

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF


THE AUDITOR-GENERAL

ON

**KENYA SYMBIOCITY PROGRAMME
SIDA NO. 51110060**

**FOR THE YEAR ENDED
30 JUNE, 2024**

COUNCIL OF GOVERNORS

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 13 NOV 2024	DAY: WED
TABLED BY: MAJORITY PARTY WHIP HON. NAOMI NAGU MP	
CLERK-AT THE TABLE: MS. MERCY CHUMBO	



PROJECT NAME: KENYA SYMBIOCITY PROGRAMME

IMPLEMENTING ENTITY: COUNCIL OF GOVERNORS

PROJECT GRANT/CREDIT NUMBER: SIDA NO. 51110060

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2024

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



Kenya SymbioCity Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024

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1. Acronyms and Definition of Terms

CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
WB	World Bank
Comparative FY	Financial year preceding the current financial year.

2. Project Information and Overall Performance

2.1 Name and registered office

Name

Kenya Symbiocity Programme.

Objective

To build the capacity of urban development stakeholders to be able to guide Kenya Urban Development in a more sustainable direction.

Address

Council of Governors, Delta Building, 2nd Floor, P.O. Box 40401-00100, Nairobi County, Kenya.

Contacts: The following are the project contacts

P.O. Box: 40401-00100

Telephone: (254) 020 240 3313/4

E-mail: info@cog.go.ke

Website: www.cog.go.ke

Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	The project start date is 9/04/2015
Project End Date:	The project end date is 30/06/2023
Project Manager:	Plan. Nicodemus Mbwika
Project Sponsor:	Embassy of Sweden

2.3 Project Overview

Line Ministry/State Department of the project	State Department for Devolution
Project number	51110060
Strategic goals of the project	Inclusive, innovative, and sustainable urban development planning in Kenya.
Summary of Project Strategies for achievement of strategic goals	<p>The project management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> (i) Institutional Strengthening of the Council of Governors to be able to respond to Counties' Urban Planning, management and development needs. (ii) Application of the SymbioCity Approach in Seven Counties with subsequent infrastructural investment. (iii) Strengthening Intergovernmental Cooperation between the different Institutions supporting urban planning, management and development. (iv) Sharing experiences and lessons learnt from the Programme among counties and urban development stakeholders.
Other important background information of the project	The Programme is being piloted in 7 counties; Kisumu, Nakuru, Kakamega, TransNzoia, Homabay, Kitui and Meru

Kenya SymbioCity Programme

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

Areas that the project was formed to intervene	The Programme was designed to intervene in the following areas: (i) Poverty reduction in urban areas (ii) Building local capacity and ownership (iii) People-centred approaches to development (iv) Supporting leadership for sustainable urban development through targeting urban policy decision-makers (v) Participatory processes and community involvement (vi) Strengthening planning and urban management methodologies for improving coordination between urban sectors (vii) Focus on environmental, social and economic aspects of development (viii) Practical oriented solutions.
Project duration	The project started on 9 th April 2015 and ended in 30 June 2023

2.4 Bankers

The following are the bankers for the project:

National Bank of Kenya
P.O. Box 16131-00610
Nairobi, Kenya

2.5 Independent Auditor

The project is audited by the
Auditor-General
Anniversary Towers, University Way
P.O. Box 30084-00100
Nairobi, Kenya

Project Information and Overall Performance (Continued)

2.6 Roles and Responsibilities

List the different people who are working on the project.

Names	Title designation	Key qualification	Responsibilities
Ms. Mary Mwiti	Chief Executive Officer	Msc. Human Resource Management, BA, HRM	Oversee the implementation of the programme
Plan.Nicodemus Mbwika	Project Manager	Masters in Project Management BA. Urban and Regional Planning Registered Physical Planner and Lead Expert in Environmental Impact Assessment	Project Management
CPA. Joyce Chepkoech	Principal Finance & Accounts Officer	Master's in Business Administration, Bachelor of Commerce(Finance & Banking), CPA (k)	Finance Management & reporting
CPA. James Gitau Maina	Project Accountant	Bachelor of Commerce (Finance & Accounting option), CPA(K)	Budgeting, Accounting and project reporting
Jerry Muma	Procurement Officer	Bachelors in Purchasing & Supplies, Diploma in Purchasing & Supplies, CIPS	Procurement Support

2.7 Funding summary

The Programme which runs from 2015 to 2023 has an approved budget of Swedish Kronor 25,466,693.00 equivalent to Kshs.289,646,353.00 as highlighted in the table below:

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment		Amount received to date – (30 th June 2024)		Undrawn balance to date	
	Donor currency – SEK	Kshs	Donor currency SEK	Kshs	Donor currency SEK	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Grant						
Embassy of Sweden	25,466,693	289,646,353	25,466,693	289,646,353	0	0
National Bank of Kenya	n/a	2,000,000	n/a	2,000,000	0	0
National Bank of Kenya	n/a	1,350,000	n/a	1,350,000	0	0
Total	25,466,693	292,996,353	25,466,693	292,996,353	0	0

Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2024)		Cumulative amount paid to date – (30 th June 2024)		Unutilised balance to date (30 th June 2024)	
	Donor currency SEK	Kshs	Donor currency SEK	Kshs	Donor currency SEK	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Grant						
Embassy of Sweden	25,466,693	289,646,353	25,449,093	289,446,169	17,600	200,184
National Bank of Kenya	n/a	2,000,000	n/a	2,000,000	n/a	0.00
National Bank of Kenya	n/a	1,350,000	n/a	1,350,000	n/a	0.00
Total	25,466,693	292,996,353	25,449,093	292,796,169	17,600	200,184

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

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

By end of the period, the overall Programme rate of expenditure was 100% with project implementation having come to an end and completed,

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

- Urban Sustainability reviews for the seven pilot counties developed and implemented
- Developed a tool kit for guiding urban planning in towns dubbed “Planning our Towns, Toolkit for Sustainable Urban Development.
- Developed the Place Making Guidelines, a guide for creating functional public spaces
- Seven integrated change projects funded under the seed fund successfully developed and implemented in the seven counties. These included storm water drains, markets, material recovery facilities, eco-parks, high flood masts and markets among others
- Documented the programme best practices to inform future programming and planning in Counties.

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

Financial Year	Expenditure
2016/2017	24,470,975.00
2017/2018	51,763,266.00
2018/2019	35,679,178.00
2019/2020	13,026,496.00
2020/2021	64,089,152.00
2021/2022	100,414,033.00
2022/2023	2,001,869.00
2023/2024	1,351,200.00
Total	292,796,169.00

Note: The expenditure for FY 2021/2022 reduced by Kes.142,800 which is an amount that was refunded for the expenditure not incurred during the period.

Project information and overall performance (continued)

- iv) List the implementation challenges and recommend the next steps.
- Low appreciation of urban planning amongst top level policy makers in Kenya
 - Limited financing for urban planning and development
 - Lack of urban governance institutions in the pilot urban areas
 - Insecurity of tenure in some urban areas impeding effective planning

Recommended Way forward

- Increased sensitization on the need for urban planning to top level policy makers in Kenya
- Lobbying for increased financing of urban areas
- Establishment and strengthening of urban governance institutions in Kenya
- Land registration especially in urban areas to increase security of tenure

2.9 Summary of Project Compliance:

During the period under review the project has complied to all the laws and regulation applicable.

3. Statement of Performance against Project’s Predetermined 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 agreement are to:

- Develop urban Sustainability reviews for the seven pilot counties
- Provide funding to seven quick win and seven integrated change projects under the seed fund
- Facilitate Phase two of the integrated change projects
- Documentation of the SymbioCity planning approach in Kenya and development of a toolkit for inclusive urban planning in Kenya.
- Dissemination of the toolkit done to all Kenyan Counties

Progress on the attainment of strategic development objectives

Project	Objective	Outcome	Indicator	Performance
Kenya Symbiocity Programme	Inclusive, innovative, and sustainable urban development planning in Kenya.	-Capacity of urban development stakeholders increased and holistic visions for towns developed based on a sound understanding for assets and challenges. -Investments for concrete change projects.	-Number of beneficiary towns with holistic visions - % of change projects fully implemented	All the seven pilot towns developed holistic visions with full participation of urban stakeholders -100% of the change fully implemented

4. Environmental and Sustainability Reporting

The Kenya Symbiocity Programme embraced sustainability right from the onset as summarized below.

i. Sustainability strategy and profile

The project design and rolled out undertook a deep stakeholder mapping and profiling to determine their level of influence and role in sustaining the interventions to be rolled out. There after the stakeholders were classified into three: Broader stakeholder group, working groups and the steering committees. The structures created within the pilot towns guide decisions making and prioritization of urban investments during public participation forums. Further the Kenya SymbioCity programme is anchored within the line urban development departments in Counties and has been integrated in the development frameworks of the counties and urban areas guaranteeing future financing post the programme period.

ii. Environmental performance

One of the pillars of the SymbioCity approach is environmental sustainability. This principle was incorporated throughout the implementation period of the programme. All the urban sustainability reviews developed by the pilot towns incorporated environmental sustainability in their town visions. To implement this vision all the infrastructure investments in the pilot towns underwent environmental screening and those found to have environmental impacts were taken through Environmental Impact Assessments. This way the programme investments enhanced environmental performance.

iii. Employee welfare

The project human resource planning and management was anchored within the Council of Governors human resource policies which are gender sensitive. Throughout the programme period, the programme staff underwent annual and semi-annual appraisals. Further to enhance staff capacity the programme supports training including project management, financial management and procurement management.

iv. Marketplace practices-

a) Responsible Supply chain and supplier relations-

The project procurements use country systems including the public procurement and asset disposal act 2015. One of the principles of procurement in the act is fair competition which the programme implemented throughout.

b) Responsible ethical practices

- c) The project has entered into contractual obligation with its suppliers, who are drawn from the local community and observe the 30% allocation to women, youth and persons with Disabilities.

d) Regulatory impact assessment

Safeguard citizen and stakeholder's rights.

v. Community Engagements

The project did not have any Community responsibility activities during the year under review.

5. Statement of Project Management Responsibilities

The Chief Executive Officer for the Council of Governors is 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, 2024.

This responsibility includes (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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 Chief Executive Officer for the Council of Governors 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 Chief Executive Officer for the Council of Governors is 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, 2024, and of the Project's financial position as at that date. The Chief Executive Officer 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 Chief Executive for the Council of Governors 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.

***Kenya SymbioCity Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024***

Approval of the Project Financial Statements

The Project financial statements were approved by the Chief Executive Officer for the Council of Governors on 3rd September 2024 and signed by:



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**Name: Mary Mwiti
Chief Executive Officer**

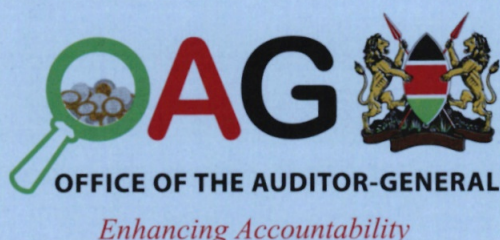


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**Name: Joyce Chepkoech
Principal Finance & Accounts officer
ICPAK Member No:29569**

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 KENYA SYMBIOCITY PROGRAMME - SIDA NO. 51110060 FOR THE YEAR ENDED 30 JUNE, 2024 - COUNCIL OF GOVERNORS

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 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, 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 controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Symbiocity Programme - SIDA NO. 51110060 set out on pages 1 to 22, which comprise of the statement financial

assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kenya Symbiocity Programme - SIDA NO. 51110060 as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with Article 14 of the Specific Agreement Programme Grant No.51110060 dated 9 April, 2015 between the Government of Sweden and the Republic of Kenya and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Symbiocity Programme - SIDA NO. 51110060 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 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

Unresolved Prior Years Issues

In the audit reports for the previous years, several unsatisfactory matters were raised on the Programme. These issues were deliberated by Public Accounts Committee during a sitting held in the month of August, 2024. However, at the time of compiling this report the Committee's report on recommendations made had not been received.

Other Information

Conclusion

The Management is responsible for the other information set out on pages iii to xv which comprise of project information and overall performance, statement of performance against project's predetermined 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.

Basis for Conclusion

In connection with my audit on the Kenya Symbiocity Programme -SIDA No. 51110060 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.

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, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources, 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

Lack of Closure Procedures

The Kenya Symbiocity Programme - SIDA NO. 51110060 Project ended on 30 June, 2023 according to the Amendment No. 3 to the Specific Agreement Article 19 on termination. However, at the time of the audit in September, 2024, the Management had not carried out closing procedures for the Programme despite the contract having reached its end of term.

In the circumstances, Management did not comply with the Specific Agreement.

The audit was conducted in accordance with ISSAIs 3000 and 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 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 and based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to

believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, the Management is responsible for assessing the Programme'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.

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

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

Those charged with governance are responsible for overseeing the Programme'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 INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires 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 IFPP 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 also 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

22 October, 2024

7. Statement of Receipts and Payments for the Year Ended 30th June 2024.

	Note	Receipts and payments controlled by the entity	Payments made by third parties	Total	Receipts and payments controlled by the entity	Payments made by third parties	Total	Cumulative to-date (From inception)
		2023/2024			2022/2023			
		KShs	KShs	KShs	KShs	KShs	KShs	KShs
RECEIPTS								
Proceeds from domestic and foreign grants	1	-	-	-	-	-	-	289,259,473
Miscellaneous receipts	2	1,350,000	-	1,350,000	2,000,000	-	2,000,000	3,736,880
TOTAL RECEIPTS		1,350,000	-	1,350,000	2,000,000	-	2,000,000	292,996,353
PAYMENTS								
Compensation of employees	3	-	-	-	-	-	-	44,856,932
Purchase of goods and services	4	1,351,200	-	1,351,200	2,001,869	-	2,001,869	238,489,977
Acquisition of non-financial assets	5	-	-	-	-	-	-	9,592,060
TOTAL PAYMENTS		1,351,200	-	1,351,200	2,001,869	-	2,001,869	292,938,969
SURPLUS/(DEFICIT)		(1,200)	-	(1,200)	(1,869)	-	(1,869)	57,384

Kenya SymbioCity Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024

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



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Name: Mary Mwit
Chief Executive Officer



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Name: Joyce Chepkoech
Principal Finance & Accounts Officer
ICPAK Member No:29569

Kenya SymbioCity Programme

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

8. Statement of Financial Assets and Liabilities as at 30th June 2024

Description	Note	2023-2024	2022-2023
		Kshs	KShs
Financial Assets			
Cash and Cash Equivalents	6	325,994	327,194
Total Financial Assets (A)		325,994	327,194
Financial Liabilities			
Third party Deposits and Retention	7	125,810	125,810
Total Financial Liabilities (B)		125,810	125,810
Net Financial Assets (A-B)		200,184	201,384
Represented By			
Fund balance b/fwd	8	201,384	60,453
Prior year adjustments		-	142,800
Surplus/(Deficit) for the year		(1,200)	(1,869)
Net Financial Assets		200,184	201,384

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 3rd September 2024 and signed by:



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Name: Mary Mwiti
Chief Executive Officer



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Name: Joyce Chepkoech
Principal Finance & Accounts Officer
ICPAK Member No:29569

*Kenya SymbioCity Programme**Annual Report and Financial Statements for the financial year ended June 30, 2024***9. Statement of Cash flows for the year ended 30th June 2024**

Description	Note	2023-2024	2022-2023
Cash flow from operating activities		Kshs	Kshs
Receipts			
Miscellaneous receipts	2	1,350,000	2,000,000
Total receipts		1,350,000	2,000,000
Payments			
Purchase of goods and services	4	(1,351,200)	(2,001,869)
Total Payments		(1,351,200)	(2,001,869)
Net receipts/(payments)		(1200)	(1,869)
Adjustments during the year			
Prior year adjustments		-	142,800
Decrease/(increase) in accounts receivable		-	-
Increase/(decrease) in accounts payable:		-	-
Net cash flow from operating activities		(1,200)	140,931
Cash flow from investing activities			
Acquisition of non-financial assets		-	-
Net cash flows from investing activities		-	-
Cash flow from financing activities			
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents		(1,200)	140,931
Cash & cash equivalent at beginning of the year	6	327,194	186,263
Cash and cash equivalent at end of the year	6	325,994	327,194

10. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 24

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 %
Receipts						
Miscellaneous receipts	-	-	-	1,350,000	(1,350,000)	0%
Total Receipts	-	-	-	1,350,000	(1,350,000)	0%
Payments						
Purchase of goods and services	-	-	-	1,351,200	(1,351,200)	0%
Total Payments	-	-	-	1,351,200	(1,351,200)	0%
Surplus or Deficit				(1,200)	1,200	

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

11. Significant Accounting Policies

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

a) Statement of compliance and basis of preparation

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

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

b) Reporting entity

The financial statements are for Kenya Symbiocity Programme under the Council of Governors. The financial statements are for the reporting entity (Kenya Symbiocity Programme) as required by Section 81/ Section 164 of the PFM Act, 2012.

c) Reporting currency

The financial statements are presented in Kenya Shillings (Kshs), the project's functional and reporting currency. All values are rounded to the nearest Kenya Shilling.

d) Recognition of receipts

Kenya Symbiocity Programme recognizes all receipts from various sources when an event occurs, and the related cash is received.

i) Transfers from the Exchequer

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

Significant Accounting Policies (continued)

ii) External Assistance

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

iii) Other receipts

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

iv) Donations and grants

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

v) Proceeds from borrowing.

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

vi) Undrawn external assistance

These are loans and grants at the reporting date 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. The funding summary analyzes the Project's undrawn external assistance.

e) Recognition of payments

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

i) Compensation to employees

Salaries, wages, Allowances, and Statutory Contributions for employees are recognized when the compensation is paid.

ii) Use of goods and services

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

iii) Interest on borrowing

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

iv) Repayment of borrowing (principal amount)

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

v) Acquisition of fixed assets

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

f) In-kind donations

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

g) Cash and cash equivalents

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

h) Restriction on cash

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

i) Imprests and Advances

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

Significant Accounting Policies (Continued)

j) Contingent Liabilities

A contingent liability is:

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

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public-Private Partnerships, The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

k) Contingent Assets

Kenya Symbiocity Programme 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 Kenya Symbiocity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Pending bills

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

Significant Accounting Policies (Continued)

payments are included in the statement of receipts and payments in the year in which the payments are made.

m) Budget

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

These transfers are recognized 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*.

n) Third-party payments

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

and are disclosed in the payment to third parties' column in the statement of receipts and payments.

o) Exchange rate differences

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates (Kenya Shillings). Transactions in foreign currencies during the year/period are converted into 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 recognized in the statements of receipts and payments.

Significant Accounting Policies (Continued)

p) Comparative figures

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

q) Subsequent events

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

r) Prior period adjustments

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s). There was no prior year adjustment in the period under review.

12. Notes to the Financial Statements

1. Proceeds From Domestic and Foreign Grants

During the financial period to 30 June 2024, we received grants from donors as detailed in the table below:

Name of Donor	2023-2024						2022-2023	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	
Grants Received from Bilateral Donors (Foreign Governments)								
Embassy of Sweden	-	-	-	-	-	-	-	289,259,473
Total	-	-	-	-	-	-	-	289,259,473

Notes to the Financial Statements (Continued)

2. Miscellaneous receipts

Description	2023-2024			2022-2023	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
National Bank of Kenya	1,350,000	-	1,350,000	2,000,000	3,736,880
Total	1,350,000	-	1,350,000	2,000,000	3,736,880

3. Compensation to Employees

Description	2023-2024			2022-2023	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	-	-	-	-	44,856,932
Total	-	-	-	-	44,856,932

Kenya Symbiocity Programme

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4. Purchase of Goods and Services

Description	2023-2024			2022-2023	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs	Kshs	Kshs	Kshs	Kshs
Utilities, supplies and services	-	-	-	-	1,852,964
Communication, supplies and services	-	-	-	-	1,320,387
Domestic travel and subsistence	-	-	-	-	26,964,017
Foreign travel and subsistence	-	-	-	-	5,741,172
Fuel & Lubricants	-	-	-	-	375,000
Printing, advertising, and information supplies	-	-	-	-	3,226,813
Training and conference	-	-	-	-	35,260,461
Hospitality supplies and services	-	-	-	-	8,291,933
Change Projects – Consultancy	-	-	-	-	134,886,976
Contracted professional services	-	-	-	-	1,125,000
Quick Win Projects	-	-	-	-	11,898,957
Routine maintenance – vehicles and other transport equipment	-	-	-	-	598,817
General Office supplies	-	-	-	-	3,398,825
Bank Charges	1,200	-	1,200	1,869	198,655
Interbank Transfer	1,350,000	-	1,350,000	2,000,000	3,350,000
Total	1,351,200	-	1,351,200	2,001,869	238,489,977

Notes to the Financial Statements (Continued)

5. Acquisition of Non-Financial Assets

Description	2023-2024			2022-2023	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs.	Kshs.	Kshs	Kshs	Kshs
Purchase of office furniture & general equipment	-	-	-	-	1,581,760
Purchase of ICT Equipment, Software and Other Assets	-	-	-	-	2,560,300
Transport Equipment	-	-	-	-	5,450,000
Total	-	-	-	-	9,592,060

Notes to the Financial Statements (Continued)

6. Cash And Cash equivalents

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank accounts (Note 11A)	325,994	327,194
Total	325,994	327,194

6. A Bank Accounts

Project Bank Accounts

Details	2023-2024	2022-2023
	Kshs	Kshs
Foreign Currency Accounts		
Central Bank of Kenya [A/c No:1000264047]	-	-
Total Foreign Currency balances	-	-
Local Currency Accounts		
National Bank of Kenya	325,994	327,194
Total local currency balances	325,994	327,194
Total bank account balances	325,994	327,194

Kenya Symbiocity Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024

Notes to the Financial Statements (Continued)

7. Third-Party Deposits and Retention

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Retention	125,810		125,810	
Total	125,810		125,810	
Ageing analysis:	2023-2024	% of the Total	2022-2023	% of the Total
2-3 years	125,810	100%	125,810	100%
Total	125,810	100%	125,810	100%

Kenya Symbiocity Programme
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8. Fund Balance Brought Forward

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank accounts	327,194	186,263
Deposits and retention	(125,810)	(125,810)
Total	201,384	60,453

9. Changes in Accounts Payables (Deposits and Retention)

Description	2023-2024	2022-2023
	Kshs	Kshs
Deposit and Retentions as at 1 st July 2023	125,810	125,810
Closing accounts payables as at 30 th June 2023	125,810	-
Changes in deposit and retention	-	(125,810)

13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
230	Unverified Assets	Management presented responses before Parliamentary Accounts Committee on 6 th August 2024, and is awaiting report on the same.		30 th June 2025
231	Irregular procurement of Laptops and Printers	Management presented responses before Parliamentary Accounts Committee on 6 th August 2024, and is awaiting		30 th June 2025
232.1	Irregular Procurement of Consultancy services	Management presented responses before Parliamentary Accounts Committee on 6 th August 2024, and is awaiting		30 th June 2025

Kenya Symbiocity Programme

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

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)
232.2	Inconsistencies in Procurement of Metal Containers for market stalls	Management presented responses before Parliamentary Accounts Committee on 6 th August 2024, and is awaiting report on the same.	Not Resolved	30 th June 2025
232.3	Un-procedural Procurement of Air tickets	Management presented responses before Parliamentary Accounts Committee on 6 th August 2024, and is awaiting report on the same.	Not Resolved	30 th June 2025
232.4	Irregular purchase of Fuel and Lubricants	Management presented responses before Parliamentary Accounts Committee on 6 th August 2024, and is awaiting report on the same.	Not Resolved	30 th June 2025
232.5	Construction of Modern Mixed Market- Use integrated Market	Management presented responses before Parliamentary Accounts Committee on 6 th August	Not Resolved	30 th June 2025

Kenya Symbiocity Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024

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)
		2024, and is awaiting report on the same.		
232.6	Construction of drainage works at Jewathu settlement	Management presented responses before Parliamentary Accounts Committee on 6 th August 2024, and is awaiting report on the same.	Not Resolved	30 th June 2025



.....
Name: Mary Mwiti
Chief Executive Officer

*Kenya Symbiocity Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024*

Annex 2: Variance explanations - Comparative Budget and Actual Amounts for Current FY 2023/2024

	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					
Miscellaneous receipts	-	1,350,000	(1,350,000)		This relates to sponsorship support for Devolution conference by National Bank of Kenya
Total Receipts	-	1,350,000	(1,350,000)		
Payments					
Purchase of goods and services	-	1,200	(1,200)		
Inter Bank transfers	-	1,350,000	(1,200)		
Total payments	-	1,351,200	(1,351,200)		

Note: The programme did not have any activities nor a budget in the current Financial Year under review as its implementation ended as at 30th June 2022.

*Kenya Symbiocity Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024*

Annex 3: Analysis of Pending Bills

Supplier of Goods or Services	Date Contracted/ invoiced.	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
		a	b	c=a-b		
Construction of civil works						
M/S World Brains Capital P.O BOX 19695-4012	4 th June 2020	125,810	-	125,810	125,810	Construction of proposed material recovery waste
Sub-Total		125,810	-	125,810	125,810	
Grand Total		125,810	-	125,810	125,810	

Annex 4: Summary of Fixed Assets Register

Asset class	Opening Cost (Kshs) 2023/2024	Donations in form of assets (Kshs) 2023/2024	*Purchases/ Additions in the Year (Kshs) 2023/2024	**Disposals in the Year (Kshs) 2023/2024	Transfers in/(out) Kshs 2023/2024	Closing Cost (Kshs) 2023/2024
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)+c)-(d)+(-)d
Office Machine	411,000	-	-	-	-	411,000
Office equipment, furniture and fittings	1,317,760	-	-	-	-	1,317,760
Computers	2,413,300	-	-	-	-	2,413,300
Motor Vehicle	5,450,000	-	-	-	-	5,450,000
Total	9,592,060	-	-	-	-	9,592,060

Annex 5: Other Support Documents


- i. Bank Reconciliations statement as at 30th June 2024
- ii. Board of Survey Report



BANK RECONCILIATION				
BANK	Cooperative Bank of Kenya			
ACCOUNT	01001113869200			
MONTH	June			
YEAR	2024			
Details				
Balance As per Cash Book				Amount
				325,994.04
Add: 1.Unpresented cheques				
<u>DATE</u>	<u>CQ</u>	<u>PAYEE</u>	<u>DETAILS</u>	<u>Amount</u>
28/06/2024	PV23-24/00297	Kenya Commercial Bank	Transfer of the amount with respect to sponsorship support from Nationla Bank of Kenya towards the Devolution conference held on 15th to 19th August 2023 in Uasin Gishu	1,350,000.00
				1,350,000.00
Less: 2. Unbanked Cheques				
<u>DATE</u>		<u>DETAILS</u>		<u>Amount</u>
Total Unpresented Cheques				-
Balance as per Bank Statement				1,675,994.04
Bank Statement Balance				1,675,994.04

Prepared By: James Maina


Designation: Accountant

Signature: 

Date : 5th July 2024

Reviewed By: Joyce Chepkoech

Designation: Principal Finance & Accounts Officer

Signature: 

Date : 5th July 2024



Council of Governors
BOARD OF SURVEY REPORT

Date

Report on the Board of Survey on the Cash and Bank Balances of:

Account name: Council of Governors Symbiocity Project

Account No: 7700058156 / 0100113869200

as at the close of business on 30th June, 2024

The Board consisting of: (Names and official titles)

assembled at the office of the Cashier at(time)

on the 01st July 2024 and the following cash was produced:-

Notes Sh. NIL

Coins Sh. NIL

Total Sh. NIL

It was observed that cheques and cash amounting to Shs..... had been on hand for more than 14 days prior to the date of the survey.

The cash book reflected the following balances as at the close of business on the 30th June 2024..

Cash on hand Sh. NIL

Bank Balance Shs 325,994.04

Total Sh. 325,994.04

The Bank Certificate of Balance showed a sum of Sh. 1,635,994.04.....

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

Chairman

Date

Members of the Board

LIST OF CHEQUES INCLUDED AS PART OF CASH ON HAND

<i>Cheque No.</i>	<i>Drawer</i>	<i>Date of cheque</i>	<i>Date Received</i>	<i>Amount</i>
Total				