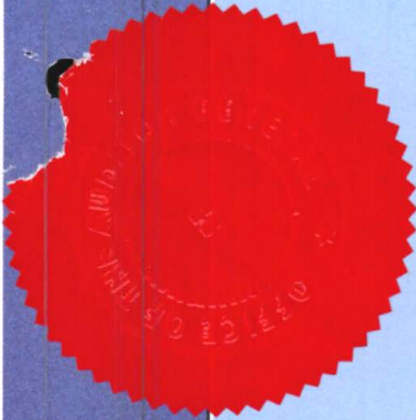


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REPORT

OF

THE AUDITOR-GENERAL

ON

BUNGOMA COUNTY DISASTER AND
EMERGENCY MANAGEMENT FUND

FOR THE YEAR ENDED
30 JUNE, 2025

PAPERS LAID	
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**BUNGOMA COUNTY DISASTER AND EMERGENCY MANAGEMENT
FUND**

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

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

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

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1. Acronyms and Definition of Key Terms

a) Acronyms

BOM	Board of Management
CECM	County Executive Committee Member
CPA	Certified Public Accountant
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
Kshs	Kenya Shillings
NT	National Treasury
OAG	Office of the Auditor General
OCOB	Office of the Controller of Budget
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board

b) Definition of Key Terms

Fiduciary Management: The key management personnel who had financial responsibility.

2. Key Entity Information and Management

a) Background information

The Bungoma County Disaster and Emergency Management Fund was established by and derive its authority and accountability from the Bungoma Disaster and Emergency Management Fund Act, 2021 of Kenya. The Bungoma Disaster and Emergency Management Fund committee responsible for the general policy and strategic direction of the Fund. The day-to-day running of the Fund is by the Fund Administrator. The Fund is wholly owned by the County Government of Bungoma, supervised by the County Department of Finance and Economic Planning and is domiciled in Kenya.

b) Principal Activities

The principal activity of the Fund as provided for under Sec. 110 of the Public Financial Management Act, 2012 is to enable payments to be made in respect of the County Government when an urgent and unforeseen need of expenditure arises for which there is no specific legislative authority.

c) Fund Administration Committee

Ref	Name	Position
1	Ms. Caren Nasimiyu Wanyonyi	Chairperson
2	CPA Ambrose Makokha	Secretary
3	Dr. Ruth Atidah Mitalo	Member
4	Mr. Justus Masika Khisa	Member
5	Mr. Francis E. Kooli	Member
6	Mr. David Barasa Kibiti	Member
7	Mr. Geoffrey Simiyu Wafula	Member
8	Ms. Margaret Achieng Wanyonyi	Member
9	Mr. Robert J. Simiyu	Member
10	Ms. Christine Wafula Chacha	Member

Bungoma County Disaster and Emergency Management Fund
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d) Key Management Team

Ref	Position	Name
1	CECM Finance & economic Planning	Carolyne Khalayi Makali
2	Fund Administrator -Chief Officer, Finance & economic Planning	Mr. Robert Simiyu Juma
3	Fund Accountant	CPA Oliver Wekesa
4	Secretary to the Fund	CPA Ambrose Makokha

e) Fiduciary Oversight Arrangements

The Fund has a fiduciary oversight framework themed on combined assurance that encompass;

i) **Fund Administration Committee**

The Committee provides the overall oversight responsibility on performance management as provided in Reg. 9 of the Bungoma County Disaster and Emergency Management Fund Regulations, 2021.

ii) **County Internal Audit Committee**

The Bungoma County Executive Internal Audit Committee oversights the Fund through the various reports and topical matters escalated by the County Directorate of Internal Audit to the Committee. During the year under review, the Committee was composed of;

S No.	Name	Membership
1.	Ms Charity Wanyonyi	Chairperson
2.	CPA Mary Lulei	Secretary
3.	Mr. Kamos Simon Ndiwa	Member
4.	CPA Murambi Khaoya William Njibwakale	Member
5.	Ms Alice Nanjala Wafula	Member
6.	CPA Ambrose Makokha Sifuna	Member
7	Mr. Everett Wafula Situma	Member

iii) **County Assembly Committee**

The Fund is oversighted by two Committees at the County Assembly;

a. **Public Accounts and Investments Committee**

The Committee interrogates published reports from the Office of the Auditor General.

Key Entity and Management (Continued)

b. Finance Committee

The Committee interrogates other topical issues in relation to the Fund that are escalated to the County Assembly.

f) Registered Offices

County Government Bungoma
Municipal Building, Bungoma Town
P.O.B ox 437-50200
BUNGOMA

g) Fund Contacts

Telephone: 0728 039 039
E-mail: bungomacountygovernment@gmail.com
Website: www.bungoma.go.ke

h) Fund Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
P.O Box 201-50200
Bungoma, Kenya

i) External Auditors

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

Bungoma County Disaster and Emergency Management Fund
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Key Entity and Management (Continued)



j) Principal Legal Adviser

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




k) County Attorney

County Government of Bungoma
Municipal Building
P.O. Box 437-50200
BUNGOMA




3. Fund Administration Committee

Name	Details of Qualifications and Experience
<p>1. Chairperson</p>  <p>Ms. Caren Nasimiyu Wanyonyi</p>	<p>DOB:16/07/1990 Bachelor of Theology Jacksonville Baptist Theological Seminary FL, USA Diploma in Clinical Medicine and surgery-Kenya Medical Training College Eldoret. Certificate in Leadership and management in Health-University of Washington (USA) Currently Ongoing-Bachelor of Arts International relations and Diplomacy UON Work Experience: Worked as: 1.The Company Registered Clinical Officer for PJ Dave Flower Company, Kajiado. (1year) 2. Director at The Karen Medical Centre Nairobi (21/2years) 3. Hospital Administrator for Kory Group of Hospitals, Bungoma (3years 1 month) 4. Registered Clinical Officer, Paediatric unit and Accident and Emergency department at Bungoma County Referral Hospital (3years) 5.Current-Director Special Programmes Office of the Governor Bungoma County (from October 2022 to date)</p>
<p>2. Secretary</p>  <p>CPA Ambrose Makokha</p>	<p>CPA Ambrose Makokha was born on 2nd August, 1984.</p> <p>He is a graduate of Masters in Finance and currently pursuing a PhD in Finance. He has over 16 years' experience in public sector financial management.</p> <p>He joined the County Government of Bungoma in 2015, after serving as the Finance Manager at the Lake Basin Development Authority. Previously, he worked at the National Treasury as an Accountant</p> <p>1.</p>



Bungoma County Disaster and Emergency Management Fund
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<p>3. Member</p>  <p>Mr. David Barasa Kibiti</p>	<p>D.O.B 20/02/1962</p> <p>Education: Master of Education Kibabii University</p> <p>Work Experience: Former chief officer public service management & Admin</p> <p>Current: C.E.O Chwele kukufarm Enterprise (Agribiz value chains)</p> <p>Director KNCCI Member CDEC-BGM</p>
<p>4. Member</p>  <p>Mr. Francis E. Kooli</p>	<p>DoB; 21.11.1970</p> <p>Education: Form IV</p> <p>Work experience: 30 years' experience</p> <p>Current: County Police Commander Bungoma. Member CDEC.</p>
<p>5. Member</p>  <p>Dr. Ruth Atidah Mitalo</p>	<p>DoB: 15.08.1980</p> <p>PhD HRM UoN, MBA HRM UoN, BBA KEMU</p> <p>CPS (K), CHRP (K)</p> <p>Work experience: Worked as Human Resource Manager, Multimedia University of Kenya,</p> <p>Current work experience: Registrar Administration and HR, Kibabii University</p>




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<p>6. Member</p>  <p>Mr. Justus Masika Khisa</p>	<p>D.O.B: 4th November 1975 Education: Diploma in sales and marketing, diploma in Theology Work experience: salesman Blue Triangle cement. Pastor, The Church of God for all Nations. Current: Bishop, The Church of God for all Nations. Member CDEC.</p>
<p>7. Member</p>  <p>Mrs. Margaret Achieng Wanyonyi</p>	<p>D.O.B: 24/6/1986 Education: BA community health/health system Management Previous position: GBV officer/Gender inclusion coordinator Current: County coordinator/GBV officer Kenya Red cross Bungoma.</p>
<p>8. Member</p>  <p>Mr. Geoffrey Wafula</p>	<p>DOB: 18-08-1973 Education: BSc. Fin- USIU. CPA Sec III Work exp: Served as Accountant/Fund Admin. CDE. Currently: Accountant, Member of CDEC</p>

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

<p>9. Member</p>  <p>Mrs. Christine Wafula Chacha</p>	<p>DOB: 30-04-1974 Education: PGDE(KU), BCOM(India) Work exp: Administration, Teaching. Current: National Government Administrative Officer as Senior Assistant County Commissioner.</p>
<p>10. Chief Officer, Finance</p>  <p>Mr. Robert Juma Simiyu</p>	<p>D.O.B: 4th April 1970 Education: PGDE at KU, BSC, Masters in Planning Work exp: He worked as District Lands Officer in Uasin Gishu, Robert has worked as a Chief Officer in the ministries of Lands and Health. He also worked as a deputy Director Lands Administration in the Ministry of Lands and Physical Planning. He is currently the chief Officer in the ministry Agriculture and also acting in Finance.</p>

4. Key Management Team

Name	Details of qualifications and experience
 <p data-bbox="316 1010 707 1043">Ms. Carolyn Khalayi Makali</p>	<p data-bbox="839 439 1471 719">Ms. Makali was appointed CECM, Finance and Economic Planning in July, 2025. Prior to her appointment, she was the CECM for Health and Sanitation. She also served as CECM for Trade, Energy and Industrialization for Bungoma County. She was Records Management Officer and Accountant at National Government Constituency Development Fund- Kabuchai Constituency. She has also served as a Research Assistant for National Taxpayers' Association.</p> <p data-bbox="839 752 1471 936">Ms. Makali holds a Bachelor of Commerce Degree (Accounting option) from Kibabii University. She also has a diploma in Business management (Finance option) and a diploma in supplies management. She is at advanced level in Certified Public Accounting (CPA) examination.</p>
 <p data-bbox="392 1424 719 1458">Mr. Robert Juma Simiyu</p>	<p data-bbox="839 1084 1062 1117">D.O.B: 4th April 1970</p> <p data-bbox="839 1133 1358 1167">Education: PGDE at KU, BSC, Masters in Planning</p> <p data-bbox="839 1178 1471 1413">Work exp: He worked as District Lands Officer in Uasin Gishu, Robert has worked as a Chief Officer in the ministries of Lands and Health. He also worked as a deputy Director Lands Administration in the Ministry of Lands and Physical Planning. He is currently the chief Officer in the ministry Agriculture and also acting in Finance.</p>
 <p data-bbox="320 1760 699 1794">CPA. Oliver Wekesa Wafula</p>	<p data-bbox="839 1487 1471 1655">CPA. Oliver Wekesa Wafula holds a Bachelor of Business Management, Accounting Option from Moi University and CPA (K). He is a member of the Institute of Certified Public Accountants of Kenya in good standing.</p>

5. Report of the Chairperson of the Fund

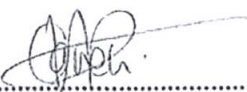
It is my esteemed duty to present the Bungoma County Disaster and Emergency Management Fund's Annual Report and Financial Statements for the Year ended 30th June 2025. This is the fifth year that the Fund has used IPSAS Accrual Basis of Accounting having transitioned from the IPSAS Cash Basis of Accounting. The financial statements have been prepared in full compliance with International Public Sector Accounting Standards (IPSAS).

The Fund is playing a positive role towards helping the County Government to meet urgent and unforeseen needs of expenditure for which there is no specific legislative authority. The Fund covers all areas of operations that the County Government is obligated to undertake.

We are committed to improve the quality of engagement with all our stakeholders in disaster management and emergency funding.

Good governance, transparency and accountability, remain the greatest undertaking of the committee.

My sincere acknowledgment goes to all stakeholders, Committee members, staff and the County Government, for their continued support, which has contributed to our tremendous achievement.



.....

Ms. Caren Nasimiyu Wanyonyi
Chairperson

6. Report of the Fund Administrator

The 2024/2025 Annual Report marks yet another milestone for Bungoma County Disaster and Emergency Management Fund. The Fund was formed pursuant to Disaster Management Emergency Fund Acts, 2019. The Fund endeavours to fulfil its mandate in providing advances so as to enable payments to be made in respect of the County Government when an urgent and unforeseen need of expenditure arises for which there is no specific legislative authority. The Fund shall also endeavour to build its reputation by embracing transparency and integrity. The Management commits to ensure that these endeavours are sustained in the long-run.

Financial Performance

As discussed in the Statement of Performance against the Fund's Predetermined Objectives, the Fund budgeted for KShs. 100,355,038 that was to be financed by the County Government. As at the closure of the year, KShs. 92,791,739 had been received by the Fund. Therefore, the Bungoma County Disaster and Emergency Management Fund realized a performance of 92% of the budget. The budget was also financed by balance brought forward of KShs. 355,038

Major challenges

The Fund has experienced various challenges, the key challenge of which was the delayed release of funds.

Responsibility

As the Fund Administrator, I am accountable for maintaining a sound system of internal controls aimed at ensuring the accomplishment of established objectives and goals of operations. The economical use of resources, the reliability and integrity of information, compliance with policies, plans, procedures, rules, and regulations and the safeguarding of the assets of the Fund. This is in accordance with the provisions of Public Finance Management Act, 2012, Public Finance Management (County Governments) Regulations, 2015 and Bungoma County Disaster and Emergency Management Fund Regulations, 2019.

Internal Control and Financial Risk Management

The primary objective of the Fund's internal control framework is to continuously put in place measures to attain accountability and the Fund's objectives while meeting stakeholders' expectations. The Fund administrator is accountable for maintaining a sound system of internal controls to ensure the accomplishment of established objectives and goals for operations; the economic use of resources; the reliability and integrity of information; compliance with policies, plans procedures, rules and regulations and the safeguarding of assets.

Review of Effectiveness


The Fund reviews its internal control using the COSO Internal Control – Integrated Framework, 2013. The Framework identifies five components of internal control, three of which have been discussed in detail hereunder. The review of the effectiveness of the system of internal controls is mainly informed by:

- a) Control Activities – Control activities are the policies and procedures that help ensure management directives are carried out. They help ensure that necessary actions are taken to address risks to achieve the Fund's objectives. Control activities occur throughout the Fund, at all levels and in all functions. They include arrange of activities as diverse as approvals, authorisations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.
- b) Information and Communication – Pertinent information must be identified, captured, and communicated in a form and timeframe that enables people to carry out their responsibilities. Information systems produce reports related to operational, financial, and compliance information that is reliable on a timely basis for submission to key stakeholders and economic decision makers.
- c) Risk Management – The Fund has progressively implemented Bungoma County Risk Management Framework through risk assessment. The activity is undertaken in consideration of many challenges, including lack of adequate in risk management. During the year 2024/2025, the Fund will embark on capacity building of its risk champions in order to enhance the uptake of the activity.

Appreciation

I would like to extend my appreciation to the County Government, including The County Treasury and the County Ministry of Public Service Management and Administration for its continued support and insights. The County Government has offered critical support in terms of resources and the enabling legislations.

I would also wish to thank the Fund's Committee for their enormous support during the implementation of the fund programmes and activities. Finally, I extend my sincere thanks to all employees attached or seconded to the Fund who made it possible for the Fund to deliver on its objectives. Their skills, resources and commitments enabled the Fund to deliver on its objectives.



.....
Mr. Robert J. Simiyu
Fund Administrator

7. Statement of Performance against the Fund's Predetermined Objectives

The key development objectives of the Fund as per the County Integrated Development Plan (CIDP) for 2023 to 2027 are to:

- d) Development and management of county transport network including its infrastructure.
- e) Monitor fire outbreaks and respond to all emergencies in the county including road accidents
- f) Increase access to rural areas
- g) Enhance Fire Risk Management
- h) Enhance transport safety infrastructure.
- i) Mainstream cross-cutting issues such as green growth and green economy; climate change; HIV and AIDS; Gender, Youth and Persons with Disability (PWD); Disaster Risk Management (DRM); Ending Drought Emergencies (EDE) among others.

Sector Priorities and Strategies

Sector Priorities	Strategies
To improve access to emergency response infrastructure road transport	<ul style="list-style-type: none"> • Strengthen Policy, Legal and Institutional Framework • Increase access to rural areas • Enhance Fire Risk Management • Enhance transport safety infrastructure. • Mainstream cross-cutting issues such as green growth and green economy; climate change; HIV and AIDS; Gender, Youth and Persons with Disability (PWD); Disaster Risk Management (DRM); Ending Drought Emergencies (EDE) among others.

Sector Programmes

Sub Programme	Key Output	Key Performance Indicators	SDG	Baseline		Planned Targets and Indicative Budget (KSh. M)										Total Budget (Ksh. M)*
				Year	Value	Year 1		Year 2		Year 3		Year 4		Year 5		
			Year	Value	Target	Cost	Target	Cost	Target	Cost	Target	Cost	Target	Cost	Target	Cost
1. Programme Name: Public and Transport Safety																
Objective: To improve access to emergency response infrastructure and road safety																
Outcome: Improved public safety																
SDG3: Target 3.6; SDG 11; Target 11b																

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

Sub Programme	Key Output	Key Performance Indicators	SDG	Baseline		Planned Targets and Indicative Budget (KSh. M)										Total Budget (KSh. M)*
				Year	Value	Year 1		Year 2		Year 3		Year 4		Year 5		
						Target	Cost	Target	Cost	Target	Cost	Target	Cost	Target	Cost	
Fire Risk Management	Fire Stations constructed	No. of fire stations constructed	3,6,11,11b	2022	1	0	0	1	80	0	0	0	0	0	0	80
	Fire Engines acquired	No. of fire engines acquired	3,6,11,11b	2022	3	0	0	0	0	0	0	1	60	0	0	60
	Fire Ambulances acquired	No. of fire ambulances acquired	3,6,11,11b	2022	1	0	0	0	0	0	0	0	0	1	15	15
	Fire Hydrants installed	Number of fire hydrants installed	3,6,11,11b	2022	0	3	3	2	20	3	30	1	10	0	0	90
	Fire Drills undertaken	No. of fire sensitization drills undertaken in public institutions	3,6,11,11b	NA	NA	9	0	9	0.9	9	0.9	9	0.9	9	0.9	4.5
Transport Safety	Road safety campaigns undertaken	No. of road safety campaigns undertaken	3,6,11,11b	2022	0	9	0	9	0.9	9	0.9	9	0.9	9	0.9	4.5
	Black spots transformed to white spots	No. of black spots transformed to white spots	3,6,11,11b			1	1	1	15	1	15	1	15	1	15	75
	Slip Lanes Constructed	No. of slip lanes constructed	3,6,11,11b			1	4	1	40	1	40	1	40	1	40	200
	Pedestrian Walkways Constructed	KMs of pedestrian walkways constructed	3,6,11,11b	2022	1	5	0	7	0.7	5	0.5	6	0.6	5	0.5	2.8
	Rehabilitation of road infrastructure	% of dilapidated road infrastructure rehabilitated	3,6,11,11b	2022	NA	100	2	100	2.5	100	2.5	100	2.5	100	2.5	12.5

Risk Management Framework

The key anticipated risks that may hinder the implementation of the CIDP, potential impacts and proposed mitigation measures to enhance sustainable development are covered in this section.

Risk management is an important aspect of asset management. The role of Accounting Officers in risk management is documented under regulation 165 of the regulation 158 of the PFM (County governments) Regulations, 2015.

The Accounting Officer is responsible for ensuring adequate entity specific risk management practices are adopted in relation to assets and liabilities within their entities.

Risk, Implication, Level and Mitigation Measures

Bungoma County Disaster and Emergency Management Fund
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Risk Category	Risk	Risk Implication	Risk level (Low, Medium, High)	Mitigation measures
Financial	Limited financial resource	Scaled down, delayed or non-implementation of projects	High	Mobilization for more resources
	Volatile economic environment	Delayed implementation/utilization of projects Low investment levels	High	Prioritize projects according to community needs Develop measures to cushion citizenry.
	Supplier risk	Failure/Faulty/inadequate supplies	Moderate	Supplier sensitization/empowerment. Enforcement of legal framework
	Grants delay/failure risk	Slow/stalled implementation of projects	High	Enhancing compliance to MOUs/agreements
	Fraud	Loss of resources	Moderate	Enhanced internal control mechanisms.
Technological	Rapid technological changes	Out-dated systems	High	Keep updating systems to move with the times.
	Cyber attack	Loss of information	High	Enhance data security.
Climate Change	Natural disasters such as floods, droughts, fires, Landslides, Thunderstorms and Lightning among others.	Slow project implementation. Destruction of infrastructure resources. Displacement of human settlements.	Moderate	Enhance emergency support. Developing early warning systems, capacity development of the actors/vulnerable, and insurance of enterprises
	Pests and diseases	Reduced production/productivity	High	Developing early warning systems, farmer capacity development for pest and disease management, facilitating insurance of the enterprises
	Increased weather variability	Loss of crops and livestock. Slow project implementation. Environmental degradation Reduced production/productivity	High	Promotion of Climate Smart Agriculture (CSA) and Green Growth (GG) technologies. Developing early warning systems, insurance of the enterprises
		Loss of crops and livestock.		

**Bungoma County Disaster and Emergency Management Fund
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Organizational	Attrition of human resource	of Loss of specialized knowledge	High	Continuous capacity building. Keeping government workers happy and motivated by: Use of modern technology; offer remote/hybrid job roles; highlight good work and provide feedback
	Workplace security (theft, terrorist attacks, degraded infrastructure)	Loss of human resource/assets	Moderate	Enhance security measures.
	Workplace injuries and infections	Low productivity	High	Provide protective gears to workers
	Liabilities arising from service provision	Loss of value for money	Low	Enforcement of professionalism Operationalise Risk fund
	Drugs and substances abuse	Low productivity	High	Enhance guidance, counselling and mentorship programs

8. Statement of Corporate Governance

The Fund is guided by the public service core values of integrity, professionalism and team spirit. The Fund has at all times endeavoured in its functions to take cognizance of the need for compliance with the relevant legal principles and the highest ethical standards. The Committee recognizes its mandate to direct and be held accountable.

This Statement of Corporate Governance has been established by the Fund's Committee and is intended, in conjunction with the Fund's Act and other corporate governance documents and all applicable laws, to be a flexible framework within which the Committee may conduct its business.

The Committee

With the approval of the County Government and the CECM for Finance, the Committee establishes broad corporate policies for the Fund and sets the strategic direction for the management with a focus on enhancing the interests of stakeholders. The Committee is also responsible for the corporate governance of the Fund.

Composition of the Committee

The Fund Administration Committee consists of nine (10) members led by the Governor of the county or a representative appointed in writing by the Governor who shall be the chairperson. Other members are;

- i. County Commissioner or his/her representative,
- ii. County Police Commander or his/her representative, the
- iii. Executive Committee Member responsible for matters relating to disaster management in the county,
- iv. A person nominated by the Kenya Red Cross Society,
- v. A representative of the private sector appointed in writing by the chairperson of an association representing the private sector,
- vi. One representative from civil society that is active on disaster management in the county,

vii. Two representatives from faith-based organizations and a representative from learning institution.

The members of the committee are appointed on a three-year term subject to renewal by the CECM responsible for the Fund. The head of Disaster Management in the County is the Chairperson to the Committee. The Committee members are specialists in different areas of operation.

Regular meetings of the Committee are held at such times and places as determined by the Committee and special meetings are held at other times as the Committee may determine. Committee Meeting Materials to the extent practicable, the Committee is provided with appropriate materials in advance of each meeting to permit prior review by the Members.

Functions of Committee members

The responsibilities of members of the Fund are clearly spelt out in Reg. 10 of the Bungoma County Disaster Management Emergency Fund Regulations as follows;

- a) To review, approve and endorse where appropriate, any recommendation or advise given by the Committee and to give direction to the County Government departments and agencies to ensure that its decisions are immediately carried out;
- b) To require the implementation of the planning requirements provided for in the Plan and to approve the County Disaster Management Plan and any modification of the plan;
- c) To oversee the application of the Disaster Management Plan during any period of a disaster or emergency and give any order or direction necessary for the plan to be implemented;
- d) To oversee the implementation of risk reduction, prevention, preparedness, response and recovery activities by all County Government agencies and other agencies performing roles related to disaster management;
- e) To lead, coordinate, mobilize resources and enhance ministries, institutions, relevant authorities, professional entities, local and international organizations and development partners, public and private institutions and communities in taking action and implementing measures of disaster prevention and mitigation, disaster risk reduction, preparedness, response and recovery aimed at the

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

- protection of life and wellbeing of the people, properties, environment and for sustainable development;
- f) To ensure that Disaster Management is a county priority with a strong institutional and coordination mechanism;
 - g) To ensure all county policies, plans and initiatives integrate Disaster Risk Reduction matters;
 - h) To develop or strengthen disaster preparedness mechanisms for effective response at community level including but not limited to establishing strategic stockpiles, contingency Planning, search and rescue, First Aid, disaster recovery planning among others;
 - i) To develop a disaster management information system including early warning and disaster information database;
 - j) To ensure disaster management is integrated and mainstreamed into critical sectors including but not limited to health, construction, infrastructure, agriculture, water, environment and natural resources, county economic plans and physical planning;
 - k) To mainstream climate change related risks;
 - l) To establish county disaster dissemination and education strategies including factoring Disaster Risk Reduction issues into county education system and community awareness strategy;
 - m) To review and approve proposed agencies for Disaster Management by the Committee and their plans and budget for funding from the Fund;

Members Access to Management

The Committee receives operating and financial reports of the Fund and has access to senior management at Fund and the senior officers of the County Government and Committee Meetings.

Ethical Standards

The Committee and the Management recognise that a strong ethical culture is very important in our vision to provide world class services that delight our customers. The Code of Ethics is a public statement that clarifies our expectations and holds us accountable

for our business conduct. The standards of professional conduct are provided in the various Code of Conducts, the Fund's Act and Regulations, Mwongozo Code of Governance, PFM Act and Regulations and the Constitution of Kenya. The standards of professional conduct deal with the following main areas:

- a) The Fund's assets and information;
- b) Conflicts of interest;
- c) Dealings with others;
- d) Other areas include:
 - Equal opportunity and unlawful harassment;
 - Safety of the workplace and environmental protection;
 - Relationships with stakeholders;
 - Anti-bribery and anti-corruption;
 - Improper benefit;
 - financial records and public communications;
 - Political activities and lobbying.

Sub-Committees

The Committee is in the process of operationalizing the sub-committees otherwise known as steering committee at the Sub County and Ward Level so as to support the functioning of the Fund. The Sub-committees had not been formed by the time of preparing the Annual Financial Statements and Reports.

Remuneration

The members of the committee are entitled to Committee sitting allowances at the rates prescribed by the Salaries and Remuneration Commission. The members are also entitled to other allowances as allowed by the Salaries and Remuneration Commission whenever they are on official duty. However, the members are not entitled to salaries and other remunerative allowances.

Communication with Third Parties

It is the responsibility of the Secretary to speak on behalf of the Fund to outside parties. Communication to third parties on matters of the fund by members must be authorised by the Secretary.

Members' Tenure and Retirement

Subject to the provisions of Fund's Act, the Chairperson and Members of the Committee shall hold office for a term of three years and shall be eligible for re-appointment for one further and final term.

- Process of appointment and removal of Committee members – the members of the committee are appointed by H.E. the Governor.
- The number of Committee meetings held and the attendance to those meetings by members,- the Bungoma County Disaster and Emergency Management Fund committee has since hold only one meeting which was an induction meeting.
- Induction and training, - the committee has been inducted and trained on matters of the Fund
- Committee member performance, - the committee's performance has not been good due to lack of facilitation to hold meetings

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

9. Management Discussion and Analysis

The fund has continued to grow over the years and the management has put measures in place to safeguard against risks. The fund's activities are exposed to a variety of financial risks including credit and liquidity risks. The Fund's overall risk management programme focuses on unpredictability of changes in business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Fund does not hedge any risks and has in place policies to ensure that emergency activities are funded.

The management has ensured compliance with statutory requirements relating to the functions of the fund and also makes sure that statutory deductions are remitted on time to avoid incurring penalties and interests for non-compliance.

PERFORMANCE

Revenue

The Fund annual budget was KShs. 100,355,038 that was to be financed by the County Government. At the end of the reporting period, the Fund received KShs. 92,791,739 translating to 92% of the budget. The fund did not receive any public contributions nor donations for the period under review.

Cash flow

The cash and cash equivalents decreased from KShs. 10,615,475 as at 30 June 2024 to KShs. 10,473,917 as at 30 June 2025.

DESCRIPTION	FY 2024/2025	FY2023/2024	FY2022/2023	FY2021/22	FY2020/21	FY2019/2020
		KShs	KShs	KShs	KShs	KShs
Cash and cash equivalents at 1 JULY	507,519,13	58,681,939	16,678,123	16,845,943	25,595,946	23,767,569
Cash and cash equivalents at 30 JUNE 2025	365,961.13	507,519,13	58,681,939	16,678,123	16,845,943	25,595,946

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

Operational Performance

The fund's core operating activities is to respond to emergency situation as they arise within the county as identified within line ministries in consultation with the board committee. During the period under review the fund undertook projects totalling to Kshs. 86,976,680

Payee	Description	Amount
AMBE GENERAL MERCHANTS LTD	PROPOSED CONSTRUCTION OF KIMABOLE KAPKOTO BRIDGE	16,932,350
Navitas Construction Limited	PROPOSED CONSTRUCTION OF CLLR.PIUS MUKHEBI SITSBICHA BOX CULVERT	16,065,540
Superior Products Africa Limited	PROPOSED CONSTRUCTION OF MILELE KITANDA BRIDGE	8,615,630
Ewoi Building And Contractors Limited	PROPOSED CONSTRUCTION OF KIBOCHI-NASAKA BOX CULVERT	9,605,760
Milili Limited	Construction of musembe Box Culvert	2,653,910
Ambe General Merchant Limited	construction of kapkota kimabole bridge	7,410,780
Superior Products Africa Limited	construction of milele kitinda bridge	16,435,190
Fleriam Ventures Limited	construction of matifali box culvert	8,309,250
Webmac General Contractors Ltd	Renovation of classroom at st. John Nakholo	948,290
Total		86,976,680

Conclusion

We appreciate the unrelenting support from the board of trustees, management, staff, the county government, development partners and all the key stakeholders. We look forward to the continued partnerships and cooperation in areas of mutual interest in the FY 2025/2026.

10. Environmental and Sustainability Reporting

The Bungoma County Disaster and Emergency Management Fund plays a crucial role in promoting environmental sustainability by ensuring that resources are available for disaster risk reduction, mitigation, and response. Here are some key points on how it contributes to environmental sustainability:

1. **Funding for Disaster Risk Reduction:** The fund allocates resources to initiatives that reduce the risk of disasters, such as reforestation projects, flood control measures, and infrastructure improvements.
2. **Mitigation Efforts:** By investing in mitigation measures, the fund helps to minimize the impact of disasters on the environment, such as preventing soil erosion and protecting water sources.
3. **Emergency Response:** The fund ensures that there are resources available for immediate response to disasters, which can help to prevent further environmental damage and protect affected communities.
4. **Sustainable Development:** The fund supports projects that promote sustainable development, such as renewable energy initiatives and sustainable agriculture practices, which contribute to long-term environmental health.

Overall, the Bungoma County Disaster and Emergency Management Fund is essential for maintaining environmental sustainability by providing the necessary resources to address and mitigate the impacts of disasters.

Employee Welfare and Environmental Sustainability in Bungoma County

Employee welfare and environmental sustainability are strongly interconnected, and for Bungoma County, these two elements reinforce each other in supporting both staff productivity and long-term resilience in disaster management.

1. **Safe and Healthy Work Environment**
Environmental sustainability measures, such as proper waste management, energy efficiency, and pollution control, contribute to a safe and healthy workplace for county staff. Employees working in clean, hazard-free environments experience reduced health risks, which in turn improves attendance, morale, and productivity.
2. **Employee Training and Capacity Building**
Bungoma County disaster management employees are regularly exposed to climate-related risks (floods, landslides, droughts). Embedding sustainability awareness in training programs ensures that employees not only understand environmental risks but are also better prepared to integrate eco-friendly practices

into their daily work. This fosters both professional growth and environmental responsibility.

3. **Green Workplace Initiatives and Employee Motivation**
Initiatives such as tree-planting campaigns, energy-saving practices, and recycling projects can be incorporated into employee welfare activities. Such programs serve a dual purpose: improving staff morale and ownership while advancing countywide environmental conservation. For instance, Bungoma County has already emphasized afforestation in its climate action plans, which could be expanded into employee-led initiatives.
4. **Social Responsibility and Employee Pride**
Employees feel more valued and motivated when their organization demonstrates a commitment to sustainable practices that benefit the larger community. Linking welfare programs such as healthcare, mental health support, and wellness days with environmental action (e.g., community clean-up or green walk activities) creates a sense of purpose beyond the workplace.
5. **Long-Term Cost Savings Supporting Welfare**
Environmental sustainability (energy efficiency, reduced resource wastage) leads to financial savings. These savings can be redirected towards improving employee welfare schemes, such as medical coverage, insurance, or training opportunities, thereby reinforcing a cycle of mutual benefit.

Cooperate Social Responsibility and Environmental Sustainability in Bungoma County.

The County ensure members of the Community and other development partners are involved in the conceptualization, planning and execution of all development projects and programmes. This is actualized through public participation where all stakeholders are involved. Therefore, this encourages the ownership of the projects implemented. Such instances include;

- ✓ The Ministry of Lands Urban and urban planning conducted education barazas in line with the requirements in place before one start constructing a permanent building; this is in a quest to reduce the number of structures coming up illegally which have in the recent past raised concern after buildings have collapsed and led to loss of lives and to avoid construction on prohibited places.
- ✓ While construction works of roads are being undertaken, the communities around have time and again suffered from unwanted relationships with engaged workers leading to pregnancies amongst school children and increased cases of HIV transmission. In a bid to curb this, the Ministry undertook trainings to create awareness about the same.

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

11. Report of the Committee

The Committee Members submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of the Fund affairs.

Principal activities

The principal activity of the Fund is to enable payments to be made in respect of a county when an urgent and unforeseen need for expenditure for which there is no specific legislative authority arises

Results

The results of the Fund for the year ended June 30, 2025 are set out on page 1-19.

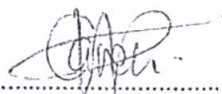
Committee Members

The members of the Committee who served during the year are shown on page vii-x. In accordance with Bungoma County Disaster and Emergency Management Fund Act, 2019, members retire by rotation and, being eligible offer themselves for re-election.

Auditors

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

By Order of the Board



Chairperson

Fund Administration Committee

Date: 30th June 2025

12. Statement of Management's Responsibilities

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

The Administrator of the Emergency Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the Emergency Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2025, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the Emergency Fund has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Fund's financial statements were approved by the Committee on 30/9/2025 and signed on its behalf by:



.....

Fund Administrator

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON BUNGOMA COUNTY DISASTER AND EMERGENCY MANAGEMENT FUND FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Bungoma County Disaster and Emergency Management Fund set out on pages 1 to 23, which comprise of the statement

Report of the Auditor-General on Bungoma County Disaster and Emergency Management Fund for the year ended 30 June, 2025

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report the financial statements present fairly, in all material respects, the financial position of Bungoma County Disaster and Emergency Management Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Bungoma County Disaster and Emergency Management Fund Act, 2019 (Amended 2021) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Long Outstanding Imprests

The statement of financial position reflects receivables from exchange transactions balance of Kshs.10,107,956 and as disclosed in Note 11 to the financial statements, which relates to outstanding imprests. However, the imprests have remained outstanding between 24 July, 2019 and 21 December, 2023. Despite the efforts to recover Kshs.3,170,000 from the payroll, Management has not yet taken steps to recover Kshs.6,937,956 from the staff who exited. Management did not explain why the imprests have not been surrendered or recovered from the payees in accordance with Regulation 93 (5) of the Public Finance Management (County Governments) Regulations, 2015 which states that a holder of a temporary imprest shall account or surrender the imprest within seven working days after returning to duty station.

In the circumstances, the accuracy and completeness of the receivables from exchange transactions balance of Kshs.10,107,956 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Emphasis of Matter and Report on Lawfulness and Effectiveness in the Use of Public Resources. However, only one issue on failure to hold requisite committee meetings had been resolved. Management did not provide reasons for the delay in resolving the other issues as detailed in **Appendix I**.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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

Stalled Construction of Musembe- Shikhendu Box Culvert

The Fund awarded a contract for emergency works for construction of the Musembe-Shikhendu Box Culvert to a local firm at a contract sum of Kshs.11,800,715.96. The contract period was to be three (3) months starting 25 February, 2024 with the expected date of completion of 25 May, 2024. A total of Kshs.2,653,906 had been paid to the contractor as at 30 June, 2025. However, review of project implementation records revealed that as of September 2025, the project had stalled with no active works on site, despite the contractual period having lapsed 15 months earlier. No explanation was provided by Management for the delay and a valid Project Manager's report on the status of works completed to date was not provided for audit verification.

Further, review of the contract file revealed lack of critical documentation necessary for monitoring and oversight, including site meeting minutes, progress reports, inspection and acceptance certificates and approvals for extension of time.

Physical verification of the project in September, 2025 revealed that several key construction components remained incomplete, namely back filling works, waterproofing to structures, installation of weepholes, stone pitching, gabion mesh for boxes and mattresses, and rockfill to gabions with an estimated value of Kshs.2,643,000.

In the circumstances, the Fund may not have obtained value for money from the project.

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, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Risk Management Policy and Risk Register

The Emergency Fund had not developed a risk management policy or documented strategies for identifying risks that may have potential effects on the operations of the

Fund. In the absence of an active risk register and risk management framework, the Fund's operations are carried out without structured risk identification, assessment, or mitigation strategies. This indicates a lack of risk awareness and preparedness within the Fund.

In the circumstances, the Fund risks failing to control and mitigate against future risks.

2. Lack of Disaster Management Policy

Review of documents provided for audit and interview with the Fund's Management revealed that the Fund did not have a documented disaster management policy to guide planning, response and utilisation of resources during emergencies.

In the circumstances, in absence of such a policy, the Fund is exposed to weak accountability, inefficient use of resources and delayed disaster responses.

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 December, 2025

Appendix I
Unresolved Prior Year Matters

Reference No. on the Auditor-General's Audit Report	Title of Audit issue
	Report on the Financial Statements
1	Unconfirmed Property, Plant and Equipment Balance
	Emphasis of Matter
1	Budgetary Control and Performance
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Long Outstanding Imprests
2	Failure to hold Requisite Committee Meetings

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

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

Description	Note	2024-2025	2023/2024
		ksh	ksh
Revenue from non-exchange transactions			
Transfers from the County Government	6	92,791,739	10,000,000
Payments by County on behalf of the Fund			
Total revenue		92,791,739	10,000,000
Expenses			
Emergency Expenses	7	-	9,645,000
Use of goods	8	3,106,518	2,054,335
Depreciation and Amortization	9	9,916,559	6,887,112
Total expenses		13,023,077	18,586,446
Surplus/(deficit) for the period		79,768,662	(8,586,446)

[Handwritten Signature]

Name:
Fund Administrator

Date 30/9/2025

[Handwritten Signature]

Name: OLIVERA WIEKESIA
Fund Accountant

ICPAK Member Number: 20122

Date 30/9/2025

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

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

Description	Note	2024-2025	FY2023/2024
		ksh	ksh
Assets			
Current assets			
Cash and cash equivalents	10	365,961	507,519
Receivables from Non- Exchange Transactions (Imprests)	11	10,107,956	10,107,956
		10,473,917	10,615,475
Non-current assets			
Property, plant and equipment	12	332,704,988	252,794,767
Total assets		343,178,905	263,410,242
Net assets			
Accumulated surplus		343,178,905	263,410,242
Total net assets and liabilities		343,178,905	263,410,242

[Signature]

.....
 Name:
 Fund Administrator
 Date: 30/9/2025

[Signature]

.....
 Name: OLIVER WILSON
 Fund Accountant
 ICPAK Member Number: 22/22
 Date: 30/9/2025

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

16. Statement of Changes in Net Assets for the year ended 30th June 2025

Description	Accumulated surplus	Total
	Kshs	Kshs
Balance as at the beginning of current period ending June 2023	271,996,688.75	271,996,688.75
Surplus/(Deficit) For the Period	- 8,586,446.47	- 8,586,446.47
Funds Received During the period	-	-
Balance as at the end of Current period ending June 2024	263,410,242.28	263,410,242.28
Balance as at the beginning of current period ending July 2024	263,410,243.03	263,410,243.03
Surplus/(Deficit) For the Period	79,768,662.33	79,768,662.33
Funds Received During the period	-	-
Balance as at the end of Current period ending June 2025	343,178,905.36	343,178,905.36

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

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

DESCRIPTION	Note	2024-2025	FY2023/2024
		KShs	KShs
Cash flows from operating activities			
Receipts			
Transfers from the County Government		92,791,739	10,000,000
Total Receipts		92,791,739	10,000,000
Payments			
Emergency Expenses			9,645,000
Use of Goods		3,106,518	2,054,335
Total Payments		3,106,518	11,699,335
Adjusted for:			
Decrease/(Increase) in Accounts receivable			- 10,107,956
Net cash flows from operating activities	13	89,685,221	- 11,807,291
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	12	(89,826,780)	(46,367,128)
Net cash flows used in investing activities		(89,826,780)	(46,367,128)
Net increase/(decrease) in cash and cash equivalents		(141,559)	(58,174,419)
Cash and cash equivalents at 1 July 2024	10	507,520	58,681,939
Cash and cash equivalents at 30th June 2025	10	365,961	507,520

The direct method of cash flow is the prescribed for presentation.

Bungoma County Disaster and Emergency Management Fund
 Annual Report and Financial Statements for the year ended June 30, 2024

18. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 June 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilization
	KShs	KShs	KShs	KShs	KShs	KShs
Revenue						
Budget carryovers from the previous year	-	355,038.20	355,038.20	355,038.20	-	100%
Transfers from County Govt.	100,000,000	-	100,000,000	92,791,739	7,208,261	93%
Total income	100,000,000	355,038	100,355,038	92,791,739	7,563,299	92%
Expenses						
Use of Goods	3,000,000	355,038	3,355,038	3,106,518	248,520	93%
Total expenditure	3,000,000	355,038	3,355,038	3,106,518	248,520	93%
Surplus for the period	97,000,000	-	97,000,000	89,685,221	7,314,779	92%
Capital Expenses						
Capital Expenses	97,000,000	-	97,000,000	89,826,780	89,826,780	93%
Total expenditure	-	-	-	141,559	- 82,512,001	0%

Budget notes

1. Underutilization was as a result of budget under-funding.
2. The adjustment of the budget by Ksh. 355,038 was through the supplementary budget

Budget Reconciliation

	Description of Particulars	Amount in KShs
1	Actual Surplus Amounts as per the statement of Budget	141,559
2	Opening Fund Balance	507,519
3	Closing Cash and Cash Equivalent as per the statement of Cash flows	365,961

19. Notes to the Financial Statements

1. General Information

The Emergency Fund is established by and derives its authority and accountability from PFM Act, 2012. The fund is wholly owned by the Bungoma County Government and is domiciled in Kenya. The fund's principal activity is enable payments to be made in respect of the County Government when an urgent and unforeseen need of expenditure arises for which there is no specific legislative authority.

2. Statement of compliance and basis of preparation

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

3. Adoption of new and revised standards

(i) New and amended standards and interpretations in issue effective in the year ended 30 June 2024

There are no new standards effective in the financial year ended 30th June 2025.

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

Standard	Effective date and impact:
IPSAS 43 Leases	<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

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Standard	Effective date and impact:
	<p>leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
<p>IPSAS 45- Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <p>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.</p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> 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; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>

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Standard	Effective date and impact:
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>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.</p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>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.</p>

(iii) Early adoption of standards

The Bungoma County Disaster and Emergency Management Fund did not early – adopt any new or amended standards in year 2024.

4. Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Revenue Transfers

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

ii. Revenue from exchange transactions

Interest income

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

b) Budget information

The original budget for FY 2024-2025 was approved by the County Assembly in July 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Fund upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund did not record any additional appropriations.

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

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

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

c) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Fund 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 entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

The Fund 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 fund'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 entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The Fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 5*.

Financial liabilities

Classification

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

d) Contingent liabilities

The Fund 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 probable.

e) Contingent assets

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

f) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. *Bungoma County Disaster Management Emergency Fund does not maintain any reserves.*

g) Changes in accounting policies and estimates

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

h) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

i) Related parties

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

j) 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 as indicated in *Note 9*.

k) Comparative figures

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

l) Events after the reporting period

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

m) Currency

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

5. Significant judgments and sources of estimation uncertainty

The preparation of the Fund'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.

State all judgements, estimates and assumptions made

a) Estimates and assumptions –

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

b) Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset
- The Method of depreciation used is Straight line basis as follows:
 - a). Roads and Civil works 2.5%
 - b). Computers and ICT items 30%

c) Provisions

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

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

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6. Transfers from the County Government

Description	2024-2025	2023/2024
	KShs	KShs
Transfers from County Govt. – operations	92,791,739	10,000,000
Total	92,791,739	10,000,000

7. Emergency Expenses

Description	2024-2025	2023/2024
	KShs	KShs
Specialized materials and services		9,645,000.00
Total		9,645,000.00

8. Use of Goods and Services

Description	2024-2025	2023/2024
	KShs	KShs
Field Attachments	3,104,960	1,751,490
Bank Charges	1,558	2,845
Other expenses		300,000
Total	3,106,517.60	2,054,335.20

9. Depreciation and Amortisation.

Description	2024-2025	FY2023/2024
	KShs	KShs
Property Plant and Equipment	9,916,559	6,887,111.67
Total	9,916,558.67	6,887,111.67

10. Cash and cash equivalents.

Description	2024-2025	2023/2024
	KShs	KShs
Current account	365,961.13	507,519.13
Total cash and cash equivalents	365,961.13	507,519.13

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

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10 (a) Current Account

		2024-2025	2023/2024
Financial institution	Account number	KShs	KShs
a) On - call deposits			
Kenya Commercial bank	117967462	10,923	152,481
Central Bank Of Kenya	1000715073	355,038	355,038
Total		365,961,13	507,519.13

11. Receivables from non-exchange transactions.

Description	2024-2025	2023/2024
	KShs	KShs
Imprest	10,107,956.00	10,107,956
Current Receivables	10,107,956	10,107,956

12. Property, plant and equipment.

Description	Land and Buildings	Roads and other Civil works	Ict.Equipment	Totals
	Shs	Shs	Shs	Shs
Cost				
Cost July 2023	4,700,000	229,117,339		233,817,339
Additions		46,367,128		46,367,128
As at 30th June 2024	4,700,000	275,484,467		280,184,467
Cost July 2024	4,700,000	275,484,467		280,184,467
Additions		86,976,680.00	2,850,100.00	89,826,780
As at 30th September 2025	4,700,000	362,461,147	2,850,100	370,011,247
Depreciation(rate)	0.0%	2.5%	30.0%	
Bal b/f 1st July 2023	-	20,502,588.22		20,502,588
Charge for the year	-	6,887,111.67		6,887,112
Acc dep as at 30th June 2024	-	27,389,699.89		27,389,700
Depreciation(rate)	0.0%	2.5%	30.0%	
Bal b/f 1st July 2024	-	27,389,700		27,389,700
Charge for the year		9,061,528.67	855,030.00	9,916,559
Acc dep as at 30th June 2025	-	36,451,229	855,030	37,306,259
NET BOOK VALUE				
As at 30th June 2024	4,700,000	248,094,767	-	252,794,767
As at 30th June 2025	4,700,000	326,009,918	1,995,070	332,704,988

13. Cash generated from operations

	Period ended June 2025	FY2023/2024
	KShs	KShs
Surplus for the year before tax	79,768,662.33	- 8,586,446.47
Adjusted for:		
Depreciation	9,916,558.67	6,887,111.67
Working Capital adjustments		
Net cash flow from operating activities	89,685,221.00	- 1,699,334.80

9. Related party balances

a) Nature of related party relationships

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

- a) The County Government.
- b) Fund Administration Committee
- c) Key management.

10. Contingent assets and contingent liabilities

The Fund does not have contingent assets and contingent liabilities.

11. Financial Risk Management

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

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

a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment.

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RECEIVABLES REGISTER FOR FY 2024-2025

DATE	Name of Officer	Particulars	BALANCE OUTSTANDING
24.7.2019	Peter Cheworei	Facilitation for Emergency Operations	750,000
24.7.2019	Matthew Tsuma	Facilitation for Emergency Operations	1,925,000
2.8.2019	Diana Simiyu	Facilitation for Emergency Operations	50
20.9.2019	Lydia Omoit	Facilitation for Emergency Operations	600,000
26.9.2019	Lydia Omoit	Facilitation for Emergency Operations	740,000
3.10.2019	Lydia Omoit	Facilitation for Emergency Operations	780,000
30/04/2020	David Khaemba	Media engagement in public sensitization on covid-19	350,000
30/04/2020	Tim Machi	Media engagement in public sensitization on covid-19	300,000
30/04/2020	Bonface Nyongesa	Media engagement in public sensitization on covid-19	300,000
30/04/2020	Wilberforce Manali	Media engagement in public sensitization on covid-19	302,500
08/09/2023	Joan Wangia	Facilitation for Emergency Operations	1,760,406
21/12/2023	Bungoma Imprest Account	Transfer to imprest account	2,300,000
TOTAL			10,107,956.00

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

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

b) Liquidity risk management

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

c) **Capital risk management.**

The objective of the Fund's capital risk management is to safeguard the Fund's ability to continue as a going concern.

12. Events after the reporting period

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

13. Currency

The financial statements are presented in Kenya Shillings (Kshs).

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20. Annexes

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

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

No.	Issue/ Observations (from Auditor)	Management comments	Responsible Officer	Status	Timeframe
2023-2024 FINANCIAL YEAR.					
BUNGOMA COUNTY DISASTER AND EMERGENCY MANAGEMENT FUND FOR THE YEAR ENDED 30 JUNE, 2024					
FINANCIAL STATEMENTS					
Basis of the qualified opinion					
1	<p>Unconfirmed Property, Plant and Equipment Balance</p> <p>The statement of financial position indicates property, plant and equipment balance of Kshs.252,794,767 as at 30 June, 2024 and as disclosed in Note 11 to the financial statements. However, the Fund did not maintain a fixed asset register for recording the cost, supplier, description of assets, depreciation, location, unique identification number and net book values for the non-current assets.</p> <p>In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.252,794,767 could not be confirmed.</p>	Note 11 of the Fund Financial Statements have been amended to read 30 June, 2024. Management is updating the Fixed Assets Register. Attached is a draft.	Fund Administrator	Unresolved	3 Months
2.	<p>Budgetary Control and Performance</p> <p>The statement of comparison of budget and actual amounts reflects revenue budget and actual on comparable basis amounts of Kshs.160,000,000 and Kshs.10,000,000 respectively, resulting to under-funding of Kshs.150,000,000 or 94% of the budget.</p>	The original budget for the Fund was Kshs. 100,000,000 which was later increased by Kshs. 60,415,731 through the supplementary budget to Kshs. 160,415,731. The amount Kshs.100,000,000 reported by Controller of Budget in the County Government	Fund administrator	Partially Resolved	6 Months

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Ref No e	Issue / Observations from Auditor	Management comments	Total person resolve issue	Point to the	Status (Resolved/Not Resolved)	Timeframe
	<p>The under-funding may have impacted negatively on mitigating the adverse effects of disasters and emergencies to the public.</p> <p>P</p>	<p>Budget Implementation Review Report for the financial year 2023/2024 is incorrect.</p> <p>The Fund had an under-funding of Kshs. 150,415,731. This was occasioned by insufficient funds from the National Treasury. Disaster and Emergency Fund is a charge on Equitable share that was not fully disbursed. Actual expenditure of Kshs. 57,763,618 was financed by the balances brought forward from the previous financial year. The Fund Financial Statements are prepared on accrual basis.</p>				
3-	<p>Unresolved Prior Year Matters</p> <p>In the previous year audit report, several issues were raised under Report on the Financial Statements and Report on Effectiveness of Internal Controls, Risk Management and Governance. Although Management has indicated that several issues have been resolved in Annex 1 to the financial statements on progress on follow up of auditor's recommendations, no evidence was provided for audit review indicating whether or not the issues have been resolved.</p> <p>In the circumstances, the issues remain unresolved.</p>	<p>As indicated in the Financial Statements, management has resolved most of the prior year audit matters. This is however awaiting final resolution by the Senate Committee on Public Investments.</p>	Fund Administrator		Partially Resolved	1 year

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Sl. No.	Issue, Observations from Auditor	Management's Comments	Responsible Officer	Status/Resolution	Timeframe
4.	<p>Other Information</p> <p>Management is responsible for the other information set out on page iii to xxx which comprise of Key Entity Information and Management, Fund Administration Committee, Key Management Team, Report of the Chairperson, Report of the Fund Administrator, Statement of Performance Against County Fund's Predetermined Objectives, Environmental and Sustainability Reporting, Statement of Corporate Governance, Management Discussion and Analysis, Report of the Committee and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.</p>	<p>The Management takes note of the auditors observations and commits to address the issues in the subsequent financial statements</p>	<p>Fund Administrator</p>	<p>Not Resolved</p>	<p>6 months</p>
Report on Lawfulness and Effectiveness in the Use of Public Resources					
5.	<p>Long Outstanding Imprests</p> <p>The statement of financial position reflects receivables from exchange transactions balance of Kshs.10,107,956 and as disclosed in Note 10 to the financial statements, which relates to outstanding imprests. However, the imprests have remained outstanding from 24 July, 2019 and 21 December, 2023. The Management did not explain why the imprests have not been surrendered or recovered from the payees in accordance with Regulation 93 (5) of the Public Finance Management (County Governments) Regulations, 2015 which states that a holder of a temporary imprest shall account or surrender the imprest within seven working days after returning to duty station.</p>	<p>Management has issued demand notices to imprest defaulters. The long outstanding imprest will be recovered from salary of affected officers. The Fund Administrator has communicated to the county payroll office for immediate recovery.</p>	<p>Fund Administrator</p>	<p>Not Resolved</p>	<p>6 Months</p>

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Ref No.	Issue / Observations from Auditor	Management comments	Focal person resolve issue	Point to the	Status (Resolved/Not Resolved)	Timeframe
	In the circumstances, Management was in breach of the law.					
6.	<p>Failure to Hold Requisite Committee Meetings During the financial year under review, the disaster and emergency management committee held only two meetings. This was contrary to Regulation 44 (1) of the Bungoma County Disaster and Emergency Management Fund Regulations, 2021 which states that the committee shall schedule quarterly meetings with additional meetings being held with authorization of the County Executive member responsible for disaster/emergencies. Further, the minutes for the two meetings held on 20 September, 2023 and 5 October, 2023 lacked several supporting documents including notice of invitations to the meetings and signed attendance registers.</p> <p>In the circumstances, Management was in breach of the law.</p>	The Fund held two meetings in the Financial Year 2023/2024 as per the submitted minutes.	Fund Administrator		Resolved	



Fund Administrator

Date... 30/9/2025

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Annex III: Analysis of Emergency Expenditure


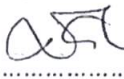
Date	Payee	Amount	Purpose of payment	Status (spent/not spent)	Remarks
19-dec-24	Ambe general merchants ltd	16,932,350	Proposed construction of kimabole kapkoto bridge	Spent	
19-dec-24	Navitas construction limited	16,065,540	Proposed construction of cllr.pius mukhebi sitsbicha box culvert	Spent	Project complete
19-dec-24	Superior products africa limited	8,615,630	Proposed construction of milele kitanda bridge	Spent	Project complete
19-dec-24	Ewoi building and contractors limited	9,605,760	Proposed construction of kibochi-nasaka box culvert	Spent	Project complete
30-jun-25	Milili limited	2,653,910	Construction of musembe box culvert	Spent	Project complete
30-jun-25	Ambe general merchant limited	7,410,780	Construction of kapkota kimabole bridge	Spent	Project complete
30-jun-25	Superior products africa limited	16,435,190	Construction of milele kitinda bridge	Spent	Project complete
30-jun-25	Fleriamama ventures limited	8,309,250	Construction of matifali box culvert	Spent	Project complete
30-jun-25	Webmac general contractors ltd	948,290	Renovation of classroom at st. John nakholo	Spent	Project complete
30-jun-25	Kayside limited	2,850,100	Payment and supply of ict items	Spent	Items supplied
27-jun-25	Sheillah mukui	2,964,960	Administrative cost	Spent	Activity was carried out
	Total	92,791,760			

(Handwritten signature)

Name
 Fund Administrator
 Date 30/9/2025

Bungoma County Disaster and Emergency Management Fund
Annual Report and Financial Statements for the year ended June 30, 2025

Annex IV: Bank Reconciliation statements

			FO.30
COUNTY GOVERNMENT OF BUNGOMA BANK RECONCILIATION STATEMENT AS AT 30TH JUNE,2025 ACCOUNT NAME: BUNGOMA COUNTY EMERGENCY FUND BANK ACCOUNT NO:1000715073			
	Balance as per cashbook on 30.06.2025		355,037.20
Add	Payments in the cashbook not in the bank statement		35,953,608.00
Less:	Receipts in the cashbook not in the bank statement		35,953,608.00
	Balance as per bank statement on 30.06.2025		355,037.20
I certify that I have verified the bank balances in the cashbook and the bank balance and confirm the above reconciliation is correct.			
 Signature	Prepared by	Accountant Designation	30/9/2025 Date
 Signature	Approved by	DAS Designation	30/9/2025 Date

PAYMENTS IN THE CASHBOOK NOT IN THE BANK STATEMENT						
Date	NAME	Transaction No	CASHBOOKNO.	AMOUNT	Clearing Date	EFT. No.
30-Jun-25	Withholding Tax	68000078	FP1085	16,350	08-Jul-25	FT25189X70KL
30-Jun-25	Withholding Tax	68000077	FP1085	28,449	08-Jul-25	FT251890K1SL
30-Jun-25	Withholding Tax	68000079	FP1084	49,140	08-Jul-25	FT25189L33XM
30-Jun-25	Withholding Tax	68000075	FP1085	94,829	08-Jul-25	FT25189S9PSX
04-Mar-25	COMMISSIONER OF VAT	68000083	FP 1636	127,772	08-Jul-25	FT25189F4705
23-Jun-25	COMMISSIONER OF VAT	68000091	FP3059	143,263	08-Jul-25	FT25189DHJ54
04-Mar-25	COMMISSIONER OF INCOME TAX	68000082	FP 1636	222,323	08-Jul-25	FT25189JL1H
23-Jun-25	COMMISSIONER OF INCOME TAX	68000090	FP3059	249,278	08-Jul-25	FT25189D09SZ
04-Mar-25	COMMISSIONER OF VAT	68000087	FP1685	283,365	08-Jul-25	FT25189JXDD8
04-Mar-25	COMMISSIONER OF INCOME TAX	68000086	FP1685	493,056	08-Jul-25	FT25189V0F1J
04-Mar-25	BUNGOMA COUNTY GOVERNMENT	68000084	FP 1636	741,078	08-Jul-25	FT251894BDJB
23-Jun-25	BUNGOMA COUNTY GOVERNMENT	68000092	FP3059	830,925	08-Jul-25	FT251899MPTF
04-Mar-25	BUNGOMA COUNTY GOVERNMENT	68000088	FP1685	1,643,519	08-Jul-25	FT25189Z9LW9
23-Jun-25	PUBLIC PROCUREMENT REGULATORY	68000094	FP3059	2,493	09-Jul-25	FT25190BQXRR
30-Jun-25	Webmac General Contractors Ltd	68000076	FP1085	808,658	09-Jul-25	FT25190JPHWP
30-Jun-25	Kayside Limited	68000080	FP1084	2,800,960	09-Jul-25	FT2519014VR8
04-Mar-25	Ambe General Merchant Limited	68000085	FP 1636	6,319,603	09-Jul-25	FT251903N6BF
23-Jun-25	Fleriana Ventures Limited	68000093	FP3059	7,083,295	09-Jul-25	FT25190XXW16
04-Mar-25	Superior Products Africa Limited	68000089	FP1685	14,015,253	09-Jul-25	FT25190VZFK4
		Total		35,953,608		

Receipts in the cashbook not in the bank statement						
Date	Received from	Ref No.		Amount	Date Receipt	EFT. No.
30/6/2025	County Revenue Fund	COB/BGM/001/209(1) DD 30062025	TREASURY ORDER DD 3006025	35,953,608.00	08-Jul-25	FT25189CBGC6
		Total		35,953,608.00		