

REPUBLIC OF KENYA



REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 18 FEB 2026

DAY.

Wednesday

OF

TABLED
BY:

Deputy Leader of
Majority Party

CLERK-AT
THE-TABLE:

Irene Nduku

THE AUDITOR-GENERAL

ON

GREEN CLIMATE FUND READINESS
PROJECT (GRANT NO. KEN-RS-004)

FOR THE YEAR ENDED
30 JUNE, 2025

THE NATIONAL TREASURY



PROJECT NAME: GREEN CLIMATE FUND READINESS PROJECT

IMPLEMENTING PROJECT: THE NATIONAL TREASURY

PROJECT GRANT NUMBER: KEN-RS-004

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

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

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

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1. Acronyms and Definition of Terms

CBK	Central Bank of Kenya
CF&GEU	Climate Finance & Green Economy Unit
GCF	Green Climate Fund
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IMTC	Inter-Ministerial Technical Committee
NEMA	National Environment Management Authority
IPSAS	International Public Sector Accounting Standards
NDA	National Designated Authority
NDC	Nationally Determined Contribution
NDE	National Designated Project
NCCAP	National Climate Change Action Plan
CT	County Treasury
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
WB	World Bank

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2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is Green Climate Fund Readiness Project.

Objective

The key objective of the project is to bolster Kenya's readiness to access and receive climate financing. The readiness support is intended to develop strategic frameworks, including preparation of a Country Programme, support for accreditation of direct access entities, enhance the institutional capacity of the National Designated Authority (NDA) to effectively coordinate with line ministries, counties, private sector, civil society organizations and development partners on accessing the GCF resources, and effective stakeholder engagement processes.

Address

The project headquarters offices are in The National Treasury (Climate Finance & Green Economy Unit), Nairobi County, Kenya. The address of its registered office is 7th Floor Reinsurance Plaza, Taifa Road, Nairobi.

Contacts: The following are the project contacts

The National Treasury

P.O. Box: 30007-00100 NAIROBI

Telephone: +254 20 2252299

E-mail: pstnt@treasury.go.ke; odhengo@gmail.com

Website: <https://www.treasury.go.ke/>

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Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	10 - 03 - 2021
Project End Date:	Initial 09 - 09 - 2025
Project Coordinator:	Mr. Peter Odhengo
Project Development Partner:	UN Green Climate Fund (GCF)

2.3 Project Overview

Line Ministry or State departments/ County Department	The National Treasury
Project number	KEN-RS-004
Strategic goals of the project	The strategic goals of the project are as follows: (i) Strengthen institutional capacity and coordination mechanisms on GCF and climate finance in Kenya. (ii) Enhance Country Programming process. (iii) Realize direct access through accreditation support. (iv) Strengthen climate finance strategies and project pipeline development.
Summary of Project Strategies for achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Establishment of effective inter-institutional coordination mechanism for GCF in Kenya (ii) Establishment and implementation of a No objection procedure for funding proposals and Project Preparation Facility (PPF) applications (iii) Bilateral agreements on privileges and immunities between Kenya and the GCF. (iv) Enhanced Monitoring and verification systems for climate finance flows in the Country (v) Effective coordination mechanism between NDA and National Designated Project (NDE)

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	(vi) Stakeholder engagements through in-country training and awareness creation (vii) Development of a GCF Country programme (viii) Development of a Policy on to incentivize green technologies and services (ix) Development of a Climate finance mobilization strategy (x) Accreditation support for Direct Access Entities already identified and nominated for accreditation (xi) Crowding-in private sector investments.
Other important background information of the project	In order for Kenya to take advantage of the opportunities to address climate change, it is imperative to take conscious steps aimed at building capacities and developing clear coordination mechanisms for climate financing including GCF access. It is against this background that the National Treasury, as the NDA for GCF in Kenya, mooted development of this Readiness proposal. The readiness support will be applied to bolster Kenya's readiness to access and report on climate financing. The readiness support will also support accreditation of direct access entities, enhance the institutional capacity of the NDA to effectively coordinate with line ministries, counties, private sector, civil society organizations and development partners, and facilitate effective stakeholder engagement processes.
Areas that the project was formed to intervene	The project was formed to intervene in the following problems/gaps: (i) Kenya has no Country Programme to guide engagement with the GCF. The Country Programme is vital for identifying country priorities on climate change for GCF funding. (ii) Support for accreditation of direct access entities – Kenya had only one direct access Project accredited as of 2019 i.e. National Environment Management Authority (NEMA). (iii) Lack of a GCF Coordination Strategy and NDA operational guidelines. (iv) Limited capacities and knowledge of the NDA and other stakeholders on GCF's procedures, processes, investment criteria and funding modalities.

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	(v) Lack of a climate finance tracking and reporting tool. Tracking and reporting of climate finance flows is provided for under the Paris Agreement, 2015 and the Climate Change Act, 2016. (vi) Lack of a comprehensive private sector stakeholder map that adequately identifies all the key private sector actors who need to be involved in climate and green financing. (vii) No framework for the provision of green fiscal incentives. The intervention here is the development of a green fiscal incentives policy framework to promote green technologies and investments for enhanced NDC implementation. (viii) Limited capacity to design and prepare GCF concept notes and proposals to full bankability.
Project duration	4.5 Years. The project started on 10 March 2021 and is expected to run until 09 September 2025. A twelve (12) month No cost Extension requested.

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the project:

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000 – 00200, Nairobi Kenya
Tel: +254 20 286 0000
NAIROBI

2.5 Independent Auditor

The project is audited by the:

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084-00100
NAIROBI

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2.6 Roles and Responsibilities

The following officers from the Climate Finance and Green Economy Unit, The National Treasury were responsible for the project implementation during the period under review. The project has not recruited a dedicated project officer.

No	Names	Title designation	Key qualification	Responsibilities
1.	Mr. Peter Odhengo	Head, Climate Finance & Green Economy Unit	Master of Science in Environmental Protection and Sustainable Development	Project Coordinator
2.	Mr. Hillary Korir	Assistant Director/ Financial & Sectoral Affairs	Master's degree in Agricultural and Applied Economics	Project Technical Officer
3.	Dr. Walter Moturi	Snr. Climate Finance Policy Analyst	PhD in Agricultural Economics	Support project implementation
4.	Mr. David Siololo	Economist I	Master's degree in Economics	Support project implementation
5.	Ms. Janet Chelangat	Economist I	Bachelor's degree	Support project implementation

2.7 Funding summary

The Project is for a duration of 4.5 years from 2021 to 2025 with an approved budget of US\$ 845,670 equivalent to Kshs 90,486,690 as highlighted in the tables below:

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Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Development Partner Commitment		Amount received to date – (30 th June 2025)		Undrawn balance to date	
	Development Partner currency	Kshs	Development Partner currency	Kshs	Development Partner currency	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Grant						
Green Climate Fund	845,670	90,486,690	454,000	52,175,646	391,670	38,311,044
(ii) Counterpart funds						
Government of Kenya	-	-	-	-	-	-
Total	845,670	90,486,690	454,000	52,175,646	391,670	38,311,044

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Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2025)		Cumulative amount paid to date – (30 th June 2025)		Unutilised balance to date (30 th June 2025)	
	Development Partner currency	Kshs	Development Partner currency	Kshs	Development Partner currency	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Grant						
Green Climate Fund	454,000	52,175,646	354,278	37,907,713	99,722	14,267,933
(i) Counterpart funds						
Government of Kenya	-	-	-	-	-	-
Total	454,000	52,175,646	354,278	37,907,713	99,722	14,267,933

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Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

During the year under review, the project utilized the balances from the previous year and an additional receipt of Kshs. 16,002,597. The project incurred a total expenditure of Kshs 10,375,597 against a budget of Kshs 28,950,000 resulting to underutilization of Kshs 18,574,403 or 64%. The projects' cumulative receipts and payments are Kshs 52,175,646 and Kshs 37,907,713 respectively.

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

The following are some of the project achievements as of the reporting period:

- a) Training workshops held for officers from Ministries, Department, and Agencies on tracking and reporting of climate finance flows
- b) National GCF Strategy finalized and submitted
- c) The National Policy Framework on Green Fiscal Incentives finalized and approved by the Cabinet
- d) The GCF Country Programme 2024-2027 finalized
- e) Final draft Climate Finance Mobilization Strategy developed –awaiting approval
- f) Stakeholders' training workshops on GCF and Climate Finance were held
- g) Study visit to Republic of Rwanda undertaken
- h) Inter-Ministerial Technical Committee (IMTC) on Climate Finance established and the rules of procedure developed
- i) Climate Finance website and Social Media platforms (LinkedIn, Facebook and Twitter) established
- j) GCF concept notes and funding proposals developed
- k) Kenya's GCF No Objection Procedure developed
- l) Conducted field visits to GCF funded projects in Kenya
- m) Framework for collaboration between Kenya's NDE, (Kenya Industrial Research and Development Institute (KIRDI) and The National Treasury on Green Technologies established.

ii) Absorption rate of the project.

The absorption rate for GCF Readiness project since inception is as follows:

- FY 2024/25 – 31%
- FY 2023/24 – 30.0%
- FY 2022/23 – 42.3%
- FY 2021/22 – 14.8%

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iii) Implementation challenges and recommendations.

The project delayed commencement due to COVID-19-related challenges. The COVID 19 Pandemic led to cessation of movement for a period of more than 6 months in various parts of the country. The restrictions therefore led to delay in activities that required gathering. Consequently, the implementation of the project was affected as some of the planned activities could not be delivered on time.

Delay in procurement processes. In some cases, a call for proposal was done but was non-responsive especially for international consultants. For example, the consultancy for the development of the Country Programme and NDA Manual was non-responsive, these necessitated adjustments of Terms of Reference (ToR) and re-advertisement. Further, some procurable items were not tenable due to limited budgets.

The project was approved in December 2019 and became effective in March 2021 (financial year 2020/2021). The project had not been factored in the FY 2020/21 budget and therefore implementation could not start until the next financial year (i.e. FY 2021/2022).

Due to delays, some activities in the project were implemented through the support of other partners, while other project activities are not tenable due to unforeseen challenges in their implementation. This necessitated the request for change of the proposal from the GCF.

2.9 Summary of Project Compliance:

There were no cases of non-compliance with the applicable laws and regulations, and essential external financing agreements/covenants.

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3. Statement of Performance against Project's Predetermined Objectives

Introduction

Section 81(2)(f) /Section 164 (2)(f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national/county government Project's performance against predetermined objectives at the end of each financial year.

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

- a) Strengthen institutional capacity and coordination mechanisms on GCF and climate finance in Kenya.
- b) Enhance Country Programming process.
- c) Realize direct access through accreditation support.
- d) Strengthen climate finance strategies and project pipeline development.

Progress on the attainment of strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurement.

Green Climate Fund Readiness Project

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Below, we provide the progress on attaining the stated objectives:

Outcome 1: Country capacity strengthened			
Outputs	Activities	Indicators	Performance/ deliverables achieved
1.1 NDA/focal point lead effective coordination mechanism	Activity 1.1.1: Develop operational guidelines/ manuals for the functioning of the NDA Activity 1.1.2: Revise and validate the draft National GCF Coordination Strategy. Activity 1.1.4: Support NDA staff as well as staff from key ministries such as Ministry of Environment, Ministry of Energy and Ministry of Agriculture, NEMA and academic institutions to attend 2 capacity building training programmes Activity 1.1.5: Study visit/ knowledge exchange by 4 NDA staff and 2 non- NDA staff with other countries on the coordination of climate change and GCF activities	Meeting reports	Activity 1.1.1 – Implementation ongoing. Inter-Ministerial Committee constituted. Procurement of the consultant ongoing. Activity 1.1.2 – 100% Achieved. The National GCF Coordination Strategy finalized and approved. Activity 1.1.4 – 100% Achieved. Activity 1.1.5 – 100% Achieved. Study Visit to the Republic of Rwanda undertaken.
1.2 No objection procedure established and implemented	Activity 1.2.1: Revise and align the no objection procedure with the recent policy developments such as NCCAP and National Climate Finance Policy.	Revised No Objection procedure	Implementation ongoing. Final Draft No Objection Procedure developed
1.3 Bilateral agreements between the country and the GCF executed	Activity 1.3.1: Bilateral agreement on Privileges and Immunities negotiation between Kenya and the GCF	Minutes; Privileges and Immunities Agreement signed	Activity not yet started
1.4 Monitoring, oversight and streamlining of climate finance	Activity 1.4.1: Training of Ministries, Counties, Departments, Agencies (MCDA) on the use of the coding, tracking and reporting tool (CTRT) Activity 1.4.2: Develop a tool for off-budget (non-state) coding tracking and reporting climate finance for development partners and private sector Activity 1.4.3: Train Trainers of Trainers (ToTs) on off-budget (non-state) CTRT	Meeting reports; minutes; contract awarded	Activity 1.4.1: 100% Achieved. Two training workshops organized, and report developed Activities 1.4.2 and 1.4.3 - Implemented yet to start. Reallocation approved by the GCF
1.5 Effective coordination mechanism between NDA and National Designated Entity (NDE)	Activity 1.5.1: Engage with the Kenya's NDE, (Kenya Industrial Research and Development Institute (KIRDI), and other climate change focal points to identify innovative green technologies, and capacity-building needs, which are in line with national development and climate strategies, and technology needs assessments.	Meeting minutes; reports; contract award; incubated projects	Activity 1.5.1 Collaboration Framework with KIRDI developed. Further consultative meetings planned.

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Outcome 1: Country capacity strengthened			
Outputs	Activities	Indicators	Performance/ deliverables achieved
for the UNFCCC Technology Mechanism and other climate finance focal points	Activity 1.5.2: Support incubation of innovative green technologies and business models through Kenya's NDE (KIRDI) and other climate change focal points.		Activity 1.5.2 – Reallocation approved by the GCF.

Outcome 2: Stakeholders engaged in consultative processes			
Outputs	Activities	Indicators	Performance and deliverables achieved
2.1 Stakeholders engaged in consultative processes	Activity 2.1.1: Conduct in-country training for national and sub-national (Counties) stakeholders on GCF procedures, access and modalities, and including other climate financing opportunities. Activity 2.1.2: Prepare, publish and disseminate brochures and other publications to provide and raise awareness on climate related opportunities Activity 2.1.3: Continuous GCF engagement with NDA and Kenya GCF stakeholders: organize forums for private, public and civil society forums for awareness creation, stakeholders to provide feedback on actions and review country programme, and GCF training for stakeholders Activity 2.1.4: Establish and regularly update online platforms (website and social media) to facilitate NDA's communication with stakeholders on matters related to the Fund.	Meeting reports; minutes; contract awarded; Publications Website and social media platforms established;	Activity 2.1.1 – 100% Achieved. Conducted two in-country training for county governments stakeholders. Activity 2.1.2 – 100% Achieved. The NDA has prepared and published brochures; plans are underway for dissemination. Activity 2.1.3 – Implementation ongoing Activity 2.1.4: 100% Achieved. The following online and social media platforms established: • LinkedIn: Climate Finance KENYA (https://www.linkedin.com/company/climate-finance-kenya/) • Twitter: Climate Finance KE (https://twitter.com/climate_ke) • Facebook: Climate Finance Kenya (https://www.facebook.com/ClimateFinanceKE) • Instagram: ClimateFinanceKE (https://instagram.com/climatefinanceke)
2.2 Country programmes, including adaptation priorities, developed and continuously updated	Activity 2.2.1: Development a Country programme aligned with the national policies and GCF priorities, including a procedure on revision and update of the Programme	Country Programme approved; Meeting reports	Activity 2.2.1: 100% Achieved. Kenya GCF Country Programme developed.
2.3: Periodic participatory review and updating of the	Activity 2.3.1: One consultative workshop to review the country programme, audit GCF progress, identify challenges, gaps and discuss opportunities.	Reports; minutes; revised Country programme	Reallocation approved by the GCF.

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Outcome 2: Stakeholders engaged in consultative processes			
Outputs	Activities	Indicators	Performance and deliverables achieved
climate finance Country Programme			

Outcome 3: Direct access realized			
Outputs	Activities	Indicators	Performance and deliverables achieved
3.1 Accreditation of Direct Access Entities already identified and nominated for accreditation	Activity 3.1.1: Support institutional gap analysis of nominated entities against the fiduciary standards and ESS and Gender	Minutes; Reports; Contract award	Consultancy firm procured.

Outcome 4: Climate finance strategies and project pipeline strengthened			
Outputs	Activities	Indicators	Performance and deliverables achieved
4.1: Climate finance strategy and green incentive policy developed	Activity 4.1.1: Develop a national climate finance strategy to guide the implementation of the National Policy on Climate Finance. Activity 4.1.2: Develop a Policy on provision of incentives for green technologies and services to promote uptake climate-friendly technologies.	Reports; Minutes; Climate Finance Strategy validated; Policy on Green Fiscal Incentives developed	Activity 4.1.1 – 100% Achieved - Final strategy submitted for approval Activity 4.1.2: 100% Achieved. Policy approved by the Cabinet and submitted to the National Assembly.
4.2 Crowding-in private sector investments	Activity 4.2.1: Explore implementation of green projects by the private sector and through the PPP model and develop financial products and approaches that accelerate uptake of climate -smart technologies and crowding in of private finance to invest in green projects	Minutes; invitation letters	Implemented not started
4.3 Project pipeline development	Activity 4.3.1 Support development of 3 proposals, 2 being SAP proposals for submission by the Direct Access Entity(ies) to the GCF. This activity is implemented together with Activity 2.1.1, where three (3) concept ideas are identified.	Minutes; Contract award; 3 funding proposals developed	Implementation ongoing. Procurement of a consultancy firm is ongoing.

4. Environmental and Sustainability Reporting

The Project exists to enable Kenya to take advantage of the opportunities to address climate change. The project focuses on taking conscious steps aimed at building capacities and developing clear coordination mechanisms for climate financing including GCF access in Kenya. The most immediate actions include leveraging private sector financing through creating awareness and removing fiscal barriers to green technology proliferation. In this regard, the project has supported the development of the Kenya's Green Fiscal Incentives Policy and will facilitate the development of the GCF Country Programme aligned with the national development strategies and goals and the GCF priority areas to boost Kenya's ability to access financing from GCF.

This Readiness will be applied to bolster Kenya's readiness to access and report on climate financing. Further, the Project will support accreditation of direct access entities, enhance the institutional capacity of the NDA to effectively coordinate with line ministries, counties, private sector, civil society organizations and development partners, and facilitate effective stakeholder engagement processes.

The project will enhance understanding of climate change and its impacts nationally and at the county level, tracking and reporting of climate finance flows, and ensure a conducive and enabling policy, legal and institutional framework to address climate change. Below is a brief highlight of our activities that drive towards sustainability.

1. Sustainability strategy and profile

Program sustainability will be achievable through:

- Capacity building to strengthen sector wide capacity building focusing on GCF and climate finance access modalities. Addressing the needs at these different levels calls for a multi-pronged approach that enhances co-ordination, collaboration, coherence while at the same time address sustainability;
- Stakeholder engagement is a key component of the project that applies to all activities. In line with the Government of Kenya's laws and GCF's procedures, meaningful consultation and engagement processes is embedded in the project implementation.
- Inculcate sustainability into all aspects of the project (planning, budgeting, implementation & monitoring).

2. Environmental performance

The Climate Change Act, 2016 aims to promote low-carbon economic development that is resilient to climate change. The Act provides for mobilization and reporting of climate finance flows in the country. The National Climate Change Action Plan (NCCAP) 2023-2027 aims to further Kenya's " development goals by providing mechanisms and measures

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to achieve low carbon climate resilient development in a manner that prioritizes adaptation. The Action Plan emphasizes sustainability, while prioritizing adaptation and enhanced climate resilience for vulnerable groups, including women, youth, persons with disabilities. The National Policy on Climate Finance on the other hand aims to enhance and streamline the implementation of public finance management in relation to climate financing. The Policy enhances mobilization of resources for adaptation and mitigation actions.

In implementing the project, a paradigm shift towards low-emission and climate-resilient development pathways in the context of sustainable development is being adhered to. The project, in line with Government's Environmental Policies and the GCF's Environmental and Social Safeguards Policy is effectively and equitably managing environmental and social risks and impacts, and improve outcomes of project deliverables.

3. Employee welfare

The Project is yet to finalize on the hiring of the project officer. The Project staff is being hired as per the GoK employment procedures that takes into account the gender balance, and in close consultation with the GCF Secretariat. The staff have been trained in a number of areas. The Project ensures the safety, health and welfare of all employees at work working in his/her workplace in compliance with the policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

4. Marketplace practices-

a) Responsible Supply chain and supplier relations-

During the year under review, the program maintained required practices on responsible competition practice; responsible supply chain and supplier relations; responsible marketing and advertisements.

b) Responsible ethical practices

The Project commits to observe all laws governing Fraud and Corruption through the contracts signed under the GCF Readiness Project. The Project actively engages suppliers through a Grievance Redress Mechanism to promptly address any complaint arising out of a procurement process. Suppliers are sensitized on the process of submitting procurement related complaints through the Intention to award letters. Further, prior to contract signing, successful suppliers disclose information on their Beneficial Ownership.

c) Regulatory impact assessment

To safeguard and stakeholder rights, some contracts require the contractor/consultant to submit a Sexual Exploitation and Abuse (SEA) and/or Sexual Harassment (SH) Performance Declaration, Environmental Impact Assessment certificate.

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5. Community Engagements

Extensive stakeholder engagements have been employed in the project implementation. Ministries, Departments, Agencies, Counties, Civil Society Organizations and the Private Sector have been engaged and trained through the support of the Readiness project. Project supported the re-establishment of the Inter-Ministerial Technical Committee (IMTC) on Climate Finance including the development of the rules of procedure. The IMTC is composed of technical officers from MDAs, private sector as well as the representatives of the civil society.

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5. Statement of Project Management Responsibilities

The Principal Secretary for the National Treasury and the Project Coordinator for the Green Climate Fund (GCF) Readiness Project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for the financial year ended on June 30, 2025.

This responsibility includes;

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

The Principal Secretary for the National Treasury and the Project Coordinator for the GCF Readiness Project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Principal Secretary for the National Treasury and the Project Coordinator are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June 30, 2025, and of the Project's financial position as at that date. The Principal Secretary for the National Treasury and the Project Coordinator 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 and the adequacy of the systems of internal financial control.

The Principal Secretary for the National Treasury and the Project Coordinator confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

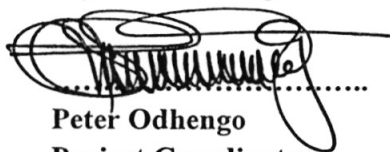
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Approval of the Project Financial Statements

The Project financial statements were approved by the Principal Secretary for the National Treasury and the Project Coordinator for the GCF Readiness Project on 30th August 2025 and signed by:



.....
Dr. Chris K. Kiptoo, CBS
Principal Secretary



.....
Peter Odhengo
Project Coordinator

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON GREEN CLIMATE FUND READINESS PROJECT (GRANT NO. KEN-RS-004) FOR THE YEAR ENDED 30 JUNE, 2025 - THE NATIONAL TREASURY

PREAMBLE

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

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

An unmodified opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Green Climate Fund Readiness Project set out on pages 1 to 24, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net

Report of the Auditor-General on Green Climate Fund Readiness Project (Grant No. Ken-Rs-004) for the year ended 30 June, 2025 - The National Treasury

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Green Climate Fund Readiness Project as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Grant Agreement No.KEN-RS-004 between the Republic of Kenya and the Green Climate Fund(NDA) dated 28 October, 2020 and the Public Finance Management Act, 2012.

In addition, the special accounts statements present fairly, transactions for the year, and the closing balance have been reconciled with the books of account.

Basis for Opinion

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

Emphasis of Matter

1. Amount Withdrawn but Not Claimed

Part B of the statement of Special (designed) Account No 1000476885 reconciliation for the Program reflects USD.124,000.00 (Kshs.16,002,596.80 - at an exchange rate of 1 USD at Kshs.129.0532) as withdrawn but unclaimed as at 30 June, 2025. This represents cumulative funds' transfers to the local Program bank account but whose expenditure returns had not been submitted to The National Treasury by the close of the financial year.

2. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounting to Kshs.32,231,116 and Kshs.23,233,713 respectively resulting to an under-funding of Kshs.8,997,403 or 28% of the budget. Similarly, the Project spent Kshs.8,965,780 against actual receipts of Kshs.23,233,713 resulting to an under-expenditure of Kshs.14,267,933 or 61% of the actual receipts.

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

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the Other Information set out on page iii to xi which comprise of Project Information and Overall Performance, Statement of Performance against Project's Pre-Determined Objectives, Environmental and Sustainability Reporting and Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

GoK Counterpart Funds Not Received

The statement of comparison of budget and actual amounts reflects final receipts budget of Kshs.32,231,116 which includes transfer from Government entities amount of

Kshs.2,400,000 relating to GoK counterpart funding. However, the amount was not received during the year under review.

In the circumstances, non-receipt of the GoK counterpart funding may have negatively affected the approved workplan for the year.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, the Management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

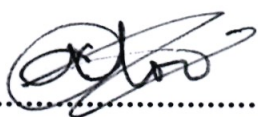
24 October, 2025

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

7. Statement of Financial Performance for the Year Ended 30th June 2025.

	Notes	2024-2024
		Kshs
Revenue		
Revenue Transfers	6	16,002,597
Miscellaneous Revenue		-
Total revenue		16,002,597
Expenses		
Use of goods and services	7	10,375,570
Total expenses		10,375,570
Other gains/(losses)		
Gain/Loss on foreign exchange transactions		
Surplus/ (deficit)		5,627,027

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


.....
Dr. Chris K. Kiptoo, CBS
Principal Secretary


.....
Peter Odhengo
Project Coordinator


.....
CPA Moses Ogega
Project Accountant
ICPAK Member No: 32871

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

8. Statement of Financial Position as at 30th June 2025

	Note	2024-2025	1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	8	14,267,933	7,231,116
Receivables		-	-
Total Current Assets		14,267,933	7,231,116
Non-Current Assets			
Property, Plant and Equipment		-	-
Total Non- Current Assets		-	-
Total Assets (a)		14,267,933	7,231,116
Liabilities			
Current Liabilities			
Trade and Other Payables	9	1,671,700	261,910
Retention		-	-
Deferred Income		-	-
Total Current Liabilities		1,671,700	261,910
Total Liabilities (b)			
Net Assets (a-b)		12,596,233	6,969,206
Represented By:			
Accumulated Surplus		12,596,233	6,969,206
Total Net Assets		12,596,233	6,969,206

The financial statements were approved on 30/6/2025 2025 and signed by:



Dr. Chris K. Kiptoo, CBS
Principal Secretary



Peter Odhengo
Project Coordinator



CPA Moses Ogega
Project Accountant
ICPAK Member No: 32871

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

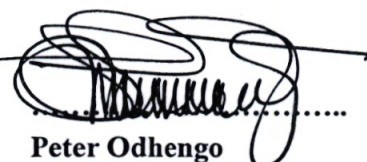
9. Statement of Changes in Net Assets

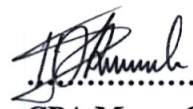
Description	Accumulated Surplus
	Kshs
As at 30 th June 2024 (Cash Basis)	7,231,116
Adjustments:	
Asset Recognition	-
Liabilities recognition	261,910
As at 1 st July 2024	6,969,206
Surplus/(Deficit) for the year	5,627,027
As at 30 th June 2025	12,596,233

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

The financial statements were approved on 30/6/2025 2025 and signed by:


.....
Dr. Chris K. Kiptoo, CBS
Principal Secretary


.....
Peter Odhengo
Project Coordinator


.....
CPA Moses Ogega
Project Accountant
ICPAK Member No: 32871

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

10. Statement of Cashflow for the year ended 30th June 2025

Description	Note	FY 2024/25 Kshs
Cashflow from operating activities		
Receipts		
Revenue Transfers	6	16,002,597
Miscellaneous Revenue		-
Total receipts		16,002,597
Payments		
Employee costs		-
Use of goods and services	7a	(8,965,780)
Total payments		(8,965,780)
Net cash flow from operating activities	10	7,036,817
Cashflow from investing activities		
Net cash flows from investing activities		-
Cash flow from financing activities		
		-
Net cash flow from financing activities		-
Net increase/Decrease in cash and cash equivalents		7,036,817
Cash and cash equivalent at 1st July 2024		7,231,116
Cash and cash equivalent at end June 2025		14,267,933

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

11. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget Carry Overs from Previous Period	-	7,231,116	7,231,116	7,231,116	-	100
Receipts						
Proceeds from domestic and foreign grants	25,600,000	(3,000,000)	22,600,000	16,002,597	6,597,403	71%
Transfer from Government entities	2,400,000	-	2,400,000	-	2,400,000	0%
Total Revenue	28,000,000	4,231,116	32,231,116	23,233,713	8,997,403	
Payments						
Use of goods and services	28,000,000	4,231,116	32,231,116	8,965,780	23,265,336	28%
Total Payments	28,000,000	4,231,116	32,231,116	8,965,780	23,265,336	
Capital works in progress	-	-	-	-	-	
Surplus	-	-	-	14,267,933	(14,267,933)	

Budget notes

1. The project reported 31% underutilization due to unexpected delay in the procurement processes. Three consultancies' services worth Kshs.20 million were contracted towards the end of the financial year.
2. The project utilized the balances carried forward in the previous financial year.

Green Climate Fund Readiness Project

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

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	14,267,933
1	Reason for differences	
2	Reason for differences	
3	Reason for differences	
4	Reason for differences	
	Closing Cash and Cash Equivalent as per the statement of Cash flows	14,267,933

***Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025***

12. Notes to the Financial Statements

1. General Information

The GCF Readiness Project is established by PFM Act, 2012 and derives its authority and accountability from Section 81/ Section 164 of the PFM Act, 2012. The Project is wholly owned by the Government of Kenya and is domiciled in Kenya.

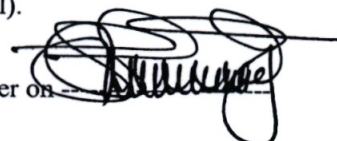
2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or the Project has taken advantage of the transitional provisions under IPSAS 33, and therefore these 1st year financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the Project has taken advantage of the transition provisions outlined in IPSAS 33. (Project to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).

These financial statements were authorized for issue by the accounting officer on



3. Adoption of New and Revised Standards

- i) ***New and amended standards and interpretations in issue effective in the year ended 30 June 2025.***

Standard	Effective date and impact
IPSAS 43	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Project.

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Standard	Effective date and impact:
	The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45- Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46 Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Standard	Effective date and impact:
	iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.

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

Standard	Effective date and impact:
IPSAS 47- Revenue	Applicable 1st January 2026 This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an Project shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	Applicable 1st January 2026 The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	Applicable 1st January 2026 The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50:	Applicable 1st January 2027

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Standard	Effective date and impact
Exploration For & Evaluation of Mineral Resources	The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the Project's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

The Project did not early – adopt any new or amended standards in the financial year

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Project and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Interest income

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

b) Budget information

Green Climate Fund Readiness Project

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

The original budget for FY 2024/2025 was approved for use. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Project upon receiving the respective approvals to conclude the final budget. The Project's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 1 of these financial statements.

c) Property, plant and equipment

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

Notes to the financial statements

d) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Project. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Project also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Project will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

e) Intangible assets

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

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

f) Research and development costs

The Project expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Project can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale.
- Its intention to complete and its ability to use or sell the asset.
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

Green Climate Fund Readiness Project

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

Notes to the financial statements

g) Financial instruments

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Notes to the financial statements

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The Project assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity.

Financial liabilities

Classification

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

h) Inventories

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

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

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

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Project*.

i) Provisions

The project does not provide any provisions

Contingent liabilities

The Project does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The Project 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 Project 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.

j) Changes in accounting policies and estimates

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

k) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

l) Borrowing costs

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

m) Related parties

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

n) Service concession arrangements

The Project analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Project recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Project also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

o) 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.

p) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Notes to the financial statements

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Notes to the financial statements

6. Revenue Transfers

Description	2024-2025
	KShs
Unconditional Transfers	
GoK Counter Part funding	-
Proceeds from domestic and foreign grants	16,002,597
<i>Other unconditional transfers (Specify)</i>	-
Total Unconditional Transfers (a)	16,002,597
Conditional Transfers	
Total Conditional Transfers (b)	-
Total Transfers for the Year (a + b)	16,002,597

a) Details to Revenue Transfers

Name of Donor	FY 2024/25						FY 2023/24	Cumulative to date
	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Grants received in kind	Total amount	Total Amount	
			KShs	KShs	KShs	KShs	KShs	KShs
Grants Received from Multilateral Donors (International Organizations)								
Green Climate Fund	10.09.2024	124,000	16,002,597	-	-	-	-	52,175,646
Total		124,000	16,002,597	-	-	-	-	52,175,646

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Notes to the financial statement

7. Use of Goods and Services

Description	FY 2024/25
	KShs
	-
Foreign travel and subsistence	1,323,880
Conference facility	1,016,500
Domestic travel and subsistence	8,035,190
Other expenses paid during the year	
Total	10,375,570

7 (a)

As per Performance	10,375,570
Change in working capital	1,409,790
Use of good as per Cash flow	8,965,780

8. Cash and Cash Equivalents

Description	2024-2025	1st July
	KShs	KShs
Cash in Bank	14,267,933	7,231,116
Cash on hand	-	-
	-	-
Total Cash and Cash Equivalents	14,267,933	7,231,116.00

Project Bank Accounts

Details	2024-2025	1st July 2024
	KShs	KShs
Central Bank of Kenya [A/c No. 1000516534]	14,267,933	7,231,116
Total bank account balances	14,267,933	7,231,116

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Notes to the Financial Statements (Continued)

9. Trade and Other Payables

Description	2024-2025		1 st July 2024	
	Kshs		Kshs	
Trade payables	1,671,700		261,910	
Employee payables				
Other payables (specify)				
Total trade and other payables	1,671,700		261,910	
Ageing analysis: (Trade and other payables)	2024-2025	% of the Total	203-2024 FY	% of the Total
Under one year	1,671,700	100%	261910	100%
1-2 years	-	%	0	%
2-3 years	-	%	0	%
Over 3 years	-	%	0	%
Total (tie to above total)	1,671,700		261,910	

Notes to the financial statements

10. Cash Generated from Operations

Description	2024-2025
	Kshs
Surplus/Deficit for the year	5,627,027
Adjusted for:	
Working capital adjustments	
Increase in payables	1,409,790
Net cash flow from operating activities	7,036,817

***Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025***

11. Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as of 30th June 2024 are not included in the Statement of Financial Assets since the line items 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 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

Description	FY 2024-2025	FY 2023-2024
	USD	USD
(i) A/C Name: UN GCF Readiness Project [A/c No. 1000476885]		
Opening balance	162,700	162,700
Total amount deposited in the account	300,000	0
Total amount withdrawn (as per Statement of Receipts & Payments)	-124,000	0
Closing balance (as per SDA bank account reconciliation attached)	<u>338,700</u>	<u>162,700</u>

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

12.Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the Project include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the Project, holding 100% of the Project's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Project, both domestic and external.

13.Events after the Reporting Period

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

14.Ultimate And Holding Project

The Project is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of xxx. Its ultimate parent is the Government of Kenya.

15.Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

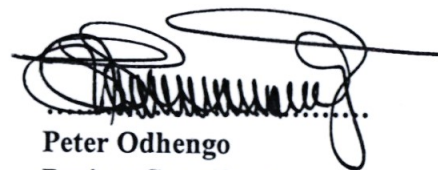
Reference No. on the external audit Report	Observations from Auditor	Management comments	Status	Timeframe
1	Under-Utilization of the budget	This was affected by unprocured services and the lack of dedicated project accountant. Some of the pending activities are dependent on consultant being on board. Some of the activities planned were no longer tenable as they have been implemented through the support of other partners necessitating the change	Not resolved	Ongoing

***Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025***

Reference No. on the external audit Report	Observations from Auditor	Management comments	Status	Timeframe
		of proposal request to the GCF		



**Dr. Chris K. Kiptoo, CBS
Principal Secretary**



**Peter Odhengo
Project Coordinator**

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Annex 2: Reconciliation of inter-Project transfers

Project Name:		Green Climate Fund Readiness Project		
Break down of transfers from the National Treasury				
a.	Government Counterpart funding			
		Bank Statement Date	Amount (Kshs)	FY 2024/25
			-	
			-	
		Total	0	
B.	Direct payments			
		Bank Statement Date	Amount (Kshs)	FY 2024/25
			-	
		Total	0	
C.	Others			
		Bank Statement Date	Amount (Kshs)	FY 2024/25
	Transfer from the National Treasury Development Account	10.09.2024	16,002,597	
		Total	16,002,597	
		Total (A+B+C)	16,002,597	

Project Coordinator
Green Climate Fund Readiness Project

Sign -----


Head of Accounting Unit
The National Treasury

Sign 

Green Climate Fund Readiness Project
Annual Report and Financial Statements for the financial year ended June 30, 2025

Annex 4: Other Support Documents

i. Bank Reconciliations statement as at 30th June 2025

ACCOUNT NO.1000516534		F.O. 30
THE NATIONAL TREASURY BANK RECONCILIATION GREEN CLIMATE FUND READINESS PROJECT 30TH JUNE 2025 STATION NAIROBI		
Balance as per Bank Certificate	Sh.	
Less -----		Sh. 16,426,732.80
1. Payments in Cash Book recorded in Bank Statement (Unpresented Cheques)		2,158,800.00
2. Receipts in Bank Statement not yet recorded in Cash book	2,158,800.00	
Add -----		2,158,800.00
3. Payment in Bank Statement not yet recorded in Cash Book		-
4 Receipts in Cash Book not yet Recorded in Bank Statement		-
Balance as per cash Book ..		14,267,932.80

I certify I have verified the bank balance in the cash book with the bank statement and that the above reconciliation is correct

.....
Signature

HAU THE
NATIONAL
TREASURY

10/7/25
Date

PREPARED BY	
JANET M	SIGN
DATE	10/07/2025

COPY TO

INTERNAL AUDITOR

AUDITOR GENERAL

ii. Board of Survey Report

A/C 100516534 GREEN CLIMATE FUND

REPUBLIC OF KENYA

F.O. 51

Date:.. 1ST July, 2025.

Report of the board of survey on the Cash and Bank Balances of THE NATIONAL TREASURY as at the close of Business on.... 30th June, 2025....

The Board consisting of—(Names and official titles)

MR. Godfrey Busolo.....	Chairman.....
MR. Charles Kisingu	Member.....
MR. Joseph Kothya.....	Member.....

Assembled at the office of THE NATIONAL TREASURY
At... 10.55 AM. (Time) on the 1ST July., 2025.....

And the following cash was produced:-

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

It was observed that cheques amounting to Sh.....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 30th June...., 2025....

Cash on hand.. ..	Sh.....NIL
Bank balance.....	Sh, 14,267,932.80...

The Bank Certificate of Balance showed a sum of Sh 16,426,732.80

Amounting to the credit of the account on... 30th June...., 2025.....

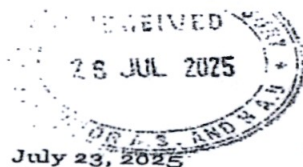
The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the bank reconciliation statement (F.O. 30) attached.

Date.....

Chairman

Members of the Board

GPK (L)



BANK OF
KENYA



CENTRAL
BANK OF
KENYA

July 23, 2025

Halla Kileleshwa
P.O. Box 30000 - 00100 Nairobi, Kenya
Telephone: 2550001, Fax: 3340192

CERTIFICATE OF BALANCES

Customer:

100094 MINISTRY OF FINANCE

Balance Date:

30-Jun-25

Account No	Account Name	Currency	Balance
✓ 1000000977	TREASURY BILLS ACCOUNT	KES	9,210,017,070.56
✓ 1000000988	TREASURY BONDS ACCOUNT	KES	0.00
✓ 1000000996	REVENUE DEPOSIT ACCOUNT	KES	0.00
1000004045	TREASURY BONDS ISSUE	KES	19,342,538,659.26
1000004053	TREASURY BONDS REDEMPTION	KES	1,113,082.35
1000004061	TREASURY BONDS INTEREST	KES	0.00
1000004088	TREASURY BILLS REDEMPTION SUSP.	KES	0.00

Customer:

120373

NATIONAL
TREASURY

Balance Date:

30-Jun-25

Account No	Account Name	Currency	Balance
✓ 1000181467	REC-THE NATIONAL TREASURY	KES	459,222,624.32
✓ 1000181664	DEV-THE NATIONAL TREASURY	KES	47,817,422.85
✓ 1000182137	DEP-THE NATIONAL TREASURY	KES	4,097,672,491.85
✓ 1000182528	CBK165-THE NATIONAL TREASURY	KES	0.00
✓ 1000187506	MICRO FINANCE SEC SUP CR-CAP BLDG	KES	90,491,999.30
✓ 1000201724	VOLUNTARY PAY CUT	KES	0.00
✓ 1000204378	REC-PUBLIC DEBT	KES	0.00
✓ 1000204419	REC-SALARIES ALLOWA MISC AND NSSFC	KES	614,032,145.01
✓ 1000205024	PETROLEUM DEVELOPMENT LEVY FUND	KES	189,100,125.55
✓ 1000209518	NATIONAL TREASURY REVENUE COLL.	KES	5,274,474,480.25
✓ 1000221518	KENYA PETROLEUM TECHNICAL ASS PROJ	KES	0.00
✓ 1000268743	AFRICAN INSTITUTE FOR REMITTANCES	KES	0.00
✓ 1000323876	A U OTHER INTERNAT. ORG SUBSC FUND	KES	17,127,569.60
✓ 1000331747	GREEN GROWTH AND EMPLOY CREATION PR	KES	1,005,835,330.76
✓ 1000349538	PPP PROJECT FACILITATION FUND ACC.	KES	5,000,000.00
		KES	4,952,597,674.63

C2: CRK - Official

1000368632	INFRASTRUCTURE FIN AND PUB PART PRJ	KES	2,743.53
1000409018	INFRAST FINANCE AND PPP-CAT. 2EEP	KES	593,097,697.15
1000447575	KEN. FINANCING LOCALLY LED CLIMATE	KES	150,044,123.55
1000473851	PUBLIC DEBT MANAGEMENT SUPPORT PROJ	KES	2,324,324.05
1000476858	CREDIT GUARANTEE SCHEME ACCOUNT	KES	548,416,673.00
1000484675	FINANCIN LOCAL LED CLIMATE ACTION B	KES	408,238.50
1000516534	GREEN CLIMATE FUND READINESS PROJ	KES	16,426,732.80
1000528895	AFFORDABLE HOUSING FINANCE PROJ	KES	2,312,350.40
1000528893	ADB: NATIONAL TREASURY CAPACITY STRE	KES	355,047.40
1000539135	EU KENYA COOPERATION AND PARTNERSHI	KES	0.00
1000662794	KEW FINANCING LOCAL LED CLIMATE ACT	KES	1,872,203.35
1000693096	SUPPORTING ACCESS TO FIN & ENT RECO	KES	544,389,496.80
1000709596	SUPP ACCESS TO FIN ENTERP RECOV A	KES	3,804,132,755.65
1000709607	SUPP ACCESS TO FIN ENTERP RECOV B	KES	0.00
1000741236	ADB - AFRICA CLIMATE SUMMIT	KES	2,159,365.00
1000762373	FINANCING LOC LED CLIMATE ACT IDA 1	KES	0.00
1000762381	FINANCE LOC LED CLIMATE A IDA TRUST	KES	0.00
1000762307	FINANCE LOC LED CLIMATE ACT KFW LOA	KES	0.00
1000761400	GOVERNMENT DIGITAL PAYM UNIT AIA	KES	553,518,210.55

ACCOUNTANT GENERAL
TREASURY

100137

30-Jun-25

Balance Date:	Account Name	Currency	Balance
1000122501	GOVERNMENT OVERDRAFT ACCOUNT	KES	(67,623,794,748.17)

STATE OFF AND PUB OFF
CAR LOAN SCH

152575

30-Jun-25

Balance Date:	Account Name	Currency	Balance
1000537976	STATE OFF AND PUB OFF CAR LOAN SCH	KES	9,968,106.00

[Signature]
Joyce Nasieku
Authorised Signatory
Banking Services Division

[Signature]
Joyce Nasieku
Authorised Signatory
Banking Services Division

iii. Special Deposit Account(s) reconciliation statement(s)

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UN GCF READINESS PROJECT
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2025
PART B: ACCOUNT RECONCILIATION STATEMENT

Credit No. UN GCF GRANT

Bank Account No. 1000476885 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT	AMOUNT
		USD	USD
1	Amount advanced - Opening Bal.		162,700.00
	Amount advanced by GCF - Adv YR		300,000.00
	Less:		
2	Total amount recovered		-
3	Outstanding amount to be documented		462,700.00
	Represented by:		
4	Ending Special Account Balance as at 30 June 2025		338,700.00
5	Amounts claimed but not credited as at 30th June 2025		-
6	Amounts withdrawn and not claimed		124,000.00
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2025		462,700.00

Discrepancy between total appearing on line 3 and 9

Notes:

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

[Signature]

AUTHORISED REPRESENTATIVE
 RESOURCE MOBILISATION DEPARTMENT
 THE NATIONAL TREASURY

DATE: 05-08-2025

