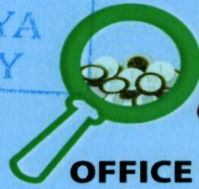


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Enhancing Accountability

REPORT

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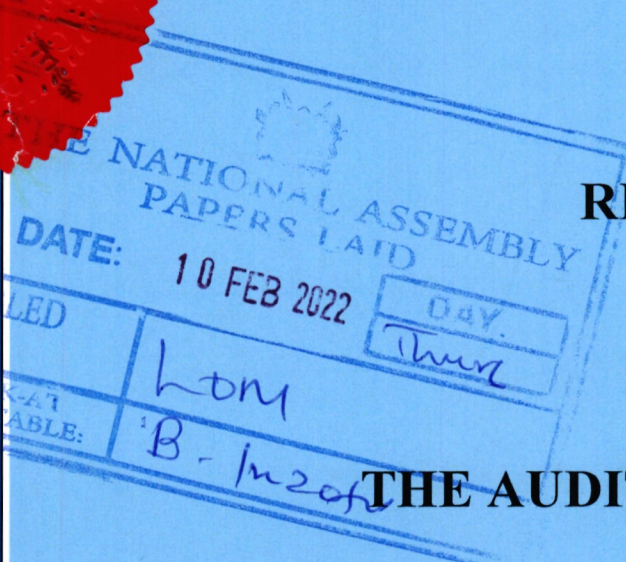
THE AUDITOR-GENERAL

ON

**MULTI-NATIONAL RURAL LIVELIHOODS
ADAPTATION TO CLIMATE CHANGE IN THE
HORN OF AFRICA (ADB/ADF GRANT
NO. 5550155001201)**

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

**STATE DEPARTMENT FOR CROP
DEVELOPMENT AND AGRICULTURAL
RESEARCH**







**Project Name....MULTI-NATIONAL RURAL LIVELIHOODS' ADAPTATION TO CLIMATE
CHANGE IN THE HORN OF AFRICA (RLACC)**

**Implementing Entity....STATE DEPARTMENT FOR CROPS DEVELOPMENT AND
AGRICULTURAL RESEARCH**

PROJECT GRANT/CREDIT NUMBER....5550155001201

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2021

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

Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021

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1. PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and registered office

Name: The project's official name is **MULTI-NATIONAL RURAL LIVELIHOODS' ADAPTATION TO CLIMATE CHANGE IN THE HORN OF AFRICA (RLACC): KENYA PROJECT**,

Objective: The key objective of the project is "To improve the resilience to climate change of pastoral and agro-pastoral communities and increase the adaptive capacity of their livelihoods in targeted areas in Kenya",

Address: The project headquarters offices is **HILL PLAZA BUILDING, 9th Floor, Opposite Milimani Law Courts, Ngong Road.**

The address of its registered office is: P.O. Box 30028-00100, NAIROBI, Kenya.

The project also has offices/branches as follows:

- Lodwar Town - Turkana County Headquarters
- Kabarnet Town - Baringo County Headquarters,

Contacts: The following are the project contacts

Telephone: (254) 722 827 425/ 0722 886 584

E-mail npchoa1@gmail.com

Website: www.kilimo.go.ke

1.2 Project Information

Project Start Date:	The project start date is 19TH MAY 2017
Project End Date:	The project end date is 31ST MAY 2022
Project Manager:	The project manager is Eng. Kennedy Wanderah Makudiuh
Project Sponsor:	The project sponsor is Government of Kenya (GoK) and The Global Environment Facility(GEF) -----

1.3 Project Overview

Line Ministry/State Department of the project	The Project is being implemented and Supervised by the State Department for Crops Development in the Ministry of Agriculture, Livestock, Fisheries and Cooperatives.
Project number	P-Z1-AAZ-039
Strategic goals of the project	The strategic goals of the project are as follows: (i) Improved Resilience to climate change of pastoral and agro-pastoral communities

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	(ii) Increase the adaptive capacity of their livelihoods
Achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Sensitization, awareness and information of CC of local stakeholders (ii) Training of officials at the National and Local Level (iii) Mainstreaming of climate sensitive pastoral development of ASALs into Local Development planning (iv) Investment and provision and rehabilitation of small multipurpose water infrastructure (Dams, Water pans, Boreholes, Shallow wells, Earth dams). (v) Investment in Income Generating activities and small assets (vi) Improve livestock production through improved Pasture Production and Feeding
Other important background information of the project	The Project aims at improving communities' resilience to climate change and its purpose to support the current Drought Resilience and Sustainable Livelihoods Programme (DRSLP).
Current situation that the project was formed to intervene	The project was formed to intervene in the following areas: (i) Improve Resilience to Climate Change of Pastoral and Agro-Pastoral Communities in Targeted Areas (ii) Investment in Sustainable Measures Aimed at Improving the Resilience of Pastoral Communities to Climate Change Variability
Project duration	The project started on 19th May 2017 and is expected to run until 31st May 2022

1.4 Bankers

The following are the bankers for the current year:

- (i) **Central Bank of Kenya (C.B.K) A/C No. 1000457686**

1.5 Auditors

The project is audited by the **Office of the Auditor General (OAG).**

1.6 Roles and Responsibilities

Names	Title designation	Key qualification	Responsibilities	Contacts
Eng. Kennedy Makudih	Senior Principal Superintendent Engineer	Msc. Agricultural Engineering	Project Co-ordinator	0722 827 425
Eng. George K. Kahuro	Senior Principal Superintendent Engineer	Msc. Agricultural Engineering	Deputy Project Co-ordinator/Component Manager	0722 886 584
Gerald K.Kurema	Principal Accountant	C.P.A (K) B.Com	Project Accountant	0716 891 735
Hillary Ngeno	Principal Agricultural Officer	Bsc./Msc Agribusiness	M&E/Agribusiness Specialist	0725 805 810
Jackson Magembe	Supply Chain Management Officer I	Bachelor of Commerce-Procurement and Supply Chain Management	Project Procurement Specialist	0724 455 525
Elizabeth Mwanzia	Procurement Assistant	Diploma in Supply Chain Management	Project Procurement Assistant	0724 013 674
Jonah Kebeney	Superintendent Engineer	Bsc. Agricultural Engineering	Project Engineer	0720 837 775
Josephat Omari	Agriculture Engineer	Bsc. Agricultural Engineering	Project Engineer	0720 349 322
William Ndeka	Principal Agricultural Officer	Bsc. Horticulture	Horticulture Specialist	0722 212 235
Elizabeth Yegon	Principal Agricultural Officer	Msc. Gender & Agriculture	Gender Specialist	0720 133 479
Janet Oyuke	Principal Agricultural Officer	Msc. Environmental Science	Environment Specialist	0726 657 238
Samuel Okati	Principal Livestock Principal Officer	Msc. Agri. Resource Mgt	Livestock Specialist	0722 932 666
Adan Dahiye Maalim	Principal Agricultural Officer	Bsc. Agriculture	Environment Specialist	0725 383 735

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Benard Wanjohi	Principal Agricultural Officer	Msc. Agriculture Information & Communication Management	ICT Specialist	721 229 731
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1.7 Funding summary

The Project is for duration of 5 years from 2017 to 2022 with an approved budget of US\$ 2,784,000 (use donor currency) equivalent to Kshs 253,403,299.2 (As at November 2020 with an exchange rate of 1 USD= 108.76) as highlighted in the table below:

Below is the funding summary:

A. Source of Funds

SOURCE OF FUNDS	Donor Commitment		Amount Received Date to 30th June 2021		Undrawn Balance to Date	
	DONOR CURRENCY (USD)	KSHS	DONOR CURRENCY (USD)	KSHS	DONOR CURRENCY (USD)	KSHS
Grant	(A)	(A)	(B)	(B)	(A)-(B)	(A)-(B)
Global Environment Facility (GEF)	2,784,000.00	303,456,000.00	788,943.20	85,205,866.05	1,995,056.80	218,250,133.95
TOTAL	2,784,000.00	303,456,000.00	788,943.20	85,205,866.05	1,995,056.80	218,250,133.95

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2021)		Cumulative Amount paid to date – (30 th June 2021)	Unutilised balance to date (30 th June 2021)	
	<i>Donor currency</i> <i>USD</i>	<i>Kshs</i>		<i>Donor currency</i>	<i>Kshs</i>
	(A)	(A')	(B')	(A)-(B)	(A')-(B')
(i) Grant					
Global Environment Facility (GEF)	788,943.20	85,205,866.05	50,210,624.00		35,095,242.05
Total	788,943.20	85,205,866.05	50,210,624.00		35,095,242.05

The slight difference is as a result of exchange rate variations

1.8 Summary of Overall Project Performance:

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

BUDGET /CATEGORY	ITEM	PRINTED ESTIMATES	REVISED ESTIMATES	ACTUAL EXPENDITURE	% ABSORPTION
GRANT REVENUE		84,800,000.00	78,262,141.00	43,736,154	55.88%
GRANT AIA		30,200,000.00	20,000,000.00	0	0%
TOTAL		115,000,000.00	98,262,141.00	43,736,154	44.50%

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

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Output Reporting:

Output Indicators (as specified in the RLF, add/delete rows as needed)	Most recent value	Annual Target (expected value at project completion)	End Target (expected cumulative value at completion)	Progress towards annual target (% realized)	Progress towards end target (% realized)	Assessment (on whether output indicator is on track to reach annual and end targets. If not on track, please justify)
Component 1. Improved resilience to climate change of pastoral and agro-pastoral communities in targeted areas						
Outcome 1. Climate change-related adaptation measures integrated into development plans of targeted local governments (arid and semi-arid districts)						
Output 1.1: Sensitization, awareness and information on CC of local stakeholders by May 2022	7,300	4,000	15,600	153% (7,300)	46.79%	To be fast-tracked as its still below average.
Output 1.2: Training of officials at the national and local level by May 2022	65	30	30	217% (65)	217% (65)	2 trainings done so far with attendance of 32 and 33 respectively
Output 1.3. Mainstreaming of climate-sensitive pastoral development of ASALs into local development planning by May 2022	4	2	5	200% (4)	80% (4 out of 5)	Achieved through TAs
Outcome 2. Awareness raised and local stakeholders involved in planning pro-active adaptation measures to climate change						
Output 2.1: Workshops organized at national level to draw lessons from project activities and achievements, and mainstream them into development policies and strategic frameworks by May 2022	3	2	5	150% (3)	60%	To be fast-tracked

Component 2. Investment in sustainable measures aimed at improving the resilience of pastoral communities to climate change and variability						
Outcome 3. Adaptation practices developed and implemented to respond to specific climate change-induced stresses in livestock sector in arid and semi-arid ecosystems						
Output 3.1. Grants provided to targeted communities to finance micro-adaptation projects (in the areas of water and rangeland resources, livestock and IGAs) by May 2022	7,680	3250	13,000	236% (7,680)	59% (7680)	Grants provided to the communities in form of seedlings for various high value horticultural crops instead of hard cash. Support to the various RLACC groups from DRSLP, RLACC project, County Governments of Turkana & Baringo and other NGOs.
Output 3.2. Adequate social transfers provided to vulnerable households by May 2022	300	500	2,600	60% (300)	11.53% (300)	100 HHs benefitted from 3 goats per HHs in Turkana
Component 3: Program activities coordination, monitoring and evaluation						
Outcome 4. Implementation of project activities efficiently coordinated, monitored and evaluated						
Output 4.1: Knowledge products at national and regional level by May 2022	2	3	5	67% (2)	40% (2)	To be fast tracked
Output 4.2: Timely, efficient and cost-effective M&E systems put in place at national and sub-regional level by May 2022	1	4	16	25%	6%	

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OUTCOME REPORTING

Outcome Indicators (as specified in the RLF add/delete rows as needed)	Baseline Value	Most recent value	End Target (expected value at project completion)	Progress towards end target (% realized)	Assessment (on whether outcome indicator is on track to reach annual and end targets. . If not on track, please justify)
Outcome 1. Climate change-related adaptation measures integrated into development plans of targeted local governments (arid and semi-arid districts)	0	65	30	216.67% (65 out of 30)	Number of officials trained to increase in the final yr of project implementation
Outcome 2. Awareness raised and local stakeholders involved in planning proactive adaptation measures to climate change	0	7,300 (2600 previous)	15,600	47% (7,300 out of 15000)	To be fast tracked in the remaining 1 yr.
Outcome 3. Adaptation practices developed and implemented to respond to specific climate change-induced stresses in livestock sector in arid and semi-arid ecosystems	0	7,680 (2850 previous)	13,000	59% (7680 out of 13,000)	To be fast tracked in the remaining 1 yr.
Outcome 4. Implementation of project activities efficiently coordinated, monitored and	1	3	3. The M&E plan is fully developed and to be used in a timely	33% (1)	Project activities to be coordinated more effectively and efficiently by the PCU.

evaluated			manner		
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iii) Comment on value-for-money achievements,

For all the activities carried out so far by the project, there has been value for money.

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

This being the 2nd year of actual implementation, the absorption rate is 28.31% (as at 30th June 2021)

v) List the implementation challenges and recommended way forward.

Challenge	Way Forward
Covid 19 Pandemic which resulted in the slow implementation of the project	Adhering to the Ministry of Health Covid 19 protocols
Slow contractors	<ul style="list-style-type: none"> - Frequent site management meetings - Writing of warning letters - Frequent county Supervision visits to the sites
Inadequate Counterpart funding (In DRSLP Project where the funds are drawn)	<ul style="list-style-type: none"> - Lobbying for increased funding to the DRSLP counterpart Kitty.

1.9 Summary of Project Compliance:

i) Include significant cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants,

Thus far there have been no cases of Non-Compliance to applicable laws and regulations during project implementation.

ii) Include consequences suffered on account of non-compliance or likely to be suffered.

Not Applicable.

iii) Indicate mitigation measures taken or planned to be taken to alleviate the adverse effects of actual or potential consequences of non-compliance.

Always sticking to the laid down applicable laws and regulations like the PFM Act and procurement laws and regulations.

2. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of the *project's 2017-2022* plan are to:

The overall goal of the programme is to improve resilience to climate change of pastoral and agro-pastoral communities in targeted areas in Kenya, and increase the adaptive capacity of their livelihoods.

PROJECT OUTCOMES:

1. Outcome 1. Climate change-related adaptation measures integrated into development plans of targeted local governments (arid and semi-arid districts)
2. Outcome 2. Awareness raised and local stakeholders involved in planning pro-active adaptation measures to climate change
3. Outcome 3. Adaptation practices developed and implemented to respond to specific climate change-induced stresses in livestock sector in arid and semi-arid ecosystems
4. Outcome 4. Implementation of project activities efficiently coordinated, monitored and evaluated

KEY PERFORMANCE INDICATORS

The Key Performance Indicators (KPI's) will include:

- (i) At least 60% men and women declare to know what climate change is and how it affects them in project sites
- (ii) At least 30 people trained, of which at least 40% are women
- (iii) At least 3 tools or methods are available and used by at least 30 people (of which at least 40% are women) in the two councils
- (iv) The development plans of the two targeted counties include some provisions for adaptation actions by the end of the project
- (v) At least 4 workshops, study tours and meetings organized to discuss project lessons
- (vi) At least 50% of DRSLP targeted households adopt resilient livelihoods by end of project
- (vii) At least 10% of DRSLP households benefit from adequate social transfers (micro-finances, cash-for-work on public projects and social monetary transfers)
- (viii) At least 5 knowledge products are developed
- (ix) At least 2 annual PIRs, one Mid Term Review and one Terminal Evaluation

Progress on attainment of Strategic development objectives

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

Outcome Indicators (as specified in the RLF add/delete rows as needed)	Baseline Value	Most recent value	End Target (expected value at project completion)	Progress towards end target (% realized)	Assessment (on whether outcome indicator is on track to reach annual and end targets. . If not on track, please justify)
Outcome 1. Climate change-related adaptation measures integrated into development plans of targeted local governments (arid and semi-arid districts)	0	65	30	216.67% (65 out of 30)	Number of officials trained to increase in the final yr of project implementation
Outcome 2. Awareness raised and local stakeholders involved in planning pro-active adaptation measures to climate change	0	7,300 (2600 previous)	15,600	47% (7,300 out of 15000)	To be fast tracked in the remaining 1 yr.
Outcome 3. Adaptation practices developed and implemented to respond to specific climate change-induced stresses in livestock sector in arid and semi-arid ecosystems	0	7,680 (2850 previous)	13,000	59% (7680 out of 13,000)	To be fast tracked in the remaining 1 yr.
Outcome 4. Implementation of project activities efficiently coordinated, monitored and evaluated	1	3	3. The M&E plan is fully developed and to be used in a timely manner	33% (1)	Project activities to be coordinated more effectively and efficiently by the PCU.

3. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

RLACC exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on four pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

SUSTAINABILITY

The resilience of ASALs to climate change is a key priority of the Government of Kenya. The National Climate Change Action Plan 2013-2017 highlights the importance of ASALs and sets a number of strategies to reduce their vulnerability to the impacts of climate change. The existence of a national authority to deal with droughts, the National Drought Management Authority, illustrates as well the importance that the GoK assigns to reducing the effects that these can have. This legal framework at the national level, which is translated at the local level, will ensure institutional engagement with the results of the project at the long-term.

In terms of the project, the participatory approach to the identification, implementation and monitoring of the activities will contribute to a long-term engagement with the strategies and benefits of the project. In the first component, training and capacity building activities of both individuals and community groups, such as local NGOs, will contribute to the sustainability of the project. Sensitization will result in a pro-active and long-term engagement of beneficiaries with climate change adaptation. The development of climate-informed local adaptation plans will also ensure long-term prioritization of resilience strategies. The second component will equally contribute to the sustainability of the project, as the resilient livelihood investments will show good economic results that will commit people to favour resilience. This will contribute to the maintenance of an infrastructure that has long-term use, and can provide long-term benefits. The development of irrigation technologies, the acquisition of tools, and the provision of seeds will increase productivity and result in increased income at the same time that diversifies the source of income and increases the food security of local stakeholders. These benefits will demonstrate the advantages of maintaining the infrastructure and keeping resilient strategies. This applies as well to the conservation of ecosystems, given the services that they provide. Training, long-term plans and realization of benefits will all contribute to the sustainability of strategies that reduce vulnerability and increase resilience.

RISK MANAGEMENT

The table below provides the scope of risks and the applicable mitigation measures.

Risk	Risk Rating	Mitigation	Risk Rating with mitigation
Climate-change related risks			
Increases in temperature open new areas to cultivation, adding new threats to the viability of nomadic pastoral systems	Moderate	Diversification of sources of income will make pastoral communities more resilient to any change in one particular source of income	Low
A series of years without major climate change events weaken the interest	Moderate	National and local decision-makers will be trained on climate change dynamics, so that they can contextualize specific climate events.	Low

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Risk	Risk Rating	Mitigation	Risk Rating with mitigation
of national and local decision-makers and other stakeholders to addressing climate-sensitive initiatives and investments		Climate change adaptation will be mainstreamed in policy documents, so decision-makers will be committed to implement climate-sensitive initiatives and investments.	
Policy-related risks			
Sectoral development policies and programmes promote the settlement of migratory pastoralist affecting negatively pastoralist adaptation strategies	Moderate	Training and policy development will have an integrated approach, highlighting the interaction of different dimensions. Diversification of sources of income of pastoralist communities will be promoted.	Low
Investment-related risks			
The cost of livestock-related investments may become very high given the very low population densities and high seasonal mobility of pastoral groups	Moderate	The investments will have long-term impacts and have positive externalities to a wider community. In addition, the project will promote the establishment of community-based management systems, including the involvement of community members in the maintenance of infrastructure. Moreover, the government is strongly engaged and will contribute to planning, construction and maintenance of the infrastructures.	Low
The livestock commodity chain is dominated by brokers and wealthy exporters at the expense of primary small-scale producers.	Moderate	The DRSLP project that complements RLACC is addressing this issue	Low
Institutional risks			
Poor coordination and cooperation among key national institutions dealing with pastoralist issues	Moderate	All relevant stakeholders will be trained and coordination issues will be explicitly addressed.	Low
Weak capacity in implementation, timely planning and procurement delays	Moderate	Implementation and operational issues are being addressed under DRSLP	Low
A weak non-governmental movement cannot assist the state in providing services and facilitating community-led initiatives	Moderate	NGOs with proven experience in the field will be selected and trained so that capacity increases	Low
Social risks			
Conflicts between pastoralists and sedentary	Moderate	The project will benefit different communities and will contribute to the diversification of	Low

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Risk	Risk Rating	Mitigation	Risk Rating with mitigation
farmers as well as between different pastoral groups		income sources, promoting a more complex individual approach to collective issues. Dialogue and conflict resolution will be promoted. An integral approach will be promoted so that all stakeholders share a vision of the change.	
Inadequate acknowledgement of the role of the civil society by national governments	Moderate	National and local officials will be trained in resilience to climate change which will highlight the importance of civil society for climate change adaptation	Low

KNOWLEDGE BUILDING

The knowledge gained through the implementation of similar projects in Kenya has been duly applied in designing this project. In the same pattern, the knowledge that will be generated by this Project will be instrumental in designing and managing similar projects in the future.

This project includes a significant number of knowledge creation and management activities. The project will develop agro-climate information products in local language for local populations as well as manuals and training for the national and local officials. In addition, it will organize regional, national and international workshops and study-tours to identify and disseminate the lessons learned from the project. Moreover, links will be created between this project and the regional component of the DRSLP, which includes the development of a platform to monitor arid and semi-arid ecosystems, resilience and the implementation of capacity building actions. Finally, the monitoring and evaluation system will prepare regular reports to assess the performance of the project and its evolution against the defined objectives. At the end of the project, a final report will be developed, as well as an independent evaluation. All the information generated from this project will be shared with the IGAD Secretariat as it has a role in the regional coordination of the DRSLP.

Market place practices-

The organisation should outline its efforts to:

a) **Responsible competition practice.**

Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors.

The project ensures that there is responsible competition by ensuring level playing field for all seeking services like contracts within the project. All have equal chances and the criteria for contract evaluation is applied evenly to all.

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

explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

The project treats its suppliers well by paying them within the contracts periods and in the agreed contracts amounts.

c) **Responsible marketing and advertisement-**

outline efforts to maintain ethical marketing practices. **The project maintains ethical practises throughout.**

1. Community Engagements

Give evidence of community engagement including charitable giving (cash & material), Community Social Investment and any other forms of community.

The Project is a social project which addresses the challenges facing communities exposed to droughts by through support of climate proving technologies for water and Livestock structures done under the DRSLP Project in the counties of Turkana and Baringo. The Interventions reduces the varies of the Soil and water erosion on the structures so that they can lasts for longer periods hence reduce and mitigate droughts and provide resilience to those communities

4. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

The *Principal Secretary* for the *State Department for Crop Development and Agricultural Research, Ministry of Agriculture, Livestock, Fisheries and Cooperatives* and the *Project Coordinator* for *Rural Livelihoods Adaptation to Climate Change Livelihoods Project (RLACC)* are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year (period) ended on June 30, 2021.

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

The *Principal Secretary* for the *State Department for Crop Development and Agricultural Research, Ministry of Agriculture, Livestock, Fisheries and Cooperatives* and the *Project Coordinator* for *Rural Livelihoods Adaptation to Climate Change Livelihoods Project (RLACC)* 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.

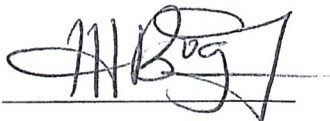
The *Principal Secretary* for the *State Department for Crop Development and Agricultural Research, Ministry of Agriculture, Livestock, Fisheries and Cooperatives* and the *Project Coordinator* for *Rural Livelihoods Adaptation to Climate Change Livelihoods Project (RLACC)* are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2021, and of the Project's financial position as at that date. The *Principal Secretary* for the *State Department for Crop Development and Agricultural Research, Ministry of Agriculture, Livestock, Fisheries and Cooperatives* and the *Project Coordinator* for *Rural Livelihoods Adaptation to Climate Change Livelihoods Project (RLACC)* further confirm the completeness of the accounting records maintained for the

Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The *Principal Secretary* for the *State Department for Crop Development and Agricultural Research, Ministry of Agriculture, Livestock, Fisheries and Cooperatives* and the *Project Coordinator* for *Rural Livelihoods Adaptation to Climate Change Livelihoods Project (RLACC)* confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

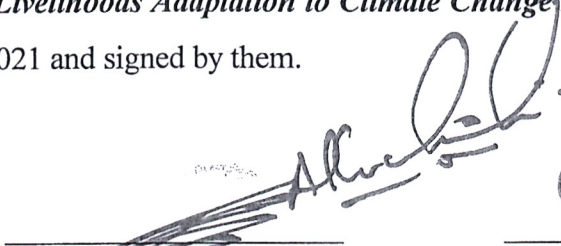
Approval of the Project financial statements

The Project financial statements were approved by The *Principal Secretary* for the *State Department for Crop Development and Agricultural Research, Ministry of Agriculture, Livestock, Fisheries and Cooperatives* and the *Project Coordinator* for *Rural Livelihoods Adaptation to Climate Change Livelihoods Project (RLACC)* on 10-12- 2021 and signed by them.



Principal Secretary
Name

Prof. Hamadi Iddi Boga, PhD



Project Coordinator
Name

Eng. Kennedy W. Makudih



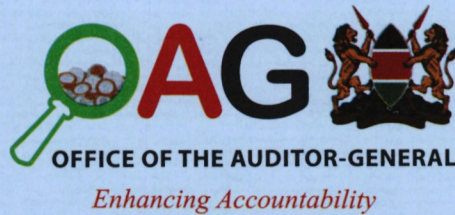
Project Accountant:

Name: **Gerald K. Kurema**

ICPAK Member Number : **8980**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MULTI-NATIONAL RURAL LIVELIHOODS ADAPTATION TO CLIMATE CHANGE IN THE HORN OF AFRICA (ADB/ADF GRANT NO.5550155001201) FOR THE YEAR ENDED 30 JUNE, 2021 - STATE DEPARTMENT FOR CROP DEVELOPMENT AND AGRICULTURAL RESEARCH

PREAMBLE

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

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

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

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

Report of the Auditor-General on Multi-National Rural Livelihoods Adaptation to Climate Change in the Horn of Africa (ADB /ADF Grant No.5550155001201) for the Year Ended 30 June, 2021-State Department for Crop Development and Agricultural Research

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Multi-National Rural Livelihoods Adaptation to Climate Change in the Horn of Africa set out on pages 1 to 34, which comprise the statement of financial assets as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and statement of comparative budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Multi-National Rural Livelihoods Adaptation to Climate Change in the Horn of Africa as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and Public Finance Management Act, 2012 and comply with the Protocol of Agreement Grant No.5550155001201 dated 19 May, 2017 between the African Development Bank and African Development Fund and the Republic of Kenya.

Basis for Qualified Opinion

1. Variances Between Financial Statements and IFMIS Ledger

The statement of receipts and payments reflects expenditure on purchase of goods and services of Kshs.43,736,154 and as detailed in Note 6 to the financial statements. However, some reported expenses had variances amounting to Kshs.7,128,365 with the IFMIS ledger as tabulated below:

Details of Expenditure Items	Actuals as per IFMIS Ledger (Kshs.)	Actuals as per Financial Statements (Kshs.)	Variance (Kshs.)
Utilities, Supplies and Services	6,135,255	448,908	5,686,347
Telephone, Telex, Facsimile and Mobile Phone Services	500,000	840,420	(340,420)
Domestic Travel and Subsistence	-	22,738,227	(22,738,227)
Training Expenses - Travel Allowance	12,733,180	12,208,527	524,653
Training Expenses - Production and Printing of Training Materials	952,440	-	952,440

Details of Expenditure Items	Actuals as per IFMIS Ledger (Kshs.)	Actuals as per Financial Statements (Kshs.)	Variance (Kshs.)
General Office Supplies (papers, pencils, forms, small office equipment)	579,100	-	579,100
Contracted Professional Services	4,798,766	-	4,798,766
Contracted Technical Services	4,051,379	-	4,051,379
Maintenance Expenses - Motor Vehicles	6,500,000	-	6,500,000
Pre-feasibility, Feasibility and Appraisal Studies	2,464,735	-	2,464,735
Pre-feasibility, Feasibility and Appraisal Studies	4,649,592	-	4,649,592
Total	43,364,447	36,236,082	7,128,365

Consequently, the accuracy and completeness of the above expenditure amounts as reflected in the financial statements for the year ended 30 June, 2021 could not be confirmed.

2. Irregular Charging of Expenditure on Fuel Oil and Lubricants

The expenditure of Kshs.43,736,154 in respect to purchase of goods and services as disclosed in Note 6 to the financial statements includes an amount of Kshs.7,500,000 relating to fuel, oil and lubricants. Review of cash book and other supporting documents revealed that an expenditure of Kshs.4,000,000 charged to fuel, oil and lubricants was not related to the Programme but related to Drought Resilience and Sustainable Livelihoods Project.

Consequently, the accuracy and completeness of the total expenditure of Kshs.4,000,000 on fuel, oil and lubricants for the year ended 30 June, 2021 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.98,262,141 and Kshs.78,262,140.70 respectively, resulting in an under funding of Kshs.20,000,000.30 or 20% of the budget.

Further, the statement of comparative budget and actual amounts reflects final expenditure budget and actual on comparable basis of Kshs.98,262,141 and Kshs.43,736,154 respectively, resulting in an under-expenditure of Kshs.54,525,987 or 55% of the budget

The under-funding and under-expenditure of the budget may affect the implementation of the planned activities.

2. Projects' Status Report

A review of a status report for contracts implemented in the year ended 30 June, 2021 indicated that the Programme Management signed sixteen (16) contracts valued at Kshs.62,464,851 which were scheduled to be completed by 30 June, 2021. Out of these, eight (8) contracts were for consultancy services valued at Kshs.28,301,894, while the other eight (8) worth Kshs.34,162,957 were in relation to various physical projects.

Review of the contract documents revealed that out of the eight (8) contracts for physical projects, only two (2) amounting to Kshs.10,721,265 were complete while six (6) with a total contract sum of Kshs.23,441,692 were partially complete.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by African Development Bank and African Development Fund, except for the matters described in the Basis for Qualified Opinion section of my report, I report based on the audit that:

- i. The Programme funds have been used in accordance with the conditions of Protocol of Grant Agreement with due attention to economy, efficiency and effectiveness for the purposes for which they were provided;
- ii. Goods and services financed have been procured in accordance with the Protocol of Grant Agreement and the Bank`s and Fund`s rules and procedures;
- iii. Necessary supporting documents, records and accounts have been kept in respect of all Programme activities;
- iv. Adequate internal control to monitor expenditure and other financial transactions and ensure safe custody of assets exist; and

- v. Ledgers and fixed assets register for the Programme assets are maintained as required.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Programme's ability 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 Programme to cease to sustain its services.

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

20 December, 2021

Reports and Financial Statements
For the financial year ended June 30, 2021

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

	Note	2020/2021		2019/2020		Cumulative to-date (From inception) KShs
		Receipts and payments controlled by the entity KShs	Payments made by third parties KShs	Receipts and payment controlled by the entity KShs	Payments made by third parties KShs	
RECEIPTS						
Transfer from Government entities	1	-	-	-	-	-
Proceeds from domestic and foreign grants	2	78,262,141	-	6,943,725	-	85,205,866
Loan from external development partners	3	-	-	-	-	-
Miscellaneous receipts	4	-	-	-	-	-
TOTAL RECEIPTS		78,262,141	-	6,943,725	-	85,205,866
PAYMENTS						
Compensation of employees	5	-	-	-	-	-
Purchase of goods and services	6	43,736,154	-	6,474,470	-	50,210,624
Social security benefits	7	-	-	-	-	-
Acquisition of non-financial assets	8	-	-	-	-	-
Transfers to other government entities	9	-	-	-	-	-
Other grants and transfers and payments	10	-	-	-	-	-
TOTAL PAYMENTS		43,736,154	-	6,474,470	-	50,210,624
SURPLUS/ (DEFICIT)		34,525,987	-	469,255	-	34,995,242

*Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021*

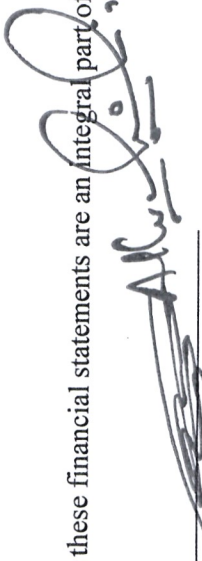
The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



Principal Secretary

Name

Prof. Hamadi Iddi Boga, PhD



Project Coordinator

Name

Eng. Kennedy W. Makudiuh



Project Accountant:


Name: **Gerald K. Kurema**

ICPAK Member Number : 8980

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

	Note	2020-2021	2019-2020
		KShs	KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	11.A	34,995,242	7,555
Cash Balances	11. B	-	-
Cash Equivalents (short-term deposits)	11.C	-	-
Total Cash and Cash Equivalents		34,995,242	7,555
Accounts Receivables	12	-	461,700
TOTAL FINANCIAL ASSETS		34,995,242	469,255
FINANCIAL LIABILITIES			
Payables- Deposits and Retentions	13		
NET ASSETS			
REPRESENTED BY			
Fund balance b/fwd	14	469,255	-
Prior year adjustments	15	-	-
Surplus/(Deficit) for the year		34,525,987	469,255
NET FINANCIAL POSITION		34,995,242	469,255

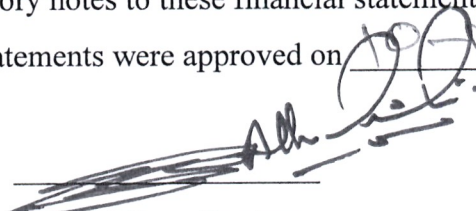
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 10/07/2021 2021 and signed by:



Principal Secretary

Name

Prof. Hamadi Iddi Boga, PhD



Project Coordinator

Name

Eng. Kennedy W. Makudih



Project Accountant

Name: Gerald K. Kurema

ICPAK Member Number : 8980

*Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021*

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

		2020-2021	2019-2020
	Note	KShs	KShs
CASHFLOW FROM OPERATING ACTIVITIES			
Receipts from operating activities			
Transfer from Government entities	1	-	-
Proceeds from domestic and foreign grants	2	78,262,141	6,943,725.00
Miscellaneous receipts	4	-	-
Payments from operating activities			
Compensation of employees	5		
Purchase of goods and services	6	(43,736,154)	6,474,470
Social security benefits	7	-	-
Transfers to other government entities	9	-	-
Other grants and transfers	10	-	-
Adjustments during the year			
Prior Year Adjustments	15		
Decrease/(Increase) in Accounts Receivable	16	461,700	(461,700)
Increase/(Decrease) in Accounts Payable:	17		
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8		
Net cash flows from Investing Activities			
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Foreign Borrowings	3		
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS		34,987,687	7,555
Cash and cash equivalent at BEGINNING of the year	11	7,555	-
Cash and cash equivalent at END of the year	11	34,995,242	7,555

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 10/12 2021 and signed by:


Principal Secretary


Project Coordinator


Project Accountant

Name

Name

Name: Gerald K. Kurema

Prof. Hamadi Iddi Boga, PhD

Eng. Kennedy W. Makudih

ICPAK Member Number : 8980

9. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Receipts/Payments Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Receipts						
Transfer from Government entities				-	-	0%
Proceeds from domestic and foreign grants	115,000,000.00	(16,737,859.00)	98,262,141.00	78,262,140.70	20,000,000.30	80%
Proceeds from borrowings						0%
Miscellaneous receipts				-	-	0%
Total Receipts	115,000,000.00	(16,737,859.00)	98,262,141.00	78,262,140.70	20,000,000.30	80%
Payments						
Compensation of employees				-	-	0%
Purchase of goods and services	84,800,000.00	(6,537,859.00)	78,262,141.00	43,736,154.00	34,525,987.00	56%
Social security benefits				-	-	0%
Acquisition of non-financial assets	30,200,000.00	(10,200,000.00)	20,000,000.00	-	20,000,000.00	0%
Transfers to other government entities				-	-	0%
Other grants and transfers				-	-	0%
Total Payments	115,000,000.00	(16,737,859.00)	98,262,141.00	43,736,154.00	54,525,987.00	45%

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



Principal Secretary
Name
Prof. Hamadi Iddi Boga, PhD

Project Coordinator
Name
Eng. Kennedy W. Makudih

Project Accountant
Name: **Gerald K. Kuirema**
ICPAK Member Number : **8980**

10. SIGNIFICANT ACCOUNTING POLICIES

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

10.1 Basis of Preparation

10.2 Statement of compliance and basis of preparation

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

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

10.3 Reporting entity

The financial statements are for the Project RLACC under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

10.3.1 Reporting currency

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

10.4 Significant Accounting Policies

a) Recognition of receipts

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

i) Transfers from the Exchequer

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

ii) External Assistance

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

iii) Other receipts

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

b) Donations and grants

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

Significant Accounting Policies (Continued)

c) Proceeds from borrowing

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

d) Undrawn external assistance

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

e) Recognition of payments

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

i) Compensation of employees

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

ii) Use of goods and services

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

Significant Accounting Policies (Continued)

iii) Interest on borrowing

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

iv) Repayment of borrowing (principal amount)

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

v) Acquisition of fixed assets

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

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

f) In-kind donations

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

Significant Accounting Policies (Continued)

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank

account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

Restriction on cash

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

h) Accounts receivable

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

Significant Accounting Policies (Continued)

i) Contingent Liabilities

A contingent liability is:

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

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

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. **Annex 5** of this financial statement is a register of the contingent liabilities in the year.

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

j) Contingent Assets

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

the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

Significant Accounting Policies (Continued)

k) Pending bills

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

l) Budget

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

A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

m) Third party payments

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

During the year Kshs NIL being grant disbursements were received in form of direct payments from third parties.

Significant Accounting Policies (Continued)

n) Exchange rate differences

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

o) Comparative figures

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

p) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2021.

q) Errors

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

11. NOTES TO THE FINANCIAL STATEMENTS

1. RECEIPTS FROM GOVERNMENT OF KENYA

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

	2020/21	2019/20	
	KShs	KShs	Cumulative to-date (from inception)
<i>Counterpart funding through Ministry xxx</i>			
Counterpart funds Quarter 1	-	-	-
Counterpart funds Quarter 2	-	-	-
Counterpart funds Quarter 3	-	-	-
Counterpart funds Quarter 4	-	-	-
Total (See Annex 2)	-	-	-
<i>Other transfers from government entities</i>			
Ministry xx	-	-	-
Ministry xy	-	-	-
Project zxy	-	-	-
Agency xz	-	-	-
	-	-	-
Appropriations-in-Aid	-	-	-
Total	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

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

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Grants received in kind	Total amount in KShs	
						2020/21	2019/20
		USD	KShs	KShs	KShs	KShs	KShs
Grants Received from Bilateral Donors (Foreign Governments)							
African Development Bank	17 Nov 2020	719,585.70	78,262,140.70	-	-	78,262,140.70	6,943,725
Grants Received from Multilateral Donors (International Organizations)							
Insert name of international organization							
Grants Received from Local Individuals and organizations							
Insert name of individual or local organization							
Total		719,585.70	78,262,140.70	-	-	78,262,140.70	6,943,725.00

* The direct payment grants represent payments for goods and services done directly by the donor on behalf of the project. Projects should ensure that the adequate documents and support document is requested from the donors to support this grant.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. LOAN FROM EXTERNAL DEVELOPMENT PARTNERS

During the 12 months to 30 June 20xx we received funding from development partners in form of loans negotiated by the National Treasury donors as detailed in the table below:

Name of Donor	Date received	Amount in loan currency	Loans received in cash	Loans received as direct payment*	Total amount in KShs	
			KShs	KShs	2020/21	2019/20
Loans Received from Bilateral Donors (Foreign Governments)						
Insert name of foreign Government	-	-	-	-	-	-
Loans Received from Multilateral Donors (International Organisations)						
Insert name of international organization	-	-	-	-	-	-
Total	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. MISCELLANEOUS RECEIPTS

	2020/21			20/19/2020	Cumulative to-date (from inception)
	Receipts controlled by the entity in Cash	Receipts controlled by third parties	Total Receipts	Total Receipts	
	KShs	KShs	KShs	KShs	KShs
Property income	-	-	-	-	-
Sales of goods and services	-	-	-	-	-
Administrative fees and charges	-	-	-	-	-
Fines, penalties and forfeitures	-	-	-	-	-
Voluntary transfers other than grants	-	-	-	-	-
Other receipts not classified elsewhere	-	-	-	-	-
Total	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. COMPENSATION OF EMPLOYEES

	2020/2021			2019/2020	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	KShs
-					
Basic salaries of permanent employees	-	-	-	-	-
Basic wages of temporary employees	-	-	-	-	-
Personal allowances paid as part of salary	-	-	-	-	-
Personal allowances paid as reimbursements	-	-	-	-	-
Personal allowances provided in kind	-	-	-	-	-
Pension and other social security contributions	-	-	-	-	-
Compulsory national social security schemes	-	-	-	-	-
Compulsory national health insurance schemes	-	-	-	-	-
Social benefit schemes outside government	-	-	-	-	-
Other personnel payments	-	-	-	-	-
Total	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. PURCHASE OF GOODS AND SERVICES

	2020/2021			2019/2020	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	
Utilities, supplies and services	448,980.00	-	448,980.00	-	448,980.00
Communication, supplies and services	-	-	-	-	-
Domestic travel and subsistence	22,738,227.00	-	22,738,227.00	-	22,738,227.00
General Expenses	-	-	-	-	-
Printing, advertising and – information supplies & services	-	-	-	-	-
Rentals of produced assets	-	-	-	-	-
Training payments	12,208,527.00	-	12,208,527.00	6,474,470.00	18,682,997.00
Hospitality supplies and services	-	-	-	-	-
Insurance costs	-	-	-	-	-
Specialised materials and services	-	-	-	-	-
Other operating payments	-	-	-	-	-
Fuel Oil & Lubricants	7,500,000.00	-	7,500,000.00	-	7,500,000.00
Routine maintenance – vehicles and other transport equipment	-	-	-	-	-
Routine maintenance- – other assets	-	-	-	-	-
Telephone, telefax	840,420.00	-	840,420.00	-	840,420.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. SOCIAL SECURITY BENEFITS

	2020/21			2019/20	Cumulative to- date KShs
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	
Government pension and retirement benefits	-	-	-	-	-
Social security benefits in cash and in kind	-	-	-	-	-
Employer social benefits in cash and in kind	-	-	-	-	-
Total	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF NON-FINANCIAL ASSETS

	2020/21			2019/20	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	
Purchase of buildings	-	-	-	-	-
Construction of buildings	-	-	-	-	-
Refurbishment of buildings	-	-	-	-	-
Construction of roads	-	-	-	-	-
Construction of civil works	-	-	-	-	-
Overhaul & refurbishment of construction and civil works	-	-	-	-	-
Purchase of vehicles & other transport equipment	-	-	-	-	-
Overhaul of vehicles & other transport equipment	-	-	-	-	-
Purchase of household furniture & institutional equipment	-	-	-	-	-
Purchase of office furniture & general equipment	-	-	-	-	-
Purchase of specialised plant, equipment and machinery	-	-	-	-	-
Rehabilitation & renovation of plant, equipment & machinery	-	-	-	-	-
Purchase of certified seeds, breeding stock and live animals	-	-	-	-	-
Research, studies, project preparation, design & supervision	-	-	-	-	-
Rehabilitation of civil works	-	-	-	-	-
Acquisition of strategic stocks	-	-	-	-	-
Acquisition of land	-	-	-	-	-
Acquisition of other intangible assets	-	-	-	-	-
Total	-	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. TRANSFERS TO OTHER GOVERNMENT ENTITIES

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

	2020/21			2019/20	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	
Transfers to National Government entities					
Ministry ABC	-	-	-	-	-
Project XYZ	-	-	-	-	-
	-	-	-	-	-
Transfers to County Governments					
County ABC	-	-	-	-	-
County XYZ	-	-	-	-	-
	-	-	-	-	-
TOTAL	-	-	-	-	-

We have confirmed that the beneficiary institutions have received the funds and have recorded these as inter-entity receipts. We have attached these duly signed confirmations as an Appendix to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. OTHER GRANTS AND TRANSFERS AND PAYMENTS

	2020/21			2019/20	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	KShs	KShs	KShs	KShs	KShs
Grants for scholarships	-	-	-	-	-
Transfers to lower levels of government e.g schools	-	-	-	-	-
Miscellaneous payments	-	-	-	-	-
Total	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. CASH AND CASH EQUIVALENTS

	2020/21	2019/20
	KShs	KShs
Bank accounts (Note 11. A)	34,995,242.05	469,255.0
Cash in hand (Note 11. B)	-	
Cash equivalents (short-term deposits) (Note 8.13C)	-	
Total	34,995,242.05	469,255.0

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

11. A Bank Accounts

Project Bank Accounts

	2020/21	2019/20
	KShs	KShs
<u>Foreign Currency Accounts</u>		
Central Bank of Kenya [A/c No.....]	-	-
Kenya Commercial Bank [A/c No.....]	-	-
Co-operative Bank of Kenya [A/c No.....]	-	-
Others (<i>specify</i>)	-	-
Total Foreign Currency balances	-	-
<u>Local Currency Accounts</u>		
Central Bank of Kenya [A/c No1000387564]	34,995,242.05	469,255.00
Kenya Commercial Bank [A/c No.....]	-	-
Co-operative Bank of Kenya [A/c No.....]	-	-
Others (<i>specify</i>)	-	-
Total local currency balances	34,995,242.05	469,255.00
Total bank account balances	34,995,242.05	469,255.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as at 30th June 2021 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

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

Special Deposit Accounts Movement Schedule

	2020/21	2019/20
	KShs	KShs
(i) A/c Name MULTI-NATIONAL RURAL LIVELIHOODS ADAPTATION TO CLIMATE CHANGE [A/c No. 1000357215 HELD AT THE CENTRAL BANK OF KENYA]]		
Opening balance	756,275.00	0
Total amount deposited in the account	77,648,239.47	7,700,000.00
Total amount withdrawn (as per Statement of Receipts & Payments)	78,262,140.73	6,943,725.00
Closing balance (as per SDA bank account reconciliation attached)	<u>142,373.74</u>	<u>756,275.00</u>
(ii) A/c Name [A/c No.....]		
Opening balance (as per the SDA reconciliation)	-	-
Total amount deposited in the account	-	-
Total amount withdrawn (as per Statement of Receipts & Payments)	-	-
Closing balance (as per SDA bank account reconciliation attached)	-	-

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

N/B For the period 2019/2020, an foreign exchange rate of Kshs. 101.98 to the USD has been used, while for the period 2020/2021, a rate of Kshs. 108.76 has been used.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 B Cash In Hand

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

[Provide a cash count certificate for each location above]

11 C Cash equivalents (short-term deposits)

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

12. ACCOUNTS RECEIVABLES

<i>Description</i>	2020-2021	2019-2020
	Kshs	Kshs
Government Imprests	00	461,700
Salary advances	-	-
Total	00	461,700

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B: BREAKDOWN OF IMPRESTS AND ADVANCES

<i>Name of Officer or Institution</i>	<i>Amount Taken</i>	<i>Due Date of Surrender</i>	<i>Amount Surrendered</i>	<i>Balance 2021</i>	<i>Balance 2020</i>
<i>Adan Maalim Dahiye</i>	461,700.00	-	461,700.00	0	461,700
Total	461,700.00	-	461,700.00	0	461,700

13. ACCOUNTS PAYABLES

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

14. FUND BALANCE BROUGHT FORWARD

	2019/20	2018/19
	KShs	KShs
Bank accounts	7,555	00
Cash in hand	00	00
Cash equivalents (short-term deposits)	00	00
Outstanding imprests and advances	461,700	00
Total	469,255	00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. PRIOR YEAR ADJUSTMENT

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

(Explain whether the prior year relates to errors noted in prior year, changes in estimates or accounting policy.)

16. CHANGES IN RECEIVABLE

Description of the error	2020-2021	2019-2020
	KShs	KShs
Opening Receivables as at 1 st July	461,700	00
Closing account receivables as at 30 th June	00	461,700
Change in Receivables	-461,700	461,700

17. CHANGES IN ACCOUNTS PAYABLE

Description of the error	2020-2021	2019-2020
	Kshs	Kshs
Deposit and Retentions as at 1 st July 20xx	-	-
Closing accounts payables as at 30 th June 20xx	-	-
Change in payables	-	-

12. OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 3A)

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	-	-	-	-
Construction of civil works	000	2,176,681.04	0	2,176,681.04
Supply of goods	-	-	-	-
Supply of services	000	14,594,607.96	00	14,594,607.96
Total	000	16,771,289.00	000	16,771,289.00

2. PENDING STAFF PAYABLES (See Annex 3B)

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Senior management	-	-	(-)	-
Middle management	-	-	(-)	-
Unionisable employees	-	-	(-)	-
Others	-	-	(-)	-
Total	-	-	(-)	-

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OTHER IMPORTANT DISCLOSURES (Continued)

3. OTHER PENDING PAYABLES (See Annex 3C)

	Balance b/fFY 2020/2021	Additions for the period	Paid during the year	Balance c/fFY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities	-	-	(-)	-
Amounts due to County Government entities	-	-	(-)	-
Amounts due to third parties	-	-	(-)	-
Total	-	-	(-)	-

4. EXTERNAL ASSISTANCE

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
External assistance received as grants	-	-
External assistance received as loans	-	-
External assistance received in kind- as payment by third parties	-	-
Total	-	-

OTHER IMPORTANT DISCLOSURES (Continued)

a). External assistance relating loans and grants

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
External assistance received as loans	-	-
External assistance received as grants	-	-
Total	-	-

b) Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	FY 2020/2021	FY 2019/2020
Description		Kshs	Kshs
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants		-	-
Total		-	-

c) classes of providers of external assistance

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

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OTHER IMPORTANT DISCLOSURES (Continued)

d. non-monetary external assistance

Description	FY 2020/2021	FY 2019/2020
	Kshs	Kshs
Goods	-	-
Services	-	-
Total	-	-

This may occur when goods such as vehicles, computers, medical equipment, food aid etc are contributed to a county by donors, NGO etc N/B : Disclose the basis on which the value of goods and services were determined (This may be by : depreciated historical cost of physical assets, price attached on the goods, an assessment of value by the management of transferor, recipient or Third Party, Fair value measurement.

e Purpose and use of external assistance

Payments Made by Third Parties	FY	FY
	2020/2021	2019/2020
	Kshs	Kshs
Compensation of Employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to Other Government Units	-	-
Other grants and transfers	-	-
Social Security Benefits	-	-
Acquisition of Assets	-	-
Finance Costs, including Loan Interest	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-
Other Payments	-	-
TOTAL	-	-

N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used.

OTHER IMPORTANT DISCLOSURES (Continued)

f. External Assistance paid by Third Parties on behalf of the Entity by Source

This relates to external assistance paid directly by third parties to settle obligations on behalf of the entity

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

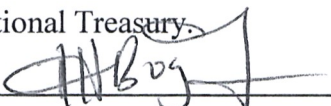
13. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR’S RECOMMENDATIONS

No Prior year issues.

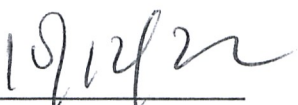
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Guidance Notes:

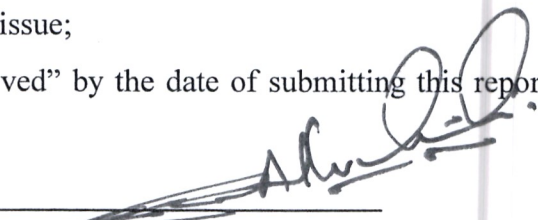
- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



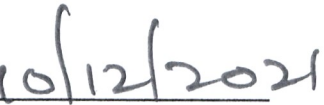
Principal Secretary



Date



Project Coordinator



Date

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14. ANNEXES

ANNEX1 - VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS

	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	0	0	0	0%	
Proceeds from domestic and foreign grants	98,262,141	78,262,140.70	20,000,000.3	80%	Budget cut from supplementary II
Proceeds from borrowings	0	0	0	0%	
Miscellaneous receipts	0	0	0	0%	
Total Receipts	98,262,141	78,262,140.70	20,000,000.3	80%	Budget cut from supplementary II
Payments					
Compensation of employees	0	0	0	0%	
Purchase of goods and services	78,262,141	43,736,154.00	34,525,987	56%	Reduced activities as a result of the covid 19 pandemic.
Social security benefits	0	0	0	0%	
Acquisition of non-financial assets	20,000,000	0	20,000,000	0%	
Transfers to other government entities	0	0	0	0%	
Other grants and transfers	0	0	0	0%	
Total payments	98,262,141	43,736,154	54,525,987	45%	Reduced activities as a result of the covid 19 pandemic.

Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021

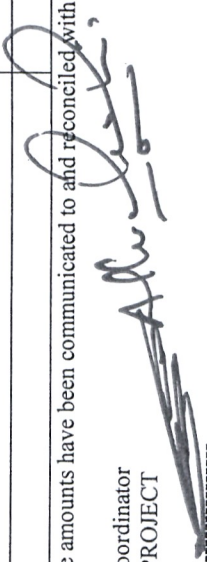
ANNEX 2: RECONCILIATION OF INTER-ENTITY TRANSFERS

PROJECT NAME:				
Break down of Transfers from the State Department of XXX				
a. Government Counterpart				
Funding		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			-	
		Total	-	
b. Direct Payments				
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			-	
		Total	-	
c. Others				
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			-	
		Total	-	
		TOTAL(a+b+c)	-	

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

Project Coordinator
 RLACC PROJECT

Head of Accounting Unit
 State Department for Crop Development and Agricultural Research



Sign-----
 Sign-----

Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021

ANNEX 3A - ANALYSIS OF PENDING BILLS

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2020/21 d=a-c	Outstanding Balance 2019/20	Comments
Construction of buildings						
1.						
2.						
Sub-Total						
Construction of civil works						
3. Assorted civil works contracts for RLACC in Turkana and Baringo Counties				2,176,681.04	0	All contracts entered into the 2020-21 FY
4.						
Sub-Total						
Supply of goods						
5.						
6.						
Sub-Total						
Supply of services						
7. Assorted individual consultancy services for various services in the project counties				14,594,607.96		All contracts entered into the 2020-21 FY
8.						
Sub-Total				16,771,289.00		
Grand Total				16,771,289.00		

*Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021*

ANNEX 3B - ANALYSIS OF PENDING STAFF BILLS

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Permanent Employees - Management							
1.							
2.							
Sub-Total							
Permanent Employees - Others							
3.							
4.							
Sub-Total							
Temporary employees							
5.							
6.							
Sub-Total							
Others (specify)							
7.							
8.							
Sub-Total							
Grand Total							

Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021

ANNEX 3C - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Description	Original Amount	Date Contracted	Payable Amount Paid To-Date	Outstanding Balance 20xx	Outstanding Balance 20xx	Comments
Amounts due to National Govt Entities							
1.							
2.							
Sub-Total							
Amounts due to County Govt Entities							
3.							
4.							
Sub-Total							
Amounts due to Third Parties							
5.							
6.							
Sub-Total							
Others (specify)							
7.							
8.							
Sub-Total							
Grand Total							

Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021

ANNEX 4 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Opening Cost (KShs) 20xx/xx	Donations in form of assets (KShs) 20xx/xx	*Purchases/ Additions in the Year (KShs) 20xx/xx	**Disposals in the Year (KShs) 20xx/xx	Transfers in/(out) Kshs 20xx/xx	Closing Cost (KShs) 20xx
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)+c)- (d)+(-)d
Land						
Buildings and structures						
Transport equipment						
Office equipment, furniture and fittings						
ICT Equipment,						
Other Machinery and Equipment						
Heritage and cultural assets						
Biological assets						
Infrastructure assets roads, rails						
Intangible assets						
Work in Progress						
Total						

Notes

* Purchases/Additions in the year reconciled to the amount in Statement of Receipts and Payments

** The disposal amount to be disclosed in this register is the cost that the asset was acquired at and not the price at which it has been sold. The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the Ministry, Department or Agency. Additions during the year should tie to note 18 on acquisition of assets during the year. Ensure this section is complete covering all the entities assets. Ensure the complete fixed asset register is separately prepared as per circular number 5/2020 and follow up reminder of circular No. 23/2020 of The National Treasury

ANNEX 5 – CONTINGENT LIABILITIES REGISTER

	Nature of contingent liability	Payable to	Estimated Amount Kshs	Expected date of payment	Remarks
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

*Multi-National Rural Livelihoods Adaptation to Climate Change Project (RLACC)
Reports and Financial Statements
For the financial year ended June 30, 2021*

APPENDICES

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations statement as at 30th June 2021
- iii. Board of Survey Report
- iv. Special Deposit Account(s) reconciliation statement(s)
- v. **GOK IFMIS comparison Trial Balance**

MULTINATIONAL RURAL LIVELIHOODS ADAPTATION TO CCC
 STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
 FOR THE YEAR ENDED 30TH JUNE 2021
 PART B: ACCOUNT RECONCILIATION STATEMENT

PROJECT No. 5550155001201
 Bank Account No.1000357215 Held with Central Bank of Kenya

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by ADB		788,213.15
	Less		
2	Total amount justified to ADB		63,989.62
3	Outstanding amount advanced to Designated Account		724,223.53
	Represented by:		
4	Ending Designated Account Balance at 30.06.2021		
5	Amount claimed but not credited at 30.06.2021		
6	Amount withdrawn and not claimed as at 30.06.2021		724,223.53
7	Service charges (if not included in 5 & 6 above)		-
	Less		
8	Interest earning (if included in Designated Account)		-
9	Total advance to Designated Account year ended 30.06.2021		724,223.53

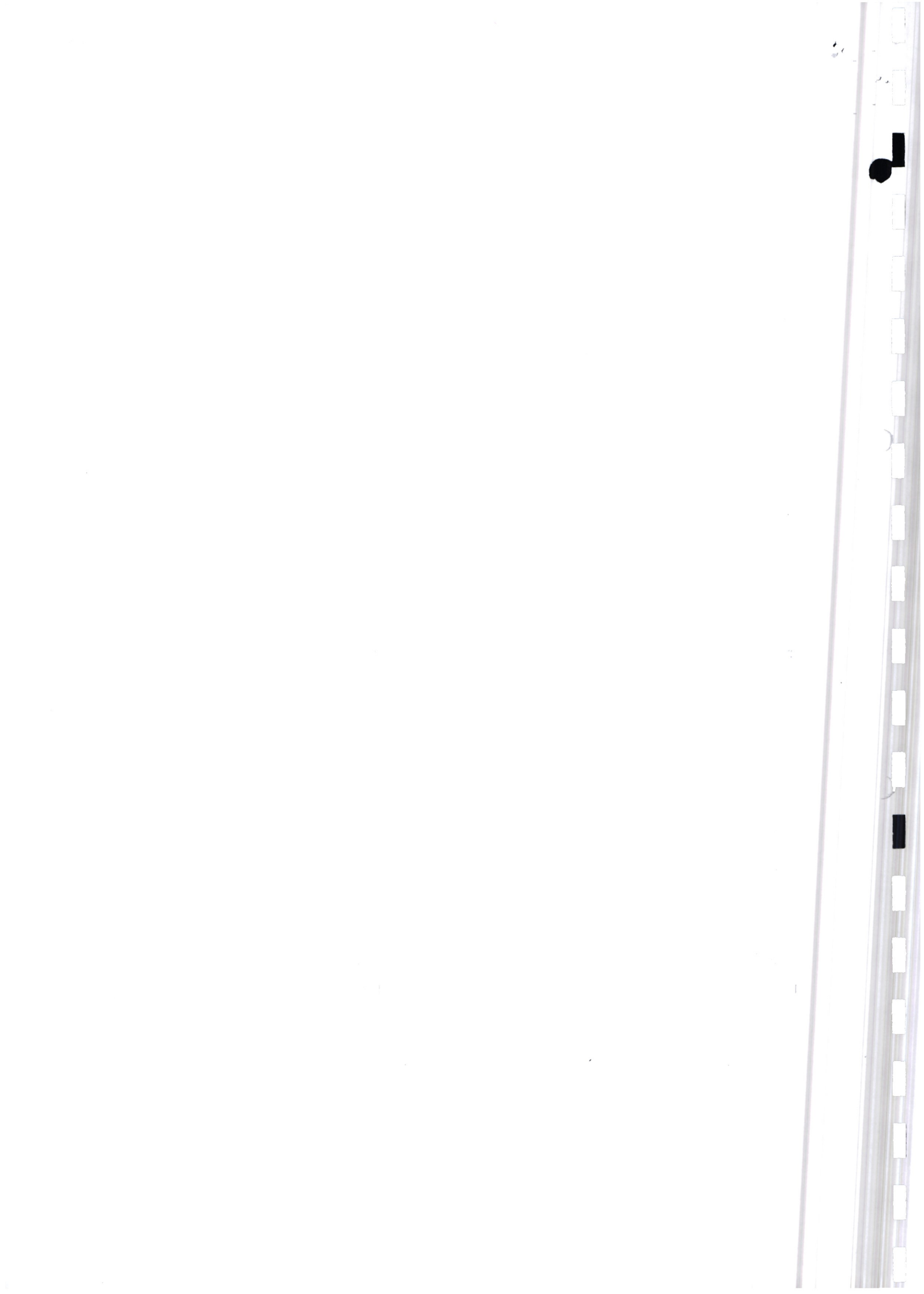
Discrepancy between total appearing on lines 3 and 9 _____

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 ADB and provide reasons for not claiming the expenditures

The amount appearing on line 6 is eligible for financing by ADB and shall be documented in subsequent IFRs/SOEs

Signature
 AUTHORIZED REPRESENTATIVE
 RESOURCES MOBILIZATION DEPARTMENT - TREASURY DATE: 30-07-2021



SPECIAL ACCOUNT STATEMENT

For period ending **30th JUNE, 2021**
 Account No. **1000357215**
 Depository Bank **CENTRAL BANK OF KENYA.**
 Address **CENTRAL BANK OF KENYA.**
 Related Loan **MULTINAT'L RURAL LHDS ADAPT TO CLIM**
 Credit Agreement
 Currency **USD**

Part A - Account Activity

Beginning balance of 1st July, 2020 as per C.B.K. Ledger Account	5,644.55
Add:	
Total Amount deposited by World Bank	713,941.15
Total Interest earnings if deposited in account	
Total amount refunded to cover ineligible expenditure	
Deduct:	
Total amount withdrawn	719,585.70
Total service charges if not included above in amount withdrawn	
Ending balance on 30th June, 2021	0.00

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE: 

DATE

22.07.2021

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE: 

DATE

30.07.2021

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2021 have been reconciled and a copy of the supporting Reconciliation Statement is attached.



Results 1 - 2 of 2

Run Date: 15/07/2021
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

Run Time: 14:48:08

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000357215

ACCOUNT TITLE : MULTINAT'L RURAL LHDS ADAPT TO CLIM
 30/06/2021

STATEMENT PERIOD: From 01/07/2020 To

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
-----	------	--------------	---------	-------	----------------

NO.	Value Date	Reference.No	Details	Debit	Credit	Balance
	OPENING BAL :				5,644.55	
1	26/10/2020	FT203005QD3Y	FUNDING	0.00	713,941.15	719585.7
2	04/11/2020	FT203094RQ4L PA125467		-719,585.70	0.00	0
CLOSING BALANCE :						0

END OF ACCOUNT STATEMENT

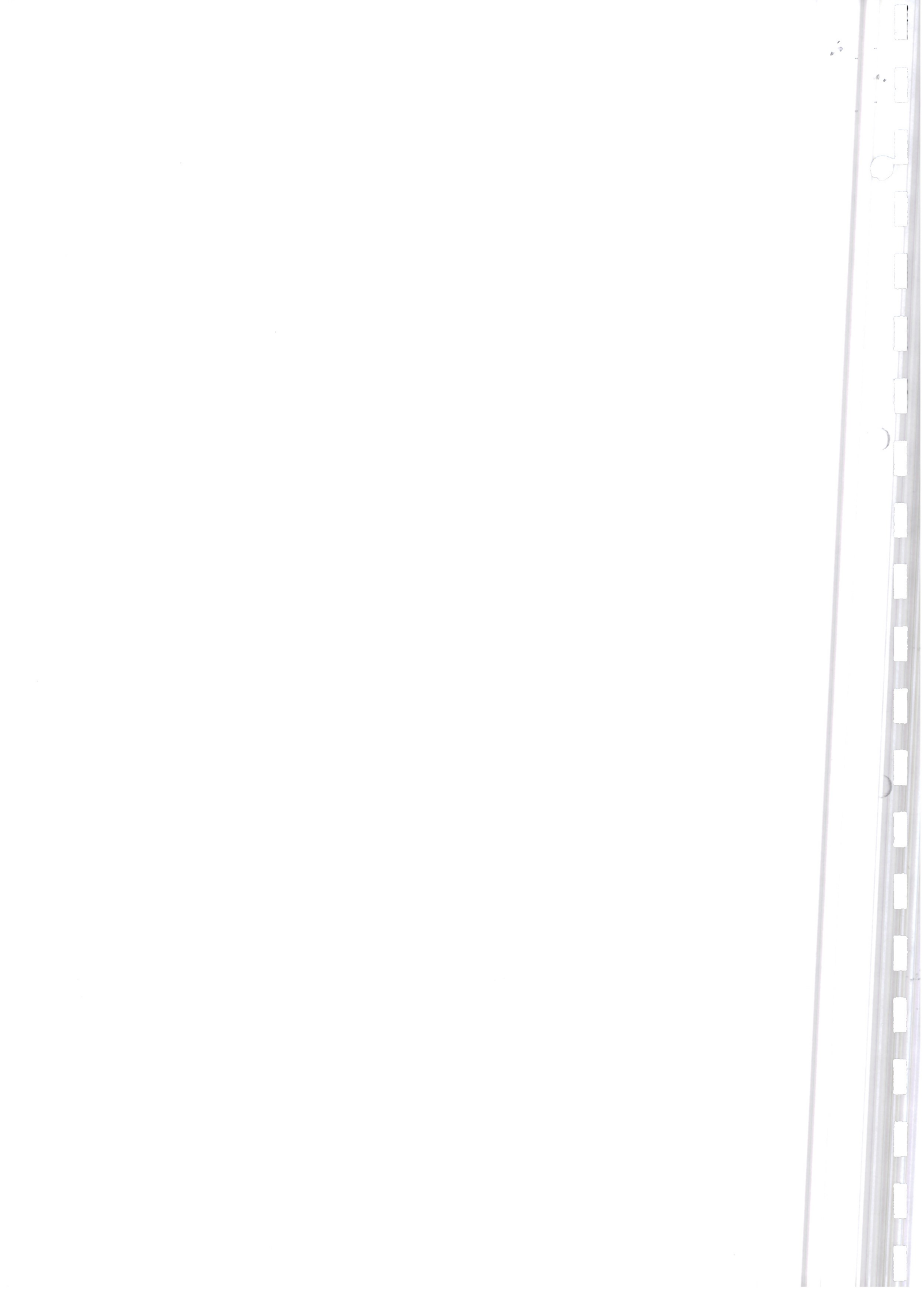
Favourites

TAM E STMT OF ACCT EPRM

More Options
 Clear Selection Find

Account	equals	1000357215
Statement From	equals	20200701
Statement To	equals	20210630

TAM E STMT OF ACCT EPRM



Project ID : P-21-AAZ-039
 Project Title : GEF RURAL LIVELIHOODS ADAPTION TO CCC
 Project Owner : GOVERNMENT OF KENYA (MULTINATIONAL)
 Loan Contract / Agency : USD
 Closing Date : 31.05.2022
 Commitment Capital : 2,784,000.00
 Available Balance : 0.00

LDV Number	Reference	Curr	Amount Approved Approval Currency	Amount Justified Approval Currency	Balance to Justify Approval Currency	Amount Disbursed USD	Amount Justified USD	Balance to Justify USD	% Justified F = D / C	Disburs. Value Date	Last Just. Date
(A)	(B)		(X)	(Y)	(Z) = (X) - (Y)	(C)	(D)	(E) = (C) - (D)		(G)	(H)
0155001201											
All activities	RF N00001	USD	74,272.00	63,989.62	10,282.38	74,272.00	63,989.62	10,282.38	86.16	16.05.2018	26.06.2020
1/2018/42390	RF N00001A	USD				713,941.15	0.00	713,941.15	0.00	23.10.2020	00.00.0000
1/2020/80026	RF N00004A	USD	713,941.15	0.00	713,941.15	713,941.15	0.00	713,941.15	0.00		
at 5550155001201	All activities					788,213.15	63,989.62	724,223.53	8.12		
	5550155001201					788,213.15	63,989.62	724,223.53	8.12		

788213.2 63,989.62 724,223.5



MINISTRY OF AGRICULTURE, LIVESTOCK, FISHERIES AND COOPERATIVES
 MULTI NATIONAL RURAL LIVELIHOODS ADAPTATION TO CLIMATE CHANGE PROJECT
 ADF GRANT NO. 5550155001201

ACCOUNT NO. 1000419237 BANK RECONCILIATION AS AT 30TH JUNE 2021

	Kshs	Kshs	Kshs
Balance as per Bank Statement			49,804,922.05
Less- 1. Payments in the cash book not appearing on bank statement	14,809,680.00		
2. Receipts in Bank statement not posted in Cash Book			-
Add- 3. Payments in Bank Statement not recorded in the Cash Book			-14,809,680.00
4. Receipts in Cash Book not yet banked	-		
Bank Balance as per Cash Book			34,995,242.05

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct.

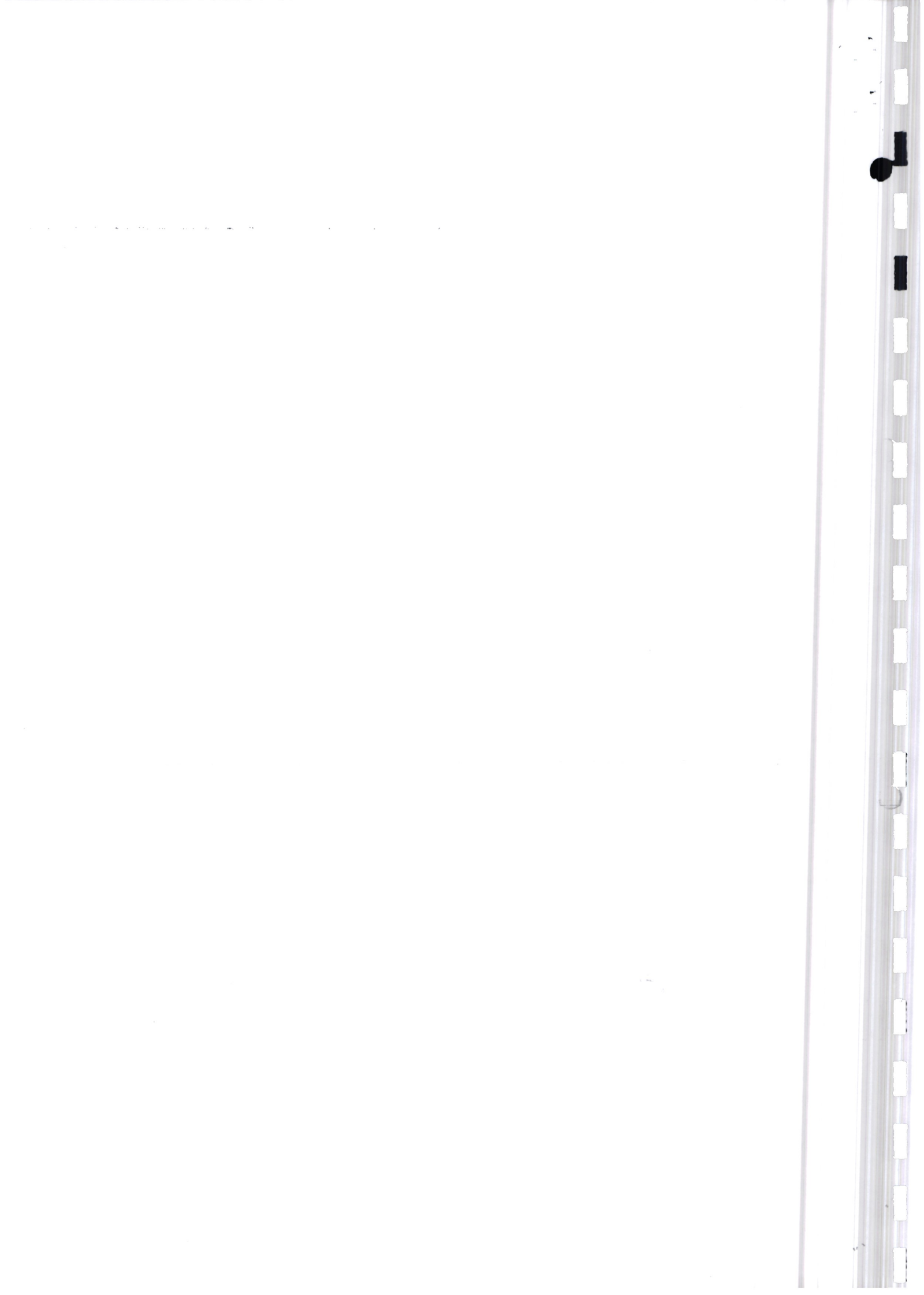


Signature

PREPARED BY
 PRINCIPAL ACCOUNTANT
 Designation

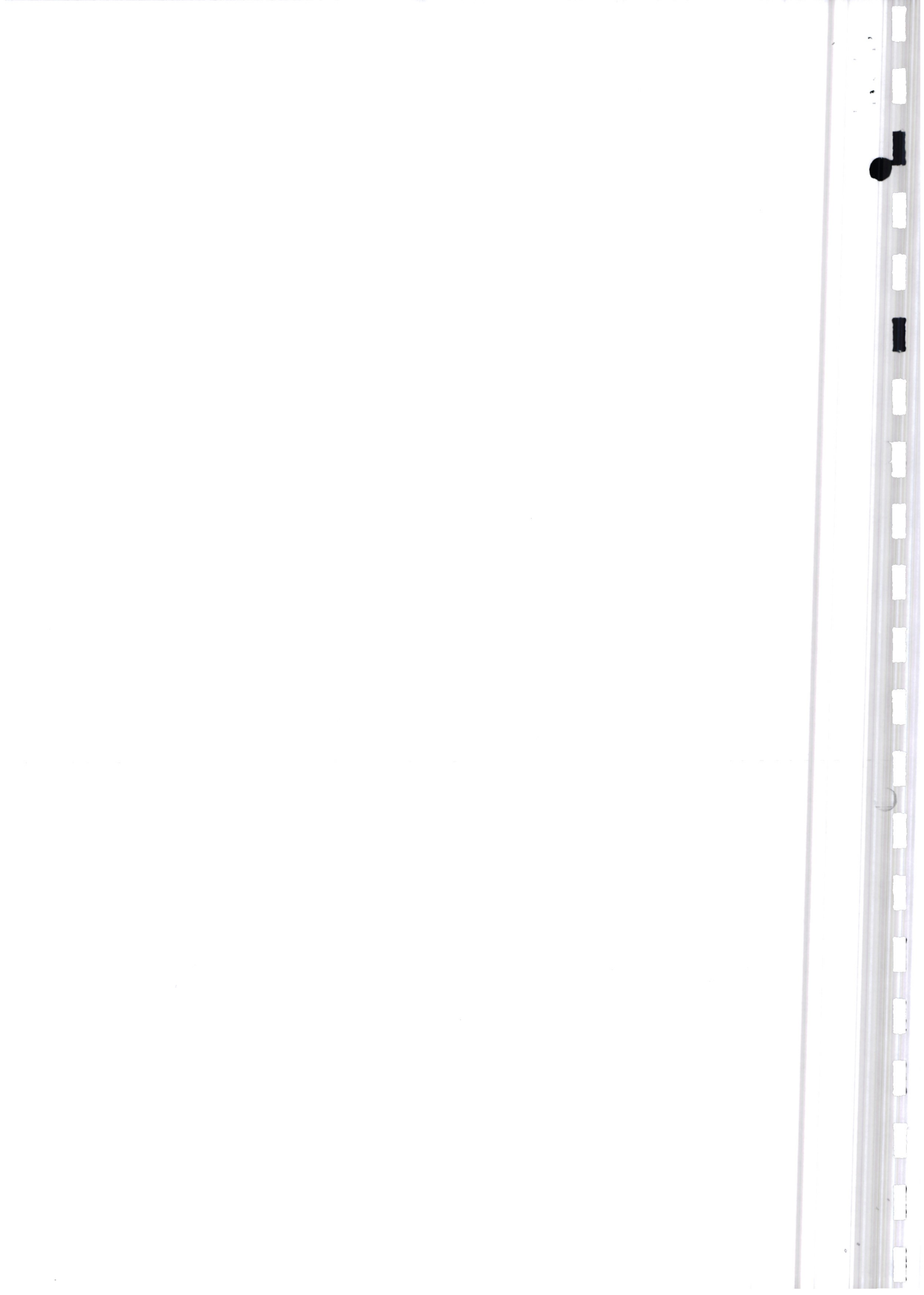
13/07/2021

Date



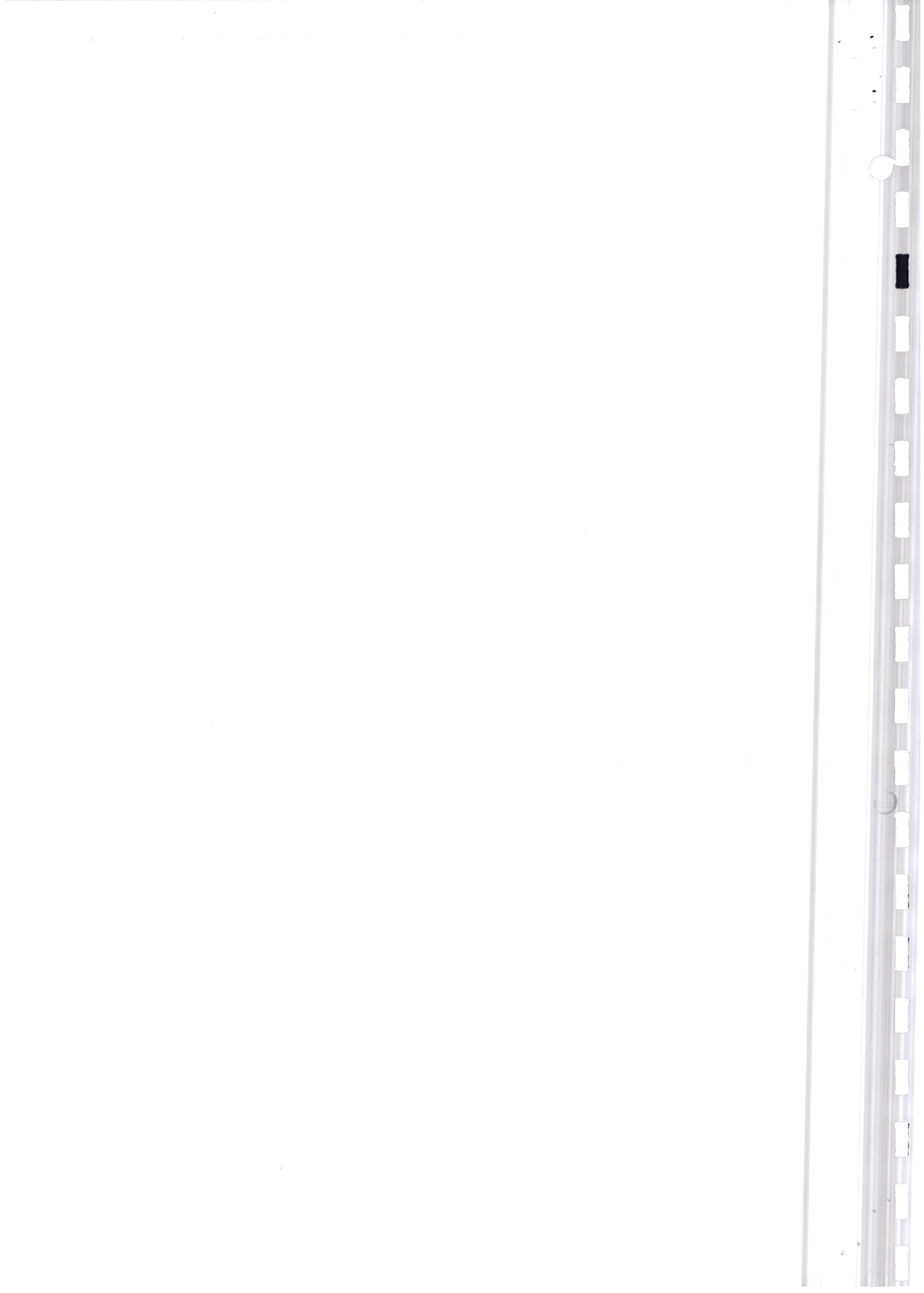
PAYMENT IN CB NOT IN BANK STATEMENT AT 30 TH JUNE 2021

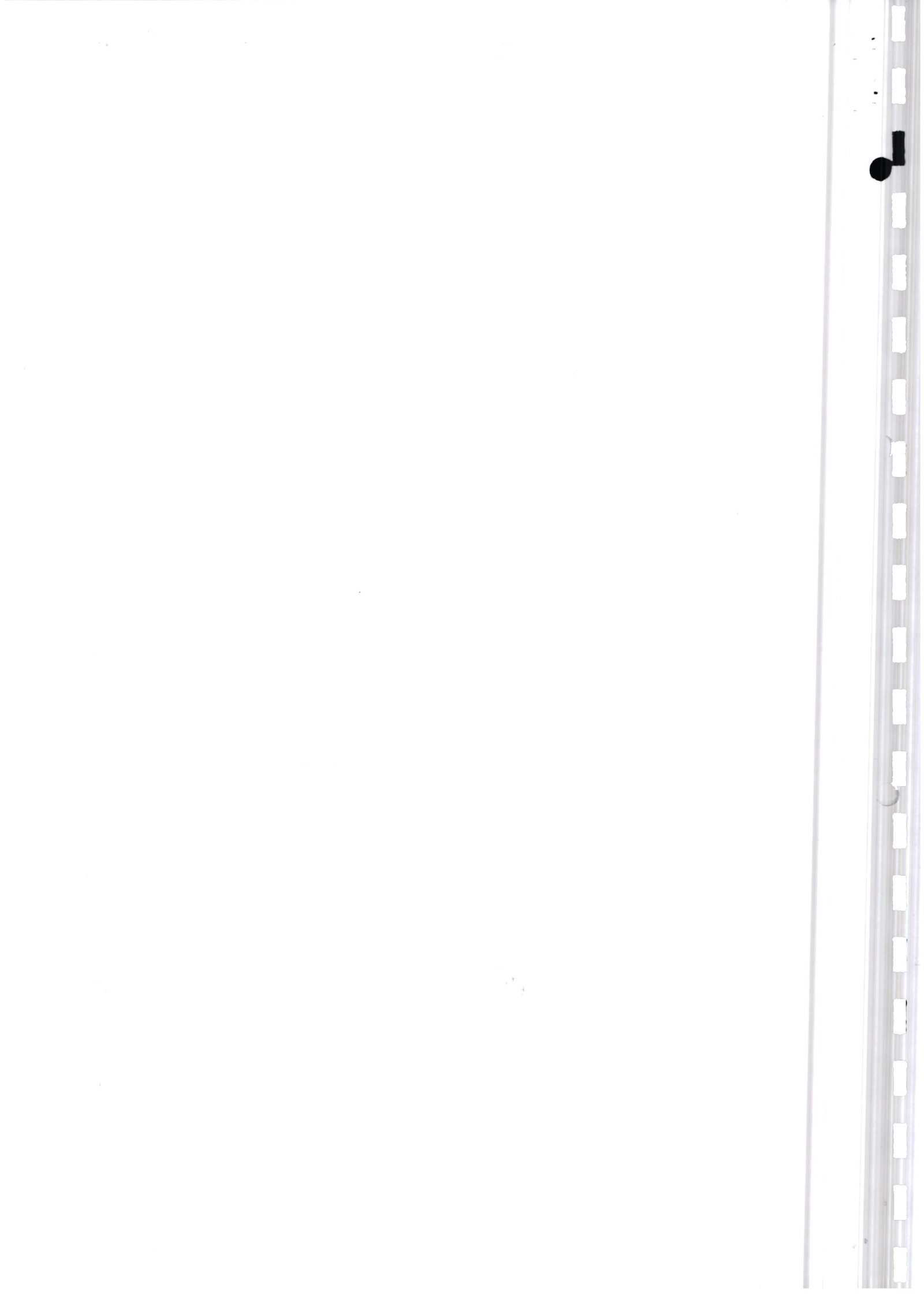
DATE	PAYEE	AMOUNT (KSHS)	DATE OF PAYMENT
30/06/2021	JANET OYUKE	482,400.00	1/7/2021
30/06/2021	RISPER NYABOKE OGWANGI	448,980.00	7/7/2021
30/06/2021	RISPER NYABOKE OGWANGI	498,200.00	7/7/2021
30/06/2021	EZRA FRED NG'ENO	1,999,600.00	7/7/2021
30/06/2021	GEORGE WACHIRA KAHURO	2,357,100.00	7/7/2021
30/06/2021	NATIONAL OIL CORPORATION	3,500,000.00	7/7/2021
30/06/2021	ELIZABETH KAMENE MWANZA	541,000.00	8/7/2021
30/06/2021	AGNES NDUTA KANYORO	982,400.00	8/7/2021
30/06/2021	NATIONAL OIL CORPORATION	4,000,000.00	8/7/2021
		14,809,680.00	



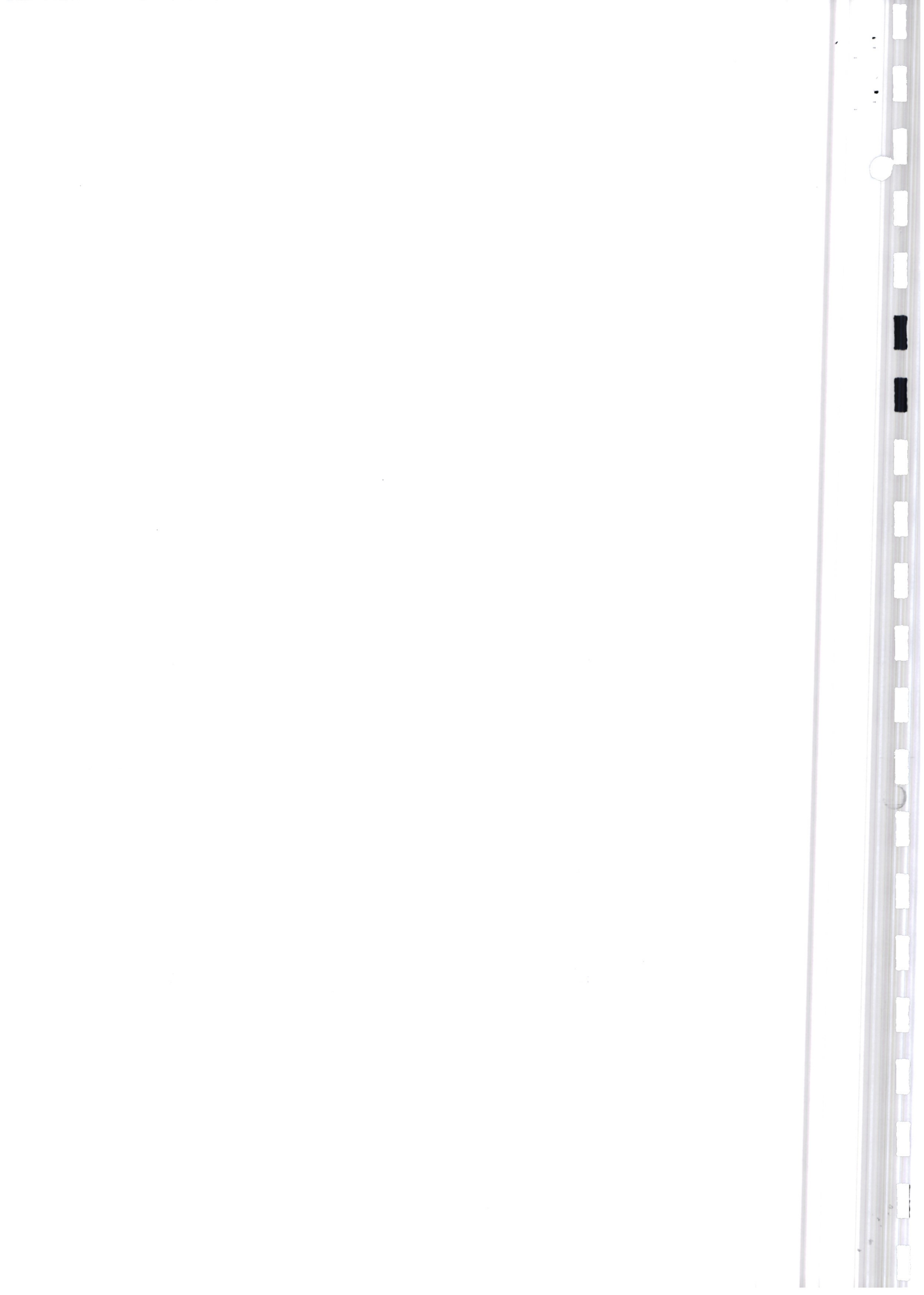
					IMP4097873								
2	06/05/2021	06/05/2021	FT21126SVMXR		Outward RTGS Payment MT 102		96,650.00	0.00				55,064,959.05	
					0070000035								
					STATE DEPT FOR CROP DEV AGRI RESERC:CBK								
					JANET ACHIENG O OYUKE								
					/REC/00700000035								
					IMP4097872								
3	23/06/2021	23/06/2021	FT21174G4TBD		Outward RTGS Payment MT 102		599,150.00	0.00				54,465,809.05	
					0070000038								
					STATE DEPT FOR CROP DEV AGRI RESERC:CBK								
					BERNARD KIREGI WANJOHI								
					/REC/00700000038								
					IMP4077126								
4	23/06/2021	23/06/2021	FT21174LQ69B		Outward RTGS Payment MT 103		948,797.00	0.00				53,517,012.05	
					0070000039								
					STATE DEPT FOR CROP DEV AGRI RESERC:999999								
					ELPHAS KIPKEMBOI RUTTOH								







16	08/07/2021	08/07/2021	FT21189D96FJ	Outward RTGS Payment MT 103	4,000,000.00	0.00	34,995,242.05
				0070000049			
				STATE DEPT FOR CROP DEV AGRI RESERC:999999			
				NATIONAL OIL CORPORATION OF KENYA			
				0070000049			
				PVD00147/1			
Totals					20,240,767.00	0.00	
					Closing Balance		34,995,242.05





CENTRAL BANK OF KENYA
BANKI KUU YA KENYA

STATEMENT OF ACCOUNT

CENTRAL BANK OF KENYA

BANKI KUU YA KENYA

P.O.BOX 60000 - 0200

NAIROBI

STATEMENT PERIOD: FROM 01/07/2020 TO 30/06/2021

Rundate : 19/08/2021

Runtime : 15:55:26

Customer Number : 145028

Account Number : 1000457686

Account Name : MULTINATIONAL RURAL LIVI CLIMATE CH(KES)

Opening Balance : 0

No.	Txn Date	Value Date	Reference No	Txn Details	Dr Amt	Cr Amt	Balance
1	27/07/2020	27/07/2020	ONLINE.AC.CLOSURE-1000419237	Online closure Debit	0.00	7,555.35	7,555.35
2	17/11/2020	17/11/2020	FT20322FNZTS	TRFS Payments	0.00	78,262,140.70	78,269,696.05
				PV000476			
3	01/12/2020	01/12/2020	FT20336PKB8K	Outward RTGS Payment MT 103	97,000.00	0.00	78,172,696.05
				0070000000			

				STATE DEPT FOR CROP DEV AGRI RESERC:999999				
				JONAH KIPKURGAT KEBENEY				
				0070000000				
				IMP4022685				
4	01/12/2020	01/12/2020	FT20336XTNSB	Outward RTGS Payment MT 102	97,000.00	0.00	78,075,696.05	
				0070000005				
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK				
				NICODEMUS KYALO MWONGA				
				/REC/0070000005				
				IMP4022686				
5	01/12/2020	01/12/2020	FT20336H25G3	Outward RTGS Payment MT 102	97,000.00	0.00	77,978,696.05	
				0070000008				
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK				
				AMOS KIBOR KIPTANUI				
				/REC/0070000008				
				IMP4022687				
6	01/12/2020	01/12/2020	FT20336ITYTW	Outward RTGS Payment MT 102	111,000.00	0.00	77,867,696.05	

					0070000004								
					STATE DEPT FOR CROP DEV AGRI RESERC:CBK								
					GEORGE WACHIRA KAHURO								
					/REC/00700000004								
					IMP4022684								
7	01/12/2020	01/12/2020		FT20336P974Y	Outward RTGS Payment MT 103			111,000.00		0.00		77,756,696.05	
					0070000003								
					STATE DEPT FOR CROP DEV AGRI RESERC:999999								
					KENNEDY WANDERA MAKUDIUH								
					0070000003								
					IMP4022683								
8	01/12/2020	01/12/2020		FT203368BZDM	Outward RTGS Payment MT 102			197,450.00		0.00		77,559,246.05	
					0070000006								
					STATE DEPT FOR CROP DEV AGRI RESERC:CBK								
					GEORGE WACHIRA KAHURO								
					/REC/00700000006								
					IMP4077153								

9	01/12/2020	01/12/2020	FT203360LJVT	Outward RTGS Payment MT 103 0070000007	498,600.00	0.00	77,060,646.05
				STATE DEPT FOR CROP DEV AGRI RESERC:999999			
				RISPER NYABOKE OGWANGI			
				0070000007			
				IMP4077155			
10	01/12/2020	01/12/2020	FT20336MQ8DR	Outward RTGS Payment MT 102 0070000002	952,440.00	0.00	76,108,206.05
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK			
				JANET ACHIENG O OYUKE			
				/REC/0070000002			
				IMP4022688			
11	01/12/2020	01/12/2020	FT203366LS96	Outward RTGS Payment MT 102 0070000001	987,300.00	0.00	75,120,906.05
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK			
				WILLIAM OMUNANDI NDEKA			
				/REC/0070000001			

12	10/12/2020	10/12/2020	FT203451DLLF	IMP4022691	Outward RTGS Payment MT 103	885,030.00	0.00	74,235,876.05
				0070000010	STATE DEPT FOR CROP DEV AGRI RESERC:999999			
					SAMWEL JUMA OKATI			
				0070000010				
				IMP4022698				
13	10/12/2020	10/12/2020	FT2034545NGJ	Outward RTGS Payment MT 103	3,908,550.00	0.00	70,327,326.05	
				0070000009	STATE DEPT FOR CROP DEV AGRI RESERC:999999			
					BERNARD KIREGI WANJOHI			
				0070000009				
				IMP4077156				
14	08/02/2021	08/02/2021	FT21039FPHTI	Outward RTGS Payment MT 103	498,000.00	0.00	69,829,326.05	
				0070000011	STATE DEPT FOR CROP DEV AGRI RESERC:999999			
					HENRY KIDAVASI KAIGA			

				0070000011				
				IMP4077187				
15	25/02/2021	25/02/2021	FT2105639NVZ	Outward RTGS Payment MT 103	120,000.00	0.00	69,709,326.05	
				0070000013				
				STATE DEPT FOR CROP DEV AGRI RESERC:999999				
				KENYA SCHOOL OF GOVERNMENT BARINGO				
				0070000013				
				PVR0085				
16	25/02/2021	25/02/2021	FT2105664856	Outward RTGS Payment MT 103	423,500.00	0.00	69,285,826.05	
				0070000012				
				STATE DEPT FOR CROP DEV AGRI RESERC:999999				
				ELIZABETH KAMENE MWANZA				
				0070000012				
				IMP4077192				
17	25/02/2021	25/02/2021	FT2105666PYW	Outward RTGS Payment MT 103	495,500.00	0.00	68,790,326.05	
				0070000014				
				STATE DEPT FOR CROP DEV AGRI RESERC:999999				

						GERALD KARIUKI KOREMA						
						0070000014						
						PVR0090						
18	04/03/2021	04/03/2021			FT21063WTV34	Outward RTGS Payment MT 103	168,500.00	0.00			68,621,826.05	
						0070000015						
						STATE DEPT FOR CROP DEV AGRI RESERC:999999						
						ELIZABETH KAMENE MWANZA						
						0070000015						
						IMP4077193						
19	04/03/2021	04/03/2021			FT21063V9PD5	Outward RTGS Payment MT 103	362,550.00	0.00			68,259,276.05	
						0070000016						
						STATE DEPT FOR CROP DEV AGRI RESERC:999999						
						GEORGE WACHIRA KAHURO						
						0070000016						
						IMP4077195						
20	11/03/2021	11/03/2021			FT21070V5HJH	Outward RTGS Payment MT 103	2,663,700.00	0.00			65,595,576.05	
						0070000017						

				STATE DEPT FOR CROP DEV AGR RESERC:9999999				
				ABDALLA ABDIRAHMAN SHEIKH				
				0070000017				
				IMP4077199				
21	16/03/2021	16/03/2021	FT210750XQ89	Outward RTGS Payment MT 103	406,200.00	0.00	65,189,376.05	
				0070000020				
				STATE DEPT FOR CROP DEV AGR RESERC:9999999				
				ELIZABETH JEPKEMOI YEGON				
				0070000020				
				IMP4097852				
22	16/03/2021	16/03/2021	FT21075R4DJ3	Outward RTGS Payment MT 102	997,100.00	0.00	64,192,276.05	
				0070000018				
				STATE DEPT FOR CROP DEV AGR RESERC:CBK				
				HILLARY KIPROTICH NGENO				
				/REC/0070000018				
				IMP3910953				
23	16/03/2021	16/03/2021	FT210759VDYC	Outward RTGS Payment MT 102	999,100.00	0.00	63,193,176.05	

					0070000019								
					STATE DEPT FOR CROP DEV AGRIC RESERC:CBK								
					HILLARY KIPROTICH NGENO								
					/REC/0070000019								
					IMP3910954								
24	23/03/2021	23/03/2021		FT21082LZMHN	Outward RTGS Payment MT 102		717,900.00		0.00			62,475,276.05	
					0070000022								
					STATE DEPT FOR CROP DEV AGRIC RESERC:CBK								
					EMMY ADISAH WANJOHI								
					/REC/0070000022								
					IMP4097864								
25	23/03/2021	23/03/2021		FT21082R15J5	Outward RTGS Payment MT 102		868,450.00		0.00			61,606,826.05	
					0070000021								
					STATE DEPT FOR CROP DEV AGRIC RESERC:CBK								
					EMMY ADISAH WANJOHI								
					/REC/0070000021								
					IMP4097863								

26	23/03/2021	23/03/2021	FT210822GSS8P	Outward RTGS Payment MT 102 0070000023	1,089,225.00	0.00	60,517,601.05
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK			
				HENRY KIDAVASI KAIGA			
				/REC/0070000023			
				IMP4097862			
27	26/03/2021	26/03/2021	FT210851XGNW	Outward RTGS Payment MT 103 0070000028	198,300.00	0.00	60,319,301.05
				STATE DEPT FOR CROP DEV AGRI RESERC:999999			
				KENNEDY WANDERA MAKUDUH			
				0070000028			
				IMP4097857/1			
28	26/03/2021	26/03/2021	FT21085140VJ	Outward RTGS Payment MT 102 0070000029	451,700.00	0.00	59,867,601.05
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK			
				ELIZABETH KAMENIE MWANZA			
				/REC/0070000029			

29	26/03/2021	26/03/2021	FT21085JJWQM	IMP4097861/1	Outward RTGS Payment MT 103	497,502.00	0.00	59,370,099.05
				0070000026	STATE DEPT FOR CROP DEV AGRI RESERC:999999			
					EZEKIEL KIPYEGON MARINDANY			
				0070000026				
				IMP4077195/1				
30	26/03/2021	26/03/2021	FT21085LRWC3	Outward RTGS Payment MT 103		667,050.00	0.00	58,703,049.05
				0070000025	STATE DEPT FOR CROP DEV AGRI RESERC:999999			
					WILLIAM OMUNANDI NDEKA			
				0070000025				
				IMP4097853/1				
31	26/03/2021	26/03/2021	FT21085106MX	Outward RTGS Payment MT 102		2,300,150.00	0.00	56,402,899.05
				0070000027	STATE DEPT FOR CROP DEV AGRI RESERC:CBK			
					SAMWEL JUMA OKATI			

					/REC/0070000027				
					IMP4097856/1				
32	23/04/2021	23/04/2021	FT2111383Z17	Outward RTGS Payment MT 103	24,550.00	0.00	56,378,349.05		
				0070000034					
				STATE DEPT FOR CROP DEV AGRI RESERC:999999					
				GEORGE WACHIRA KAHURO					
				0070000034					
				PVR00129					
33	23/04/2021	23/04/2021	FT21113TC5QT	Outward RTGS Payment MT 103	37,320.00	0.00	56,341,029.05		
				0070000030					
				STATE DEPT FOR CROP DEV AGRI RESERC:999999					
				GERALD KARIUKI KOREMA					
				0070000030					
				PVS00141/1					
34	23/04/2021	23/04/2021	FT211135F7C	Outward RTGS Payment MT 102	264,600.00	0.00	56,076,429.05		
				0070000031					
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK					

						EMMY ADISAH WANJOHI						
						/REC/0070000031						
						IMP4097870						
35	23/04/2021	23/04/2021	FT21113NVRB1			Outward RTGS Payment MT 102		340,420.00	0.00		55,736,009.05	
						0070000032						
						STATE DEPT FOR CROP DEV AGRICULTURE RESERVC:CBK						
						TELKOM KENYA LIMITED						
						/REC/0070000032						
						PVD00138						
36	23/04/2021	23/04/2021	FT211137Y7V3			Outward RTGS Payment MT 102		500,000.00	0.00		55,236,009.05	
						0070000033						
						STATE DEPT FOR CROP DEV AGRICULTURE RESERVC:CBK						
						TELKOM KENYA LIMITED						
						/REC/0070000033						
						PVR00139						
37	06/05/2021	06/05/2021	FT21126RGC4J			Outward RTGS Payment MT 102		74,400.00	0.00		55,161,609.05	
						0070000036						

				STATE DEPT FOR CROP DEV AGR RESERC:CBK				
				JANET ACHIENG O OYUKE				
				/REC/0070000036				
				IMP4097873				
38	06/05/2021	06/05/2021	FT211265VMXR	Outward RTGS Payment MT 102		96,650.00	0.00	55,064,959.05
				0070000035				
				STATE DEPT FOR CROP DEV AGR RESERC:CBK				
				JANET ACHIENG O OYUKE				
				/REC/0070000035				
				IMP4097872				
39	23/06/2021	23/06/2021	FT21174G4TBD	Outward RTGS Payment MT 102		599,150.00	0.00	54,465,809.05
				0070000038				
				STATE DEPT FOR CROP DEV AGR RESERC:CBK				
				BERNARD KIREGI WANJOHI				
				/REC/0070000038				
				IMP4077126				
40	23/06/2021	23/06/2021	FT21174LQ69B	Outward RTGS Payment MT 103		948,797.00	0.00	53,517,012.05

43	28/06/2021	28/06/2021	FT21179DD0DGX	Outward RTGS Payment MT 103	2,059,800.00	0.00	49,804,922.05
				0070000041			
				STATE DEPT FOR CROP DEV AGRI RESERC.9999999			
				JANET ACHIENG O OYUKE			
				0070000041			
				IMP4077132			
Totals					28,464,774.00	78,269,696.05	
Closing Balance							49,804,922.05



CENTRAL BANK OF KENYA
BANKI KUU YA KENYA

STATEMENT OF ACCOUNT

CENTRAL BANK OF KENYA

BANKI KUU YA KENYA

P.O.BOX 60000 - 0200

NAIROBI

STATEMENT PERIOD: FROM 01/07/2021 TO 19/08/2021

Rundate : 19/08/2021

Runtime : 15:59:04

Customer Number : 145028

Account Number : 1000457686

Account Name : MULTINATIONAL RURAL LIVI CLIMATE CH(KES)

Opening Balance : 49804922.05

No.	Txn Date	Value Date	Reference No	Txn Details	Dr Amt	Cr Amt	Balance
1	01/07/2021	01/07/2021	FT211825XK8Y	Outward RTGS Payment MT 103	482,400.00	0.00	49,322,522.05
				0070000042			
				STATE DEPT FOR CROP DEV AGRI RESERC:999999			
				JANET ACHIENG O OYUKE			
				0070000042			

				IMP4077135				
2	07/07/2021	07/07/2021	FT21188LXMS	Outward RTGS Payment MT 102	448,980.00	0.00	48,873,542.05	
				0070000045				
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK				
				RISPER NYABOKE OGWANGI				
				/REC/0070000045				
				IMP4077147				
3	07/07/2021	07/07/2021	FT21188PJYV	Outward RTGS Payment MT 102	498,200.00	0.00	48,375,342.05	
				0070000046				
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK				
				RISPER NYABOKE OGWANGI				
				/REC/0070000046				
				IMP4077148				
4	07/07/2021	07/07/2021	FT211884PT72	Outward RTGS Payment MT 102	1,999,600.00	0.00	46,375,742.05	
				0070000047				
				STATE DEPT FOR CROP DEV AGRI RESERC:CBK				
				EZRA FRED NG'ENO				

					/REC/0070000047							
					IMP4077142							
5	07/07/2021	07/07/2021	FT21188W4Q5M		Outward RTGS Payment MT 102		2,357,100.00	0.00			44,018,642.05	
					0070000043							
					STATE DEPT FOR CROP DEV AGRI RESERC:CBK							
					GEORGE WACHIRA KAHURO							
					/REC/0070000043							
					IMP4279004							
6	07/07/2021	07/07/2021	FT2118805P1D		Outward RTGS Payment MT 102		3,500,000.00	0.00			40,518,642.05	
					0070000044							
					STATE DEPT FOR CROP DEV AGRI RESERC:CBK							
					NATIONAL OIL CORPORATION OF KENYA							
					/REC/0070000044							
					PVR00148							
7	08/07/2021	08/07/2021	FT21189N9X3M		Outward RTGS Payment MT 103		541,000.00	0.00			39,977,642.05	
					0070000050							
					STATE DEPT FOR CROP DEV AGRI RESERC:999999							

				ELIZABETH KAMENE MWANZA				
				0070000050				
				PVR00267				
8	08/07/2021	08/07/2021	FT21189T3B7W	Outward RTGS Payment MT 103	982,400.00	0.00	38,995,242.05	
				0070000048				
				STATE DEPT FOR CROP DEV AGRI RESERC:999999				
				AGNES NDUITA KANYORO				
				0070000048				
				IMP4279008				
9	08/07/2021	08/07/2021	FT21189D96FJ	Outward RTGS Payment MT 103	4,000,000.00	0.00	34,995,242.05	
				0070000049				
				STATE DEPT FOR CROP DEV AGRI RESERC:999999				
				NATIONAL OIL CORPORATION OF KENYA				
				0070000049				
				PVD00147/1				
10	18/08/2021	18/08/2021	FT21230JQDCP	Outward RTGS Payment MT 103	300,000.00	0.00	34,695,242.05	
				0070000052				

			0070000051				
			STATE DEPT FOR CROP DEV AGR				
			RESERC:CBK				
			ANTHONY OBUKUI MANYURU				
			/REC/0070000051				
			IMP4279009				
				Totals	19,546,780.00	0.00	
					Closing Balance		30,258,142.05

PAYMENTS

6

F.O. 26 (Small)

Date	To Whom Paid	Description of Payment	Allocation	Voucher No.	Cheque No.	Sh. cts.	Sh. cts.	Sh. cts.
	GEORGE W. KAHORO		2210701	0030				24550/=
	GERALD K. KUREMA		3111499	0031				37320/=
	EMMY ADISA WANJOHI		3111499	0032				264600/=
	TELKOM KENYA LIMITED		2210201	0033				340420/=
	TELKOM KENYA LIMITED		2210201	0034				500000/=
								1166890/=
		BALCID						55236009 05
								56402899 05
05/06/21	JANET A. OYUKE		3111401	0035				74400/=
	JANET A. OYUKE		3111401	0036				96650/=
								171050 =
		BALCID						55064959 05
								55236009 05
05/06/21	BERNARD K. WANJOHI		2210701	0037				599150/=
	ELPHAS K. RUTTOH		2211007	0038				948797/=
	PAUL K. NJOENJA		2211007	0039				991640 =
	BERNARD K. WANJOHI		2210701	0040				600650 =
	JANET A. OYUKE		2210701	0041				2059800 =
	JANET A. OYUKE		2210703	0042				482400 =
	RISPER N. OGWANGI		2211101	0043				442980 =
	RISPER N. OGWANGI		2210701	0044				498200 =
	EZRA FRED NG'ENO		3111401	0045				1999600 =
	GEORGE W. KAHORO		2211101	0046				2357100 =
	NATIONAL OIL CORPORATION		2211201	0047				3500000 =
	ELIZABETH K. MWANZA			0048				541000 =
	AGNES NDIKA KANTORO		2211007	0049				982400 =
	NATIONAL OIL CORPORATION		2211102	0050				4000000 =
		BALCID						20069717
								34995242 05
								55064959 05
30/6/21	AMOS KIPTANO		2210701	0051				97000 =
	JANET OYUKE		2210701	0052				96650 =
	IONAH KEBENET		2210701	0053				97000 =
	EMMY WANJOHI		2210701	0054				717900 =
	KENNEDY MARUDIOH		2210701	0055				198300 =
	JANET OYUKE		3111499	0056				2059800 =
	NICODEMUS MWOGA		2210701	0057				97000 =
	EMMY WANJOHI		2210701	0058				264600 =
	EMMY WANJOHI		2210701	0059				868450 =
	HENRY K. KAIGA		3111401	0060				498000 =

MEMBER MERCY W. GITHA
14/07/21

Charles Lwambi
15/07/21

[Handwritten signature and date]
13/07/2021



REPUBLIC OF KENYA

Date 14/7/2021

Report of the Board of Survey on the Cash and Bank Balances of RURAL LIVELIHOODS ADAPTATION TO CLIMATE CHANGE – ADF GRANT NO.5550155001201 as at the close of business on 30-6-2021

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

MOSES KAMAU - CHAIRMAN

CHARLES M. LUSWETI - MEMBER

MERCY W. GITU - MEMBER

Assembled at the office of PROJECT ACCOUNTANTS OFFICE

at 10.00 A.M. (time) on the

Notes NIL (Shs. NIL)

Silver NIL Shs. NIL

copper NIL Shs. NIL

Cheques (as per details on reverse) Shs. NIL

NIL

It was observed that cheques amounting to Shs. NIL cts NIL

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 30-6-2021

Cash on hand NIL (Shs. NIL)

Bank balance Shs. 34,995,242.05

The Bank Certificate of Balance showed a sum of Shs. 49,804,922.05

cts - (shs. cts)

Standing to the credit of the account on 30-6-2021

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

Chairman

Date 14-7-2021

Members of the Board



BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

July 5, 2021


Haile Selassie Avenue
P.O. Box 60000 - 00200 Nairobi, Kenya
Telephone: 2860000, Fax: 340192

CERTIFICATE OF BALANCES

Customer: 145028 – STATE DEPT FOR CROP DEVELOPMENT & AGRICULTURAL RESEARCH

Balance Date: 30 JUN 2021

Account No	Account Name	Balance
1000456957	REC-STATE DEPT FOR CROP DEV AGRI RE	6,494,708.35
1000456965	DEV-STATE DEPT FOR CROP DEV AGRI RE	561,547,426.40
1000456973	DEP-STATE DEPT FOR CROP DEV AGRI RE	159,118,413.85
1000456981	CBK165-STATE DEPT FOR CROP DEV AGRI	0.00
1000457627	FERTILIZER PROCEEDS	0.00
1000457635	STRATEGIC FOOD RESERVE	0.00
1000457643	DROUGHT RESIL SUSTAIN LAND PROJ GOK	0.00
1000457651	FERTILIZER REVENUE COLLECTION ACCOU	0.00
1000457667	DROUGHT RESIL SUSTAINABLE LAND PROJ	4,658.40
1000457678	KENYA CLIMATE SMART AGRICULTURE	110,015,622.00
1000457686	MULTINATIONAL RURAL LIVI CLIMATE CH	49,804,922.05
1000457694	NATIONAL AGRIC AND RURAL INCL GROWT	320,766,511.69
1000457708	SMALL SCALE IRRIG VAL ADD PROJ GOK	0.00
1000457716	SMALL SCALE IRR VAL ADD PROJ LOAN	76,741.35
1000457724	SMALL SCALE IRR VAL ADD PROJ GRANT	42,493,875.55
1000457732	STRENGTH FERTILIZER QUAL AND REGUL	7,315,321.75
1000457748	MSA AGRI SECT DEV SUPPORT PROGRAMME	0.00
1000457759	ENABLE YOUTH KENYA PROGRAMME	9,708,346.10
1000485566	EMERGENCY LOCUST RESPONSE PROG ELRP	185,478,472.00


LAWRENCE RWERIA
AUTHORISED SIGNATORY
BANKING SERVICES


JOYCE NASIEKU
AUTHORISED SIGNATORY
BANKING SERVICES

