 2023 |
| 1540 | Irregular signatories to operations account in Lamu County | This irregularity has already been rectified and the correct signatories are now in place | Resolved | Awaiting PAC clearance by 15 th October, 2023 |
| 1541 | Construction of Inaya Irrigation system on private Land by Kakamega County Government | The land owner has signed an MOU donating the land to the community. Title not yet issued | Not yet resolved | Awaiting PAC meeting by 15 th October, 2023 |

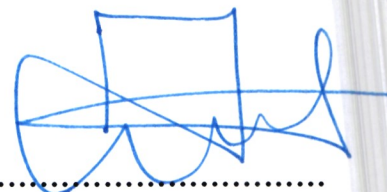
Kenya Climate Smart Agriculture Project (KCSAP)

Annual Report and Financial Statements for the financial year ended June 30, 2023

| 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) |
|---|---|--|--|---|
| 1542 | Failure to open Special purpose account – Wajir County | The special Purpose account is already opened | Resolved | Awaiting PAC clearance by 15 th October, 2023 |
| 1543 | Failure to remit Counterpart funds by selected Counties | Counterpart funds are remitted at 20% of the value of sub-projects. The subprojects are now complete and Counterpart funds remitted. | Resolved | Awaiting PAC clearance by 15 th October, 2023 |



Name: Dr. Kipronoh Ronoh P.
Principal Secretary



Name: John M. Nginyangi
Project Coordinator

REPUBLIC OF KENYA

Date 14TH JULY, 2023

Report of the Board of Survey on the Cash and Bank Balances of (KCSAP)

KENYA CLIMATE SMART AGRICULTURE**PROJECT - CB KACCOUNT No. 1000457678** as at the close ofbusiness on **30TH JUNE, 2023**

The Board, consisting of- (Names and Official titles)

ENG. NICODEMUS MWONGA - ENGINEER - CHAIRMAN**JOHN WAINAINA - PAO - MEMBER****ROBERT GWADOYA - PRINCIPAL ACCOUNTANT - MEMBER**Assembled at the office of **KENYA CLIMATE SMART AGRICULTURE PROJECT**at **2.30 PM** (time) on the **14TH JULY 2023**Notes (Shs. **30,000.00**)

Silver Shs.

Cheques (as per details on reverse) Shs.

30,000.00It was observed that cheques amounting to Shs. **N/A** cts

had been on hand for more than 14 days prior to the date of the survey.

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

The Cash Book reflected the following balances as at the close of business on the **30TH JUNE 2023**Cash on hand (Shs. **30,000.00**)Bank balance Shs. **880,697.10****910,697.10**The Bank Certificate of Balance showed a sum of Shs. **86,771,516.45**

- cts - (shs.

cts

Standing to the credit of the account on **30TH JUNE 2023**

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

Board Chairman

Date **14TH July 2023** 1.

2.

Members of the Board

| | |
|-----------------------------|--|
| IMPLEMENTING ENTITY: | MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES |
| PROJECT NAME: | KENYA CLIMATE SMART AGRICULTURE PROJECT |
| IDA CREDIT NO.: | 5945-KE |
| PROJECT NUMBER: | P154784 |
| THIS SCHEDULE | PCU MAIN OPERATIONS ACCOUNT "A" [KSHS] RECONCILIATION |
| PERIOD OF REPORT: | 1ST APRIL - 30TH JUNE 2023 |
| REPORTING CURRENCY: | KENYA SHILLINGS [Kshs] |

CBK BANK ACCOUNT NO. 1000457678

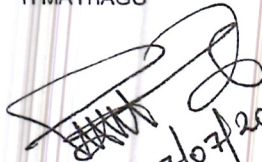
| | | |
|------|--------------------------------------|------------------------|
| | | Amount(Ksh) |
| | Balance as per bank statement | 86,771,516.45 |
| Less | Amount not electronically tranferred | 122,044,358.90 |
| | Receipt in bank not in Cash Book | (35,272,842.45) |
| Add | Payment in bank not in Cash Book | |
| | Receipt in Cash Book not in bank | 36,153,540.45 |
| | Balance as per cash Book | 880,698.00 |

Outstanding RTGS


| Date | Payee | Gross | VAT | Net | Unpresented |
|-----------|----------------------------|---------------|-----|-----|---------------|
| 11-Jun-23 | Commissioner of VAT | 15,172.40 | | | 15,172.40 |
| 15-Jun-23 | One plus one Holidays | 2,063,793.10 | | | 2,063,793.10 |
| 30-Jun-23 | Commissioner of VAT | 36,206.90 | | | 36,206.90 |
| 30-Jun-23 | Geminia Insurance Co | 986,580.00 | | | 986,580.00 |
| 30-Jun-23 | Commissioner of VAT | 109,620.00 | | | 109,620.00 |
| 30-Jun-23 | Geminia Insurance Co | 986,580.00 | | | 986,580.00 |
| 30-Jun-23 | Commissioner of VAT | 109,620.00 | | | 109,620.00 |
| 30-Jun-23 | Kundaliba General agencies | 1,326,724.15 | | | 1,326,724.15 |
| 30-Jun-23 | Commissioner of VAT | 23,275.85 | | | 23,275.85 |
| 30-Jun-23 | Geminia Insurance Co | 1,085,238.00 | | | 1,085,238.00 |
| 30-Jun-23 | Commissioner of VAT | 120,582.00 | | | 120,582.00 |
| 30-Jun-23 | Geminia Insurance Co | 986,580.00 | | | 986,580.00 |
| 30-Jun-23 | Commissioner of VAT | 109,620.00 | | | 109,620.00 |
| 30-Jun-23 | Powermax International | 5,283,310.35 | | | 5,283,310.35 |
| 30-Jun-23 | Commissioner of VAT | 92,689.65 | | | 92,689.65 |
| 30-Jun-23 | Geminia Insurance Co | 1,085,238.00 | | | 1,085,238.00 |
| 30-Jun-23 | Commissioner of VAT | 120,582.00 | | | 120,582.00 |
| 30-Jun-23 | Bell Consulting agencies | 7,904,030.35 | | | 7,904,030.35 |
| 30-Jun-23 | Commissioner of VAT | 423,691.10 | | | 423,691.10 |
| 30-Jun-23 | Commissioner of VAT | 146,100.35 | | | 146,100.35 |
| 30-Jun-23 | Geomase Enterprises | 10,566,620.70 | | | 10,566,620.70 |
| 30-Jun-23 | Commissioner of VAT | 185,379.30 | | | 185,379.30 |
| 30-Jun-23 | Bell Consulting agencies | 7,904,030.35 | | | 7,904,030.35 |
| 30-Jun-23 | Commissioner of VAT | 423,691.10 | | | 423,691.10 |
| 30-Jun-23 | Commissioner of VAT | 146,100.35 | | | 146,100.35 |
| 30-Jun-23 | Value Edge Ltd | 1,125,280.00 | | | 1,125,280.00 |
| 30-Jun-23 | Commissioner of VAT | 60,320.00 | | | 60,320.00 |
| 30-Jun-23 | Commissioner of VAT | 20,800.00 | | | 20,800.00 |
| 30-Jun-23 | Black Settler Supplies | 2,555,172.40 | | | 2,555,172.40 |
| 30-Jun-23 | Commissioner of VAT | 44,827.60 | | | 44,827.60 |
| 30-Jun-23 | Bell Consulting agencies | 15,808,060.60 | | | 15,808,060.60 |
| 30-Jun-23 | Commissioner of VAT | 847,382.20 | | | 847,382.20 |
| 30-Jun-23 | Commissioner of VAT | 292,200.75 | | | 292,200.75 |
| 30-Jun-23 | Elijah Kyalo | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Tracy Nkatha | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Wycliff Obara | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Susan Kambua | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Elias Mutuma | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Shalon Chema | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Josephat Mwangi | 23,650.00 | | | 23,650.00 |

| | | | | | |
|-----------|--------------------------|-----------------------|--|---|-----------------------|
| 30-Jun-23 | James Onditi | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Ephraim Mbaya | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Clariane Nyachoti | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Emmanuel Nzeka | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Kombo Dundo | 23,650.00 | | | 23,650.00 |
| 30-Jun-23 | Payee | 16,200.00 | | | 16,200.00 |
| 30-Jun-23 | Dellcom Office Equipment | 2,461,810.35 | | | 2,461,810.35 |
| 30-Jun-23 | Commissioner of VAT | 43,189.65 | | | 43,189.65 |
| 30-Jun-23 | Bruke Enterprises | 2,886,362.05 | | | 2,886,362.05 |
| 30-Jun-23 | Commissioner of VAT | 50,637.95 | | | 50,637.95 |
| 30-Jun-23 | Egerton University | 40,837,649.00 | | | 40,837,649.00 |
| 30-Jun-23 | Professional Fee | 2,189,079.15 | | | 2,189,079.15 |
| 30-Jun-23 | Commissioner of VAT | 754,854.85 | | | 754,854.85 |
| 30-Jun-23 | Anole Construction | 8,123,102.60 | | | 8,123,102.60 |
| 30-Jun-23 | PS - SDC & AR Retension | 952,567.65 | | | 952,567.65 |
| 30-Jun-23 | Commissioner of VAT | 285,770.30 | | | 285,770.30 |
| 30-Jun-23 | Commissioner of VAT | 164,235.80 | | | 164,235.80 |
| | TOTAL | 122,044,358.90 | | - | 122,044,358.90 |

H MATHAGU


Signature 07/07/2023

ALBERT BENGI
ACCOUNTANT


Signature

BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

Haile Selassie Avenue
P.O. Box 60000 - 60200 Nairobi, Kenya
Telephone: 2260000, Fax: 3340192

July 13, 2023

CERTIFICATE OF BALANCES

Customer : 145028
Balance Date: 30-Jun-23

STATE DEPT FOR CROP DEV AGRI RESEI

| Account No | Account Name | Currency | Balance |
|------------|-------------------------------------|----------|------------------|
| 1000456957 | REC-STATE DEPT FOR CROP DEV AGRI RE | KES | 535,153,751.00 |
| 1000456965 | DEV-STATE DEPT FOR CROP DEV AGRI RE | KES | 130,962,949.70 |
| 1000456973 | DEP-STATE DEPT FOR CROP DEV AGRI RE | KES | 60,213,810.45 |
| 1000456981 | CBK165-STATE DEPT FOR CROP DEV AGRI | KES | 0.00 |
| 1000457627 | FERTILIZER PROCEEDS | KES | 0.00 |
| 1000457635 | STRATEGIC FOOD RESERVE | KES | 0.00 |
| 1000457643 | DROUGHT RESIL SUSTAIN LAND PROJ GOK | KES | 0.00 |
| 1000457651 | FERTILIZER REVENUE COLLECTION ACCOU | KES | 0.00 |
| 1000457667 | DROUGHT RESIL SUSTAINABLE LAND PROJ | KES | 37,758,807.60 |
| 1000457678 | KENYA CLIMATE SMART AGRICULTURE | KES | 86,771,516.45 |
| 1000457686 | MULTINATIONAL RURAL LIVI CLIMATE CH | KES | 37,938,047.05 |
| 1000457694 | NATIONAL AGRIC AND RURAL INCL GROWT | KES | 80,805,801.84 |
| 1000457708 | SMALL SCALE IRRIG VAL ADD PROJ GOK | KES | 0.00 |
| 1000457716 | SMALL SCALE IRR VAL ADD PROJ LOAN | KES | 36,484,118.35 |
| 1000457724 | SMALL SCALE IRR VAL ADD PROJ GRANT | KES | 35,252,064.75 |
| 1000457748 | MSA AGRI SECT DEV SUPPORT PROGRAMME | KES | 0.00 |
| 1000457759 | ENABLE YOUTH KENYA PROGRAMME | KES | 607,916.30 |
| 1000485566 | EMERGENCY LOCUST RESPONSE PROG ELRP | KES | 1,125,574,592.85 |
| 1000605499 | MAIZE FLOUR SUBSIDY | KES | 904,431.05 |
| 1000608064 | PROG TO BUILD RESIL FOR FOOD,NUTR S | KES | 1,923,474.20 |
| 1000653687 | NAT AGRI VAL CHAIN DEV - IDA CR7064 | KES | 134,385,386.80 |

Priscilla Keitany (Mrs)
Authorised Signatory
Banking Services Division

Joyce Nasieku
Authorised Signatory
Banking Services Division



Transfer to other local banks EFT

11/08/2023 16:02:45

Account Details

From Account Number

1155214412

Account Name

JANET NYAGICHUHI MACHARIA

Beneficiary Account Details

Beneficiary Name

Kenya Climate Smart Agriculture

Beneficiary Account

1000457678

ail Beneficiary

Beneficiary Bank Details

Bank Name

Central Bank of Kenya

Branch Name

Head Office

Clearing Code

09001

Transfer Details

Status

Completed(20029819882/FT23223645L8)

Reference number

20029819882

E. Reference Number

FT23223645L8

Transfer Amount

KES 30,000.00

Fees

KES 172.50

Execution Date

11/08/2023

My Reference

Imprest Refund

Beneficiary Reference

Refund of unused imprest balance

Payment Purpose

Refund of unused imprest balance

Supporting Documentation

REPUBLIC OF KENYA

Date 14TH JULY, 2023

Report of the Board of Survey on the Cash and Bank Balances of (KCSAP)

KENYA CLIMATE SMART AGRICULTURE**PROJECT - KCB ACCOUNT No. 1266644504** as at the close ofbusiness on **30TH JUNE, 2023**

The Board, consisting of- (Names and Official titles)

ENG. NICODEMUS MWONGA - ENGINEER - CHAIRMAN**JOHN WAINAINA - PAO - MEMBER****ROBERT GWADOYA PRINCIPAL ACCOUNTANT - MEMBER**Assembled at the office of **KENYA CLIMATE SMART AGRICULTURE PROJECT**at **2.30 PM** (time) on the **14TH JULY 2023**Notes (Shs. **233,650.00**)Silver Shs. **38.00**

Cheques (as per details on reverse) Shs.

233,688.00It was observed that cheques amounting to Shs. **N/A** cts

had been on hand for more than 14 days prior to the date of the survey.

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

The Cash Book reflected the following balances as at the close of business on the **30TH JUNE 2023**Cash on hand (Shs. **233,688.00**)Bank balance Shs. **286,732,520.15****286,966,208.15**The Bank Certificate of Balance showed a sum of Shs. **321,967,470.90**

- cts - (shs. cts)

Standing to the credit of the account on **30TH JUNE 2023**

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

Chairman

Date **14TH July 2023** 1.

Members of the Board 2.

1218 CA 41 BRANCHES
CERTIFICATE OF BALANCE

KCB Bank Limited
(Incorporated in

Kenya)

CERT2320600180

KCB KICC 25 JUL 2023
.....

Certified that the balance at the CREDIT Of KCSAP IDA
CREDIT NO 59450 KE

.....
A/C 1266644504
.....

at the close of business on 30 JUN 2023 Was KES
.....

THREE HUNDRED AND TWENTY ONE MILLION NINE HUNDRED AND SIXTY SEVEN
THOUSAND FOUR HUNDRED AND SEVENTY CENTS NINETY

.....
.....
KES 321,967,470.90

..... FOR: KCB BANK KENYA LTD.

Examined by

..... *K. M. Mwangi* Branch Manager
..... KICC, Nairobi

.....
Manager Service Quality & Compliance Branch Manager

FOR: KCB BANK KENYA LTD.

.....
..... Asst. Manager, Customer Experience
..... KICC, Nairobi

| | |
|-----------------------------|--|
| IMPLEMENTING ENTITY: | MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES |
| PROJECT NAME: | KENYA CLIMATE SMART AGRICULTURE PROJECT |
| IDA CREDIT NO.: | 5945-KE |
| PROJECT NUMBER: | P154784 |
| THIS SCHEDULE | PCU MAIN OPERATIONS ACCOUNT "A" [KSHS] RECONCILIATION |
| PERIOD OF REPORT: | 1ST JUNE - JUNE 30TH 2023 |
| REPORTING CURRENCY: | KENYA SHILLINGS [Kshs] |

BANK ACCOUNT NO. 1266644504

| | | |
|------|---|-----------------------|
| | | Amount(Ksh) |
| Less | Balance as per bank statement | 321,967,470.90 |
| | Receipts not in cash Book | |
| | Amount not electronically transferred | 36,350,151.65 |
| Add | | 285,617,319.25 |
| | Cheque payment overcast in bank CHQ NO 000670 | 0.50 |
| | Receipt in Cash Book not in bank | 1,115,200.00 |
| | Balance as per cash Book | 286,732,519.75 |

Outstanding RTGS

| Date | Payee | Gross | VAT | Net | |
|-----------|-------------------------|----------------------|-----|-----|----------------------|
| 22-Aug-22 | CFAO Motors ltd | 15,144.00 | | | 15,144.00 |
| 19-Jun-23 | CFAO Motors ltd | 45,754.80 | | | 45,754.80 |
| 25-Jun-23 | Pewin Motors | 88,897.90 | | | 88,897.90 |
| 25-Jun-23 | CFAO Motors ltd | 46,814.50 | | | 46,814.50 |
| 25-Jun-23 | Transfer to CBK Account | 36,153,540.45 | | | 36,153,540.45 |
| | | 36,350,151.65 | - | | - |
| | | | | | 36,350,151.65 |

H MATHAGU

Signature

ALBERT BENGI
ACCOUNTANT

Signature

**KENYA CLIMATE SMART AGRICULTURAL PROJECT (KCSAP) - NATIONAL
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2023**

Credit No.: IDA LOAN CREDIT NO.V0320-KE/59450-KE

Bank Account No.: 1000319356 Held with CENTRAL BANK OF KENYA

| | NOTES | AMOUNT USD | AMOUNT USD |
|---|---|---------------|----------------------|
| 1 | Amount advanced by IDA | | 108,266,822.91 |
| | Less: | | |
| 2 | Total amount documented | | 82,267,910.64 |
| 3 | Outstanding amount to be documented | | 25,998,912.27 |
| | | | |
| | Represented by: | | |
| 4 | Ending Special account Balance as as 30 June 2023 | | - |
| 5 | Amounts claimed but not credited as at 30 June 2023 | | - |
| 6 | Amounts withdrawn and not claimed | | 25,998,912.27 |
| 7 | Service Charges (if not included in lines 5 and 6 above) | | - |
| 8 | Interest earned (if included in Special Account) | | - |
| 9 | Total advance to Special Account Year ended 30 June 2023 | | 25,998,912.27 |

Discrepancy between total appearing on line 3 and 9

-

Notes:

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

The amount appearing on line 6 is eligible for financing by World Bank and shall be documented in subsequent IFRs

Signature

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: *28-08-2023*

SPECIAL ACCOUNT STATEMENT

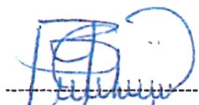
| | |
|-------------------|---|
| For period ending | 30th JUNE, 2023 |
| Account No. | 1000319356 |
| Depository Bank | CENTRAL BANK OF KENYA. |
| Address | CENTRAL BANK OF KENYA. |
| Related Loan | (K) CLIMATE SMART AGRI PRJ-V032-KE |
| Credit Agreement | |
| Currency | USD |

Part A - Account Activity

| | |
|---|---------------------|
| Beginning balance of 1st July, 2022 as per C.B.K. Ledger Account | 1,044,934.91 |
| Add: | |
| Total Amount deposited by World Bank | ----- |
| Total Interest earnings if deposited in account | ----- |
| Total amount refunded to cover ineligible expenditure | ----- |
| Deduct: | |
| Total amount withdrawn | 1,044,934.91 |
| Total service charges if not included above in amount withdrawn | ----- |
| Ending balance on 30th June,2023 | 0.00 |

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE: _____

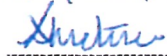


DATE

17/08/2023

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE: _____



DATE

28-08-2023

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2023 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Run Date:
CENTRAL BANK OF KENYA
BANKI KUU YA KENYA
P.O.BOX 60000-0200
NAIROBI

Run Time:

STATEMENT OF ACCOUNT

PAGE NO: 1

ACCOUNT NUMBER :

ACCOUNT TITLE : (K) CLIMATE SMART AGRI PRJ-V032-KE
30/06/2023

STATEMENT PERIOD: From 01/07/2022 To

| NO. | DATE | REFERENCE NO | DETAILS | DEBIT | CREDIT BALANCE | |
|---------------|------------|--------------|-----------|---------------|----------------|---------|
| OPENING BAL : | | 1,044,934.91 | | | | |
| NO. | Value Date | Reference.No | Details | Debit | Credit | Balance |
| 1 | 27/03/2023 | FT23086YWBCK | PA 129906 | -1,044,934.91 | 0.00 | 0 |

CLOSING BALANCE : 0

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM

More Options
Clear Selection

Find

- Account equals ▼ 1000319356
- Statement From equals ▼ 20220701
- Statement To equals ▼ 20230630

TAM.E.STMT.OF.ACCT.EPRM



Loan: IDA 59450 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P154784 - Kenya Climate Smart Agriculture Project

- Loan Overview
- Disbursements
- History
- Repayments
- Amortization Schedule
- Audit Submission
- D
- Applications
- eSignatorie(s)
- Beneficiaries
- Contracts
- Designated/UN Accounts**
- Category Schedule

Designated Account Detail- DA-2

Account Details

| | | | |
|-----------------------|--|-------------------------------|--|
| Account Holder | KENYA CLIMATE SMART AGRICULTURE | DA Currency | USD |
| Account Holder's Bank | CENTRAL BANK OF KENYA HAILE SELASSIE AVENUE NAIROBI Swift: CBKEKENXXX | Current Authorized Allocation | 0.00 |
| Account Number | 1000319356 | Hide | Associated Categories 1 - (Gds,Wks,NCS,CS,Trg&OC) 4 - (Emergency Expenditures Pt 5) |
| Intermediary Bank | STANDARD CHARTERED BANK 1 BASINGHALL AVENUE LONDON Swift: SCBLG82LXXX | Other Financing Sources | |

Transaction Details

Currency (USD) View Transaction List

| | |
|-----------------------------|---------------|
| Total Deposits Less Refunds | 94,496,822.91 |
| Documented | 81,040,419.27 |
| Outstanding Balance | 13,456,403.64 |
| Waived Documentation Amount | 0.00 |
| Transaction in Process | 0.00 |

Loans with Closing Dates in less than 3 months

The Closing Date for the Loan is in 3 months.

If all withdrawal applications and supporting documentation for project expenditures are expected to be submitted to the Bank by the Closing Date, no action is needed.

If all project expenditures are expected to be incurred (i.e., services rendered and goods delivered) by the Closing Date, but additional time is needed to submit withdrawal applications and/or supporting documentation to the Bank, the borrower representative should contact the Task Leader to establish a Grace Period - an additional period between the Closing Date and the Application Deadline Date during which withdrawal applications or supporting documentation for Designated Account Advances may be submitted to the Bank for eligible expenditures incurred by the Closing Date. If the Grace Period has been established, no action is required.



Loan: IDA 59450 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P154784 - Kenya Climate Smart Agriculture Project

- Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | D
- Applications | eSignatorie(s) | Beneficiaries | Contracts | **Designated/UN Accounts** | Category Schedule |

Designated Account Detail- DA-3

Account Details

| | | | |
|-----------------------|---|-------------------------------|---|
| Account Holder | KENYA CLIMATE SMART AGRICULTURE | DA Currency | USD |
| Account Holder's Bank | CENTRAL BANK OF KENYA HAILE SELASSIE AVENUE NAIROBI Swift: CBKEKENXXXX | Current Authorized Allocation | 13,770,000.00 |
| Account Number | 1000319356 | Hide | Associated Categories 4 - (Emergency Expenditures Pt 5) |
| Intermediary Bank | STANDARD CHARTERED BANK 1 BASINGHALL AVENUE LONDON Swift: SCBLGB2LXXX | Other Financing Sources | |

Transaction Details

Currency (USD) View Transaction List

| | |
|-----------------------------|---------------|
| Total Deposits Less Refunds | 13,770,000.00 |
| Documented | 1,227,491.37 |
| Outstanding Balance | 12,542,508.63 |
| Waived Documentation Amount | 0.00 |
| Transaction in Process | 0.00 |

Loans with Closing Dates in less than 3 months

The Closing Date for the Loan is in 3 months.

If all withdrawal applications and supporting documentation for project expenditures are expected to be submitted to the Bank by the Closing Date, no action is needed.

If all project expenditures are expected to be incurred (i.e., services rendered and goods delivered) by the Closing Date, but additional time is needed to submit withdrawal applications and/or supporting documentation to the Bank, the borrower representative should contact the Task Leader to establish a Grace Period - an additional period between the Closing Date and the Application Deadline Date during which withdrawal applications or supporting documentation for Designated Account Advances may be submitted to the Bank for eligible expenditures incurred by the Closing Date. If the Grace Period has been established, no action is required.



Loan: IDA 59450 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P154784 - Kenya Climate Smart Agriculture Project

- Loan Overview
- Disbursements
- History
- Repayments
- Amortization Schedule
- Audit Submission
- D
- Applications
- eSignatorie(s)
- Beneficiaries
- Contracts
- Designated/UN Accounts
- Category Schedule

Withdrawal Applications

Disbursement Milestone

| | | | | | |
|-----------------------------------|----------------------------------|------------------------------------|---|--|--|
| Loan Approval Date 09-Feb-2017 | Loan Signing Date 07-Apr-2017 | Loan Made Effective 16-May-2017 | Authorized Signatories Submitted to WB 09-Mar-2023 | Authorized Signatories Approved 09-Mar-2023 | Loan is Ready for Disbursing Online 28-Aug-2023 |
|-----------------------------------|----------------------------------|------------------------------------|---|--|--|

Submit Withdrawal Application

Transaction List

Showing results 1 - 50 of 56 entries

Filter by DA-2

Paid Summary Value Date

Search

| Borrower Reference | Application | | | | | Paid | | | | | |
|--------------------|-------------|-----------|-----|---------------|------------------|------|---------------|---------------|-------------|-----------|--------------|
| | Type | Status | Ccy | Amount | Category Summary | Ccy | Amount | Date received | Value Date | Logged by | Last Updated |
| WA 47 | DA-2 | Completed | USD | 0.00 | 1 | USD | 0.00 | 14-Jun-2023 | 20-Jun-2023 | Borrower | 20-Jun-2023 |
| WA 45 | DA-2 | Completed | USD | 0.00 | 1 | USD | 0.00 | 14-Dec-2022 | 19-Dec-2022 | Borrower | 19-Dec-2022 |
| WA 44 | DA-2 | Completed | USD | 5,669,550.00 | 1 | USD | 5,669,550.00 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 |
| WA 43 | DA-2 | Completed | USD | 7,373,284.00 | 1 | USD | 7,373,284.00 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 |
| WA 42 | DA-2 | Completed | USD | 9,007,460.33 | 1 | USD | 9,007,460.33 | 20-Aug-2021 | 07-Sep-2021 | Borrower | 07-Sep-2021 |
| WA 41 | DA-2 | Completed | USD | 9,018,230.04 | 1 | USD | 9,018,230.04 | 19-May-2021 | 20-May-2021 | Borrower | 20-May-2021 |
| WA 40 | DA-2 | Completed | USD | 4,090,378.00 | 1 | USD | 4,090,378.00 | 15-Mar-2021 | 18-Mar-2021 | Borrower | 18-Mar-2021 |
| WA 39 | DA-2 | Completed | USD | 5,167,457.05 | 1 | USD | 5,167,457.05 | 09-Feb-2021 | 16-Feb-2021 | Borrower | 16-Feb-2021 |
| WA 36 | DA-2 | Completed | USD | 9,109,992.13 | DA-2 | USD | 9,109,992.13 | 07-Oct-2020 | 13-Oct-2020 | Borrower | 13-Oct-2020 |
| WA 35A | DA-2 | Completed | USD | 0.00 | Multiple | USD | 0.00 | 14-Sep-2020 | 15-Sep-2020 | Borrower | 15-Sep-2020 |
| WA 34 | DA-2 | Completed | USD | 23,143,717.15 | DA-2 | USD | 23,143,717.15 | 29-Jun-2020 | 30-Jun-2020 | Borrower | 30-Jun-2020 |
| WA 16 | DA-2 | Completed | USD | 1,328,807.40 | 1 | USD | 1,328,807.40 | 03-Jun-2020 | 09-Jun-2020 | Borrower | 09-Jun-2020 |
| WA 15 | DA-2 | Completed | USD | 1,713,988.16 | 1 | USD | 1,713,988.16 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 |
| WA14 | DA-2 | Completed | USD | 15,000,000.00 | DA-2 | USD | 15,000,000.00 | 18-Mar-2020 | 19-Mar-2020 | Borrower | 19-Mar-2020 |
| WA 13 | DA-2 | Completed | USD | 2,801,453.00 | 1 | USD | 2,801,453.00 | 07-Feb-2020 | 14-Feb-2020 | Borrower | 14-Feb-2020 |
| WA 12 | DA-2 | Completed | USD | 593,088.00 | 1 | USD | 593,088.00 | 07-Feb-2020 | 11-Feb-2020 | Borrower | 11-Feb-2020 |

| Application | | | | | Paid | | | | | | |
|-------------|------|-----------|-----|--------------|------|-----|--------------|-------------|-------------|----------|-------------|
| WA 11 | DA-2 | Completed | USD | 828,368.00 | 1 | USD | 828,368.00 | 04-Sep-2019 | 05-Sep-2019 | Borrower | 05-Sep-2019 |
| WA 10 | DA-2 | Completed | USD | 6,000,000.00 | DA-2 | USD | 6,000,000.00 | 05-Sep-2019 | 05-Sep-2019 | Borrower | 05-Sep-2019 |
| WA 009 | DA-2 | Completed | USD | 670,575.00 | 1 | USD | 670,575.00 | 22-Aug-2019 | 26-Aug-2019 | Borrower | 26-Aug-2019 |
| WA 007 | DA-2 | Completed | USD | 177,423.00 | 1 | USD | 177,423.00 | 21-Aug-2019 | 23-Aug-2019 | Borrower | 23-Aug-2019 |
| WA 008 | DA-2 | Completed | USD | 197,382.00 | 1 | USD | 197,382.00 | 22-Aug-2019 | 23-Aug-2019 | Borrower | 23-Aug-2019 |
| WA 006 | DA-2 | Completed | USD | 2,000,000.00 | DA-2 | USD | 2,000,000.00 | 28-Feb-2019 | 01-Mar-2019 | Borrower | 01-Mar-2019 |
| WA 004 | DA-2 | Completed | USD | 796,410.00 | 1 | USD | 796,410.00 | 02-Oct-2018 | 05-Oct-2018 | Borrower | 05-Oct-2018 |
| WA 003 | DA-2 | Completed | USD | 850,043.16 | 1 | USD | 850,043.16 | 31-Jul-2018 | 06-Aug-2018 | Borrower | 06-Aug-2018 |
| WA 002 | DA-2 | Completed | USD | 729,216.49 | 1 | USD | 729,216.49 | 01-Mar-2018 | 15-Mar-2018 | Borrower | 15-Mar-2018 |
| WA 001 | DA-2 | Completed | USD | 2,000,000.00 | DA-2 | USD | 2,000,000.00 | 17-Oct-2017 | 20-Oct-2017 | Borrower | 20-Oct-2017 |

Loans with Closing Dates in less than 3 months

The Closing Date for the Loan is in 3 months.

If all withdrawal applications and supporting documentation for project expenditures are expected to be submitted to the Bank by the Closing Date, no action is needed.

If all project expenditures are expected to be incurred (i.e., services rendered and goods delivered) by the Closing Date, but additional time is needed to submit withdrawal applications and/or supporting documentation to the Bank, the borrower representative should contact the Task Leader to establish a Grace Period - an additional period between the Closing Date and the Application Deadline Date during which withdrawal applications or supporting documentation for Designated Account Advances may be submitted to the Bank for eligible expenditures incurred by the Closing Date. If the Grace Period has been established, no action is required.

Loan: IDA 59450 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P154784 - Kenya Climate Smart Agriculture Project

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | D

Applications | eSignatorie(s) | Beneficiaries | Contracts | Designated/UN Accounts | Category Schedule |

Withdrawal Applications

Disbursement Milestone

| | | | | | |
|-----------------------------------|----------------------------------|------------------------------------|---|--|--|
| Loan Approval Date 09-Feb-2017 | Loan Signing Date 07-Apr-2017 | Loan Made Effective 16-May-2017 | Authorized Signatories Submitted to WB 09-Mar-2023 | Authorized Signatories Approved 09-Mar-2023 | Loan is Ready for Disbursing Online 28-Aug-2023 |
|-----------------------------------|----------------------------------|------------------------------------|---|--|--|

Submit Withdrawal Application

Transaction List

Showing results 1 - 50 of 75 entries

Filter by DA-2

Documented C

Value Date

Search

| Borrower Reference | Application | | | | | Paid | | | | | |
|--------------------|-------------|-----------------|-----|---------------|------------------|------|---------------|---------------|-------------|--------------|--------------|
| | Type | Status | Ccy | Amount | Category Summary | Ccy | Amount | Date received | Value Date | Logged by | Last Updated |
| WA 47 | DA-2 | Completed | USD | 7,500,000.00 | 1 | USD | 7,500,000.00 | 14-Jun-2023 | 20-Jun-2023 | Borrower | 20-Jun-2023 |
| WA 45 | DA-2 | Completed | USD | 13,056,152.00 | 1 | USD | 13,056,152.00 | 14-Dec-2022 | 19-Dec-2022 | Borrower | 19-Dec-2022 |
| WA 44 | DA-2 | Completed | USD | 5,669,550.00 | 1 | USD | 5,669,550.00 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 |
| WA 43 | DA-2 | Completed | USD | 7,373,284.00 | 1 | USD | 7,373,284.00 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 |
| WA 42 | DA-2 | Completed | USD | 9,007,460.33 | 1 | USD | 9,007,460.33 | 20-Aug-2021 | 07-Sep-2021 | Borrower | 07-Sep-2021 |
| WA 41 | DA-2 | Completed | USD | 9,018,230.04 | 1 | USD | 9,018,230.04 | 19-May-2021 | 20-May-2021 | Borrower | 20-May-2021 |
| WA 40 | DA-2 | Completed | USD | 4,090,378.00 | 1 | USD | 4,090,378.00 | 15-Mar-2021 | 18-Mar-2021 | Borrower | 18-Mar-2021 |
| WA 39 | DA-2 | Completed | USD | 5,167,457.05 | 1 | USD | 5,167,457.05 | 09-Feb-2021 | 16-Feb-2021 | Borrower | 16-Feb-2021 |
| WA 36 | DA-2 | Completed by WB | USD | 9,109,992.13 | DA-2 | | 0.00 | 01-Oct-2020 | | Albert Bengi | 13-Oct-2020 |
| WA 35A | DA-2 | Completed | USD | 9,109,992.13 | 4 | USD | 7,206,216.05 | 14-Sep-2020 | 15-Sep-2020 | Borrower | 15-Sep-2020 |
| WA 35A | DA-2 | Completed | USD | 9,109,992.13 | 1 | USD | 1,903,776.08 | 14-Sep-2020 | 15-Sep-2020 | Borrower | 15-Sep-2020 |
| WA 34 | DA-2 | Completed by WB | USD | 23,143,717.15 | DA-2 | | 0.00 | 28-Jun-2020 | | Albert Bengi | 30-Jun-2020 |
| WA 16 | DA-2 | Completed | USD | 1,328,807.40 | 1 | USD | 1,328,807.40 | 03-Jun-2020 | 09-Jun-2020 | Borrower | 09-Jun-2020 |
| WA 15 | DA-2 | Completed | USD | 1,713,988.16 | 1 | USD | 1,713,988.16 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 |

| Application | | | | | | Paid | | | | | |
|-------------|------|-----------------|-----|---------------|------|------|--------------|-------------|--------------|-------------|-------------|
| WA14 | DA-2 | Completed by WB | USD | 15,000,000.00 | DA-2 | 0.00 | 18-Mar-2020 | | Albert Bengi | 19-Mar-2020 | |
| WA 13 | DA-2 | Completed | USD | 2,801,453.00 | 1 | USD | 2,801,453.00 | 07-Feb-2020 | 14-Feb-2020 | Borrower | 14-Feb-2020 |
| WA 12 | DA-2 | Completed | USD | 593,088.00 | 1 | USD | 593,088.00 | 07-Feb-2020 | 11-Feb-2020 | Borrower | 11-Feb-2020 |
| WA 10 | DA-2 | Completed by WB | USD | 6,000,000.00 | DA-2 | 0.00 | 27-Aug-2019 | | Albert Bengi | 05-Sep-2019 | |
| WA 11 | DA-2 | Completed | USD | 828,368.00 | 1 | USD | 828,368.00 | 04-Sep-2019 | 05-Sep-2019 | Borrower | 05-Sep-2019 |
| WA 009 | DA-2 | Completed | USD | 670,575.00 | 1 | USD | 670,575.00 | 22-Aug-2019 | 26-Aug-2019 | Borrower | 26-Aug-2019 |
| WA 007 | DA-2 | Completed | USD | 177,423.00 | 1 | USD | 177,423.00 | 21-Aug-2019 | 23-Aug-2019 | Borrower | 23-Aug-2019 |
| WA 008 | DA-2 | Completed | USD | 197,382.00 | 1 | USD | 197,382.00 | 22-Aug-2019 | 23-Aug-2019 | Borrower | 23-Aug-2019 |
| WA 006 | DA-2 | Completed by WB | USD | 2,000,000.00 | DA-2 | 0.00 | 07-Feb-2019 | | Albert Bengi | 01-Mar-2019 | |
| WA 004 | DA-2 | Completed | USD | 796,410.00 | 1 | USD | 796,410.00 | 02-Oct-2018 | 05-Oct-2018 | Borrower | 05-Oct-2018 |
| WA 003 | DA-2 | Completed | USD | 850,043.16 | 1 | USD | 850,043.16 | 31-Jul-2018 | 06-Aug-2018 | Borrower | 06-Aug-2018 |
| WA 002 | DA-2 | Completed | USD | 1,090,378.00 | 1 | USD | 1,090,378.00 | 01-Mar-2018 | 15-Mar-2018 | Borrower | 15-Mar-2018 |

Loans with Closing Dates in less than 3 months

The Closing Date for the Loan is In 3 months.

If all withdrawal applications and supporting documentation for project expenditures are expected to be submitted to the Bank by the Closing Date, no action is needed.

If all project expenditures are expected to be incurred (i.e., services rendered and goods delivered) by the Closing Date, but additional time is needed to submit withdrawal applications and/or supporting documentation to the Bank, the borrower representative should contact the Task Leader to establish a Grace Period - an additional period between the Closing Date and the Application Deadline Date during which withdrawal applications or supporting documentation for Designated Account Advances may be submitted to the Bank for eligible expenditures incurred by the Closing Date. If the Grace Period has been established, no action is required.

**KENYA CLIMATE SMART AGRICULTURAL PROJECT (KCSAP) - NATIONAL
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2022**

Credit No.: IDA LOAN CREDIT NO.V0320-KE/59450-KE

Bank Account No.: 1000319356 Held with CENTRAL BANK OF KENYA

| | NOTES | AMOUNT USD | AMOUNT USD |
|---|---|---------------|----------------------|
| 1 | Amount advanced by IDA | | 108,266,822.91 |
| | Less: | | |
| 2 | Total amount documented | | 60,484,267.27 |
| 3 | Outstanding amount to be documented | | 47,782,555.64 |
| | | | |
| | Represented by: | | |
| 4 | Ending Special account Balance as as 30 June 2022 | | 1,044,934.91 |
| 5 | Amounts claimed but not credited as at 30 June 2022 | | - |
| 6 | Amounts withdrawn and not claimed | | 46,737,620.73 |
| 7 | Service Charges (if not included in lines 5 and 6 above) | | - |
| 8 | Interest earned (if included in Special Account) | | - |
| 9 | Total advance to Special Account Year ended 30 June 2022 | | 47,782,555.64 |

Discrepancy between total appearing on line 3 and 9

-

Notes:

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

The amount appearing on line 6 is eligible for financing by World Bank and shall be documented in subsequent IFRs

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE:

**KENYA CLIMATE SMART AGRICULTURAL PROJECT (KCSAP)
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2023**

Credit No.: IDA LOAN CREDIT NO.59450-KE (DA-1: COUNTIES)

Bank Account No.: 1000357231 Held with CENTRAL BANK OF KENYA

| | NOTES | AMOUNT USD | AMOUNT USD |
|---|---|---------------|----------------------|
| 1 | Amount advanced by IDA | | 143,843,392.87 |
| | Less: | | |
| 2 | Total amount documented | | 112,927,124.24 |
| 3 | Outstanding amount to be documented | | 30,916,268.63 |
| | | | |
| | Represented by: | | |
| 4 | Ending Special account Balance as as 30 June 2023 | | 901.43 |
| 5 | Amounts claimed but not credited as at 30 June 2023 | | - |
| 6 | Amounts withdrawn and not claimed | | 30,915,367.20 |
| 7 | Service Charges (if not included in lines 5 and 6 above) | | - |
| 8 | Interest earned (if included in Special Account) | | |
| 9 | Total advance to Special Account Year ended 30 June 2023 | | 30,916,268.63 |

Discrepancy between total appearing on line 3 and 9

-

Notes:

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

The amount appearing on line 6 is eligible for financing by World Bank and shall be documented in subsequent IFRs

A. K. K.

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: 28-08-2023

SPECIAL ACCOUNT STATEMENT

| | |
|-------------------|--|
| For period ending | 30th JUNE, 2023 |
| Account No. | 1000357231 |
| Depository Bank | CENTRAL BANK OF KENYA. |
| Address | CENTRAL BANK OF KENYA. |
| Related Loan | THE (K) CLIMATE SMART AGRI. PROJECT |
| Credit Agreement | |
| Currency | USD |

Part A - Account Activity

| | |
|---|----------------------|
| Beginning balance of 1st July, 2022 as per C.B.K. Ledger Account | 2,533,689.67 |
| Add: | |
| Total Amount deposited by World Bank | 14,528,148.25 |
| Total Interest earnings if deposited in account | |
| Total amount refunded to cover ineligible expenditure | |
| Deduct: | |
| Total amount withdrawn | 17,060,936.49 |
| Total service charges if not included above in amount withdrawn | |
| Ending balance on 30th June,2023 | 901.43 |

| | |
|---|--|
| AUTHORISED REPRESENTATIVE CENTRAL BANK OF KENYA | SIGNATURE:  |
| | DATE: 17/08/2023 |
| AUTHORISED REPRESENTATIVE EXTERNAL RESOURCES DEPARTMENT-TREASURY | SIGNATURE:  |
| | DATE: 28-08-2023 |

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June,2023 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Run Date: 17/08/2023 Run Time: 13:47:52
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI
 STATEMENT PERIOD: From 01/07/2022 To

STATEMENT OF ACCOUNT

ACCOUNT NUMBER : 1000357231

ACCOUNT TITLE : THE (K) CLIMATE SMART AGRI. PROJECT
 30/06/2023

| NO. | DATE | REFERENCE NO | DETAILS | DEBIT | CREDIT BALANCE | |
|---------------|------------|--------------|----------|--------------------------|----------------|-------------|
| OPENING BAL : | | | | | | |
| | | | | 2,533,689.67 | | |
| NO. | Value Date | Reference.No | Details | Debit | Credit | Balance |
| 1 | 21/12/2022 | FT22355WHG9S | FUNDING | 0.00 | 14,528,148.25 | 17061837.92 |
| 2 | 17/01/2023 | FT23017ZTHLG | PA129594 | -17,060,936.49 | 0.00 | 901.43 |
| | | | | CLOSING BALANCE : 901.43 | | |

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM

[More Options](#)

Find

- Account equals √ 1000357231
- Statement From equals √ 20220701
- Statement To equals √ 20230630

TAM.E.STMT.OF.ACCT.EPRM

Loan: IDA 59450 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P154784 - Kenya Climate Smart Agriculture Project

[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#) | [D](#)

[Applications](#) | [eSignatorie\(s\)](#) | [Beneficiaries](#) | [Contracts](#) | [Designated/UN Accounts](#) | [Category Schedule](#) |

Designated Account Detail- DA-1

Account Details

| | | | |
|-----------------------|--|-------------------------------|---|
| Account Holder | THE KENYA CLIMATE SMART AGRICULTURE | DA Currency | USD |
| Account Holder's Bank | CENTRAL BANK OF KENYA HAILE SELASSIE AVENUE NAIROBI Swift: CBKEKENXXX | Current Authorized Allocation | 0.00 |
| Account Number | XXXXXXXX31 | Display | Associated Categories |
| | | | 1 - (Gds,Wks,NCS,CS,Trg&OC) 2A - (Grants Agro-Pastoral Sub-projects) 2B - (Grants Agro-Pastoral Micro-projects) 2C - (Public Private Partnerships). 3A - (Pastoral Micro-projects) 3B - (Pastoral Sub-projects) 4 - (Emergency Expenditures Pt 5) 6 - ((6) Sub-project Grants under parts 1(b) and (c) of the Project) |
| Intermediary Bank | STANDARD CHARTERED BANK 1 BASINGHALL AVENUE LONDON Swift: SCBLGB2LXXX | Other Financing Sources | |

Transaction Details

Currency (USD) [View Transaction List](#)

| | |
|-----------------------------|----------------|
| Total Deposits Less Refunds | 143,843,392.87 |
| Documented | 112,927,124.24 |
| Outstanding Balance | 30,916,268.63 |
| Waived Documentation Amount | 0.00 |
| Transaction in Process | 0.00 |

Loans with Closing Dates in less than 3 months

The Closing Date for the Loan is in 3 months.

If all withdrawal applications and supporting documentation for project expenditures are expected to be submitted to the Bank by the Closing Date, no action is needed.

If all project expenditures are expected to be incurred (i.e., services rendered and goods delivered) by the Closing Date, but additional time is needed to submit withdrawal applications and/or supporting documentation to the Bank, the borrower representative should contact the Task Leader to establish a Grace Period - an additional period between the Closing Date and the Application Deadline Date during which withdrawal applications or supporting documentation for Designated Account Advances may be submitted to the Bank for eligible expenditures incurred by the Closing Date. If the Grace Period has been established, no action is required.



Loan: IDA 59450 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P154784 - Kenya Climate Smart Agriculture Project

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | D

Applications | eSignatorie(s) | Beneficiaries | Contracts | Designated/UN Accounts | Category Schedule |

Withdrawal Applications

Disbursement Milestone

| | | | | | |
|-----------------------------------|----------------------------------|------------------------------------|---|--|--|
| Loan Approval Date 09-Feb-2017 | Loan Signing Date 07-Apr-2017 | Loan Made Effective 16-May-2017 | Authorized Signatories Submitted to WB 09-Mar-2023 | Authorized Signatories Approved 09-Mar-2023 | Loan Is Ready for Disbursing Online 28-Aug-2023 |
|-----------------------------------|----------------------------------|------------------------------------|---|--|--|

Submit Withdrawal Application

Transaction List

Showing results 1 - 50 of 56 entries

Filter by DA-1

Paid Summary

Value Date

Search

| Borrower Reference | Application | | | | | Paid | | | | | | |
|--------------------|-------------|-----------|-----|---------------|------------------|------|---------------|---------------|-------------|-----------|--------------|--|
| | Type | Status | Ccy | Amount | Category Summary | Ccy | Amount | Date received | Value Date | Logged by | Last Updated | |
| KCSAP C025 | DA-1 | Completed | USD | 0.00 | Multiple | USD | 0.00 | 14-Jun-2023 | 20-Jun-2023 | Borrower | 20-Jun-2023 | |
| KCSAP-C024 | DA-1 | Completed | USD | 14,528,148.25 | Multiple | USD | 14,528,148.25 | 14-Dec-2022 | 20-Dec-2022 | Borrower | 20-Dec-2022 | |
| KCSAP-C023 | DA-1 | Completed | USD | 6,127,367.03 | Multiple | USD | 6,127,367.03 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 | |
| KCSAP-C022 | DA-1 | Completed | USD | 9,498,137.51 | Multiple | USD | 9,498,137.51 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 | |
| KCSAP-C021 | DA-1 | Completed | USD | 17,326,284.70 | Multiple | USD | 17,326,284.70 | 01-Sep-2021 | 07-Sep-2021 | Borrower | 07-Sep-2021 | |
| KCSAP-C020 | DA-1 | Completed | USD | 9,000,000.00 | DA-1 | USD | 9,000,000.00 | 26-May-2021 | 02-Jun-2021 | Borrower | 02-Jun-2021 | |
| KCSAP-C019 | DA-1 | Completed | USD | 9,724,422.93 | Multiple | USD | 9,724,422.93 | 19-May-2021 | 21-May-2021 | Borrower | 21-May-2021 | |
| KCSAP-C018 | DA-1 | Completed | USD | 6,614,071.00 | Multiple | USD | 6,614,071.00 | 15-Mar-2021 | 24-Mar-2021 | Borrower | 24-Mar-2021 | |
| KCSAP-C017 | DA-1 | Completed | USD | 5,094,049.00 | Multiple | USD | 5,094,049.00 | 09-Feb-2021 | 16-Feb-2021 | Borrower | 16-Feb-2021 | |
| KCSAP-C014 | DA-1 | Completed | USD | 3,168,413.88 | DA-1 | USD | 3,168,413.88 | 07-Oct-2020 | 13-Oct-2020 | Borrower | 13-Oct-2020 | |
| KCSAP-C013A | DA-1 | Completed | USD | 0.00 | Multiple | USD | 0.00 | 14-Sep-2020 | 15-Sep-2020 | Borrower | 15-Sep-2020 | |
| KCSAP-C012 | DA-1 | Completed | USD | 13,140,993.00 | DA-1 | USD | 13,140,993.00 | 29-Jun-2020 | 30-Jun-2020 | Borrower | 30-Jun-2020 | |
| KCSAP-C009 | DA-1 | Completed | USD | 1,826,441.47 | Multiple | USD | 1,826,441.47 | 03-Jun-2020 | 09-Jun-2020 | Borrower | 09-Jun-2020 | |
| KCSAP-C008 | DA-1 | Completed | USD | 4,866,305.49 | Multiple | USD | 4,866,305.49 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 | |
| KCSAP-C007 | DA-1 | Completed | USD | 7,954,496.46 | Multiple | USD | 7,954,496.46 | 07-Feb-2020 | 12-Feb-2020 | Borrower | 12-Feb-2020 | |
| KCSAP-C006 | DA-1 | Completed | USD | 808,080.00 | Multiple | USD | 808,080.00 | 07-Feb-2020 | 11-Feb-2020 | Borrower | 11-Feb-2020 | |

| Application | | | | | | Paid | | | | | |
|-------------|------|-----------|-----|---------------|----------|------|---------------|-------------|-------------|------------|-------------|
| KCSAP-C005 | DA-1 | Completed | USD | 3,481,050.00 | Multiple | USD | 3,481,050.00 | 04-Sep-2019 | 05-Sep-2019 | Borrower | 05-Sep-2019 |
| KCSAP-C004 | DA-1 | Completed | USD | 20,000,000.00 | DA-1 | USD | 20,000,000.00 | 05-Sep-2019 | 05-Sep-2019 | Borrower | 05-Sep-2019 |
| KCSAP-C003 | DA-1 | Completed | USD | 668,889.00 | 1 | USD | 668,889.00 | 22-Aug-2019 | 26-Aug-2019 | Borrower | 26-Aug-2019 |
| KCSAP-C002 | DA-1 | Completed | USD | 16,243.15 | 1 | USD | 16,243.15 | 21-Aug-2019 | 23-Aug-2019 | Borrower | 23-Aug-2019 |
| KCSAP-C 001 | DA-1 | Completed | USD | 10,000,000.00 | DA-1 | USD | 10,000,000.00 | 07-Nov-2018 | 08-Nov-2018 | World Bank | 08-Nov-2018 |

Loans with Closing Dates in less than 3 months

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Loan: IDA 59450 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P154784 - Kenya Climate Smart Agriculture Project

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | D

Applications | eSignatorie(s) | Beneficiaries | Contracts | Designated/UN Accounts | Category Schedule |

Withdrawal Applications

Disbursement Milestone

| | | | | | |
|-----------------------------------|----------------------------------|------------------------------------|---|--|--|
| Loan Approval Date 09-Feb-2017 | Loan Signing Date 07-Apr-2017 | Loan Made Effective 16-May-2017 | Authorized Signatories Submitted to WB 09-Mar-2023 | Authorized Signatories Approved 09-Mar-2023 | Loan Is Ready for Disbursing Online 28-Aug-2023 |
|-----------------------------------|----------------------------------|------------------------------------|---|--|--|

Submit Withdrawal Application

Transaction List

Showing results 1 - 50 of 75 entries

Filter by

DA-1

Documented C

Value Date

Search

| Borrower Reference | Application | | | | | Paid | | | | | |
|--------------------|-------------|-----------------|-----|---------------|------------------|------|---------------|---------------|-------------|--------------|--------------|
| | Type | Status | Ccy | Amount | Category Summary | Ccy | Amount | Date received | Value Date | Logged by | Last Updated |
| KCSAP-C025 | DA-1 | Completed | USD | 14,987,206.58 | 6 | USD | 11,037,517.57 | 14-Jun-2023 | 20-Jun-2023 | Borrower | 20-Jun-2023 |
| KCSAP-C025 | DA-1 | Completed | USD | 14,987,206.58 | 1 | USD | 3,949,689.01 | 14-Jun-2023 | 20-Jun-2023 | Borrower | 20-Jun-2023 |
| KCSAP-C024 | DA-1 | Completed | USD | 20,764,666.04 | 6 | USD | 9,317,340.32 | 14-Dec-2022 | 20-Dec-2022 | Borrower | 20-Dec-2022 |
| KCSAP-C024 | DA-1 | Completed | USD | 20,764,666.04 | 1 | USD | 11,447,325.72 | 14-Dec-2022 | 20-Dec-2022 | Borrower | 20-Dec-2022 |
| KCSAP-C023 | DA-1 | Completed | USD | 6,127,367.03 | 6 | USD | 2,996,291.07 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 |
| KCSAP-C022 | DA-1 | Completed | USD | 9,498,137.51 | 6 | USD | 6,009,579.76 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 |
| KCSAP-C023 | DA-1 | Completed | USD | 6,127,367.03 | 1 | USD | 3,131,075.96 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 |
| KCSAP-C022 | DA-1 | Completed | USD | 9,498,137.51 | 1 | USD | 3,488,557.75 | 06-May-2022 | 18-May-2022 | Borrower | 18-May-2022 |
| KCSAP-C021 | DA-1 | Completed | USD | 17,326,284.70 | 6 | USD | 14,078,759.40 | 01-Sep-2021 | 07-Sep-2021 | Borrower | 07-Sep-2021 |
| KCSAP-C021 | DA-1 | Completed | USD | 17,326,284.70 | 1 | USD | 3,247,525.30 | 01-Sep-2021 | 07-Sep-2021 | Borrower | 07-Sep-2021 |
| KCSAP-C020 | DA-1 | Completed by WB | USD | 9,000,000.00 | DA-1 | | 0.00 | 24-May-2021 | | Albert Bengi | 02-Jun-2021 |
| KCSAP-C019 | DA-1 | Completed | USD | 9,724,422.93 | 6 | USD | 6,274,151.40 | 19-May-2021 | 21-May-2021 | Borrower | 21-May-2021 |
| KCSAP-C019 | DA-1 | Completed | USD | 9,724,422.93 | 1 | USD | 3,450,271.53 | 19-May-2021 | 21-May-2021 | Borrower | 21-May-2021 |
| KCSAP-C018 | DA-1 | Completed | USD | 6,614,071.00 | 6 | USD | 4,287,447.98 | 15-Mar-2021 | 24-Mar-2021 | Borrower | 24-Mar-2021 |
| KCSAP-C018 | DA-1 | Completed | USD | 6,614,071.00 | 1 | USD | 2,326,623.02 | 15-Mar-2021 | 24-Mar-2021 | Borrower | 24-Mar-2021 |

| Application | | | | | | Paid | | | | | |
|-------------|------|-----------------|-----|---------------|------|------|--------------|-------------|-------------|--------------|-------------|
| KCSAP-C017 | DA-1 | Completed | USD | 5,094,049.00 | 6 | USD | 2,937,497.24 | 09-Feb-2021 | 16-Feb-2021 | Borrower | 16-Feb-2021 |
| KCSAP-C017 | DA-1 | Completed | USD | 5,094,049.00 | 1 | USD | 2,156,551.76 | 09-Feb-2021 | 16-Feb-2021 | Borrower | 16-Feb-2021 |
| KCSAP-C014 | DA-1 | Completed by WB | USD | 3,168,413.88 | DA-1 | | 0.00 | 01-Oct-2020 | | Albert Bengi | 13-Oct-2020 |
| KCSAP-C012 | DA-1 | Completed by WB | USD | 13,140,993.00 | DA-1 | | 0.00 | 28-Jun-2020 | | Albert Bengi | 30-Jun-2020 |
| KCSAP-C009 | DA-1 | Completed | USD | 1,826,441.47 | 3B | USD | 7,062.97 | 03-Jun-2020 | 09-Jun-2020 | Borrower | 09-Jun-2020 |
| KCSAP-C009 | DA-1 | Completed | USD | 1,826,441.47 | 3A | USD | 934,612.40 | 03-Jun-2020 | 09-Jun-2020 | Borrower | 09-Jun-2020 |
| KCSAP-C009 | DA-1 | Completed | USD | 1,826,441.47 | 2B | USD | 614,278.35 | 03-Jun-2020 | 09-Jun-2020 | Borrower | 09-Jun-2020 |
| KCSAP-C009 | DA-1 | Completed | USD | 1,826,441.47 | 2A | USD | 270,487.75 | 03-Jun-2020 | 09-Jun-2020 | Borrower | 09-Jun-2020 |
| KCSAP-C008 | DA-1 | Completed | USD | 4,866,305.49 | 3B | USD | 190,717.51 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 |
| KCSAP-C008 | DA-1 | Completed | USD | 4,866,305.49 | 3A | USD | 1,050,019.28 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 |
| KCSAP-C008 | DA-1 | Completed | USD | 4,866,305.49 | 2C | USD | 28,912.88 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 |
| KCSAP-C008 | DA-1 | Completed | USD | 4,866,305.49 | 2B | USD | 844,170.76 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 |
| KCSAP-C008 | DA-1 | Completed | USD | 4,866,305.49 | 2A | USD | 147,675.22 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 |
| KCSAP-C008 | DA-1 | Completed | USD | 4,866,305.49 | 1 | USD | 2,604,809.84 | 03-Apr-2020 | 09-Apr-2020 | Borrower | 09-Apr-2020 |
| KCSAP-C007 | DA-1 | Completed | USD | 7,954,496.46 | 3B | USD | 214,387.60 | 07-Feb-2020 | 12-Feb-2020 | Borrower | 12-Feb-2020 |
| KCSAP-C007 | DA-1 | Completed | USD | 7,954,496.46 | 3A | USD | 1,245,552.36 | 07-Feb-2020 | 12-Feb-2020 | Borrower | 12-Feb-2020 |
| KCSAP-C007 | DA-1 | Completed | USD | 7,954,496.46 | 2B | USD | 4,655,552.49 | 07-Feb-2020 | 12-Feb-2020 | Borrower | 12-Feb-2020 |
| KCSAP-C007 | DA-1 | Completed | USD | 7,954,496.46 | 2A | USD | 478,001.25 | 07-Feb-2020 | 12-Feb-2020 | Borrower | 12-Feb-2020 |
| KCSAP-C007 | DA-1 | Completed | USD | 7,954,496.46 | 1 | USD | 1,361,002.76 | 07-Feb-2020 | 12-Feb-2020 | Borrower | 12-Feb-2020 |
| KCSAP-C006 | DA-1 | Completed | USD | 809,080.00 | 2A | USD | 38,379.00 | 07-Feb-2020 | 11-Feb-2020 | Borrower | 11-Feb-2020 |
| KCSAP-C006 | DA-1 | Completed | USD | 809,080.00 | 1 | USD | 770,701.00 | 07-Feb-2020 | 11-Feb-2020 | Borrower | 11-Feb-2020 |
| KCSAP-C004 | DA-1 | Completed by WB | USD | 20,000,000.00 | DA-1 | | 0.00 | 27-Aug-2019 | | Albert Bengi | 05-Sep-2019 |
| KCSAP-C005 | DA-1 | Completed | USD | 3,481,050.00 | 3B | USD | 388,246.54 | 04-Sep-2019 | 05-Sep-2019 | Borrower | 05-Sep-2019 |
| KCSAP-C005 | DA-1 | Completed | USD | 3,481,050.00 | 2A | USD | 591,265.66 | 04-Sep-2019 | 05-Sep-2019 | Borrower | 05-Sep-2019 |
| KCSAP-C005 | DA-1 | Completed | USD | 3,481,050.00 | 1 | USD | 2,501,537.80 | 04-Sep-2019 | 05-Sep-2019 | Borrower | 05-Sep-2019 |
| KCSAP-C003 | DA-1 | Completed | USD | 668,889.00 | 1 | USD | 668,889.00 | 22-Aug-2019 | 26-Aug-2019 | Borrower | 26-Aug-2019 |
| KCSAP-C002 | DA-1 | Completed | USD | 16,243.15 | 1 | USD | 16,243.15 | 21-Aug-2019 | 23-Aug-2019 | Borrower | 23-Aug-2019 |

Loans with Closing Dates in less than 3 months

The Closing Date for the Loan is in 3 months.

If all withdrawal applications and supporting documentation for project expenditures are expected to be submitted to the Bank by the Closing Date, no action is needed.

If all project expenditures are expected to be incurred (i.e., services rendered and goods delivered) by the Closing Date, but additional time is needed to submit withdrawal applications and/or supporting documentation to the Bank, the borrower representative should contact the Task Leader to establish a Grace Period - an additional period between the Closing Date and the Application Deadline Date during which withdrawal applications or supporting documentation for Designated Account Advances may be submitted to the Bank for eligible expenditures incurred by the Closing Date. If the Grace Period has been established, no action is required.

**KENYA CLIMATE SMART AGRICULTURAL PROJECT (KCSAP)
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2022**

Credit No.: IDA LOAN CREDIT NO.59450-KE (DA-1: COUNTIES)

Bank Account No.: 1000357231 Held with CENTRAL BANK OF KENYA

| | NOTES | AMOUNT USD | AMOUNT USD |
|---|---|---------------|----------------------|
| 1 | Amount advanced by IDA | | 129,315,244.62 |
| | Less: | | |
| 2 | Total amount documented | | 77,175,251.62 |
| 3 | Outstanding amount to be documented | | 52,139,993.00 |
| | Represented by: | | |
| 4 | Ending Special account Balance as as 30 June 2022 | | 2,533,689.67 |
| 5 | Amounts claimed but not credited as at 30 June 2022 | | - |
| 6 | Amounts withdrawn and not claimed | | 49,606,303.33 |
| 7 | Service Charges (if not included in lines 5 and 6 above) | | - |
| 8 | Interest earned (if included in Special Account) | | |
| 9 | Total advance to Special Account Year ended 30 June 2022 | | 52,139,993.00 |

Discrepancy between total appearing on line 3 and 9

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Notes:

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

The amount appearing on line 6 is eligible for financing by World Bank and shall be documented in subsequent IFRs

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE:

