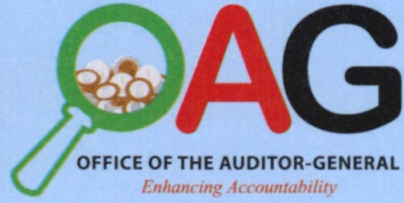


REPUBLIC OF KENYA



PARLIAMENT
OF KENYA
LIBRARY

400

REPORT

OF

THE AUDITOR-GENERAL

ON

KERICHO COUNTY EMERGENCY FUND

DATE	19/2/22
TABLED BY	De. Adet
COMMITTEE	
CLERK AT THE TABLE	Mag.
PAPERS LAID	

FOR THE YEAR ENDED
30 JUNE, 2025

2009



KERICHO COUNTY EMERGENCY 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)

(Leave this page blank)



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

Table of Contents

1. Acronyms and Definition of Key Terms	ii
2. Key Entity Information and Management	iii
3. Fund Administration Committee (Any Other Governance Body for The Fund)	vii
4. Key Management Team	ix
6. Report of The Fund Administrator	xiii
7. Statement of Performance Against the Fund's Predetermined Objectives	xiv
8. Statement of Corporate Governance	xv
9. Management Discussion and Analysis	xviii
10. Environmental and Sustainability Reporting	xix
11. Report of The Committee	xxii
12. Statement of Management's Responsibilities	xxiii
13. Report of Independent Auditor on the Financial Statements of Emergency Fund	xxiv
14. Statement of Financial Performance for the Year Ended 30 th June 2025	1
15. Statement of Financial Position As at 30 June 2025	2
16. Statement Of Changes in Net Assets for the year ended 30 th June 2025	3
17. Statement of Cash Flows for The Year Ended 30 June 2025	4
18. Statement Of Comparison Of Budget And Actual Amounts For The Period	5
19. Notes to the Financial Statements	7
20. Annexes	27

1. Acronyms and Definition of Key Terms

a) Acronyms

CECM	County Executive Committee Member
CIDP	County Integrated Development Plan
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
Kshs	Kenya Shillings
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.

(Provide a list of Acronyms and Key terms used in the financial report as per the above example. The list to be exhaustive)

2. Key Entity Information and Management

a) Background information

The Kericho County Emergency Fund was established under the authority of the Kericho County Emergency Fund Act, 2014, which was assented to and came into effect on 22nd November 2014. The Fund is a statutory entity designed to provide rapid and targeted financial assistance in response to emergencies affecting the county.

The management and administration of the Fund are vested in the County Government of Kericho, which is responsible for ensuring that resources are allocated efficiently and transparently in line with the objectives of the Act.

b) Principal Activities

The principal activity and mandate of the Kericho County Emergency Fund is to finance urgent and unforeseen needs that arise within the County and do not have specific legislative authority or prior budgetary provision. These interventions are critical for enabling swift and effective responses to emergencies that pose a threat to life, health, property, or the environment.

Vision

To be a reliable and responsive emergency fund that safeguards the lives and livelihoods of Kericho County residents through timely and efficient financial interventions.

Mission

To provide rapid financial support for emergency response and recovery efforts in Kericho County, ensuring that urgent and unforeseen events are addressed promptly in order to minimize harm and restore normalcy.

Core Objectives

To mobilize and allocate resources for immediate response to disasters and emergencies affecting the County.

To ensure continuity of essential public services during unforeseen crises or disruptions.

To reduce the social and economic impact of emergencies by facilitating timely intervention.

To support recovery and rehabilitation efforts following emergencies such as natural disasters, disease outbreaks, fires, or other hazards.

To promote transparency and accountability in the management and utilization of emergency funds.

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

c) Fund Administration Committee

Ref	Position	Name
1	Chairman	Hon.Jackson Rop
2	Fund Administrator	CPA George Kirer
3	<i>Deputy Director Accounting Services</i>	CPA Fernandes Korir
4	<i>Principal Accountant</i>	CPA Nancy Laboso

d) Key Management Team

Ref	Position	Name
1	Chairman-CECM Finance	Hon Jackson Rop
2	Fund Administrator	CPA Dr George Kirer
3	Deputy Director Accounting Services	CPA Fernandes Korir
4	Principal Accountant	CPA Nancy Laboso
5	Fund Accountant	CPA Wilbert Cheruiyot

Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

<i>Office Of Auditor General</i>
<i>Office of Controller of Budget</i>
<i>Audit Committee</i>

f) Registered Offices

P.O. Box 112-Kericho
Kericho County Head Quarters Building
Nairobi-Kisumu Highway
Kericho , KENYA

g) Fund Contacts

Telephone: (254) XXXXXXXX
E-mail: kericho@info.go.ke
Website: www.kericho.go.ke

h) Fund Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Equity Bank
Kericho Branch
- ...
- ...

(List all the banks where the fund has accounts)

i) Independent Auditors

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





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 Kericho

3. Fund Administration Committee (Any Other Governance Body for The Fund)

Name	Details of qualifications and experience
<p>Hon Jackson Rop</p>  <p>Chairman</p>	<p>Hon Jackson Rop is Holder of MBA Finance and Bachelor of commerce accounting Option. Has over 19 years experience in accounting Sector.</p>
<p>CPA George K Kirer</p> 	<p>CPA George K Kirer holds over ten years' experience in Public Finance& Planning from Audit to Accounts. He holds an MBA in Strategic Management, CISA, and Bachelors in Commerce Accounting Option and holds CPA (K) and a member of ICPAK.He is the Fund administrator of the fund being the Chief officer in charge of Finance</p>
<p>CPA Fernandes K Korir</p> 	<p>CPA Fernandes Korir has over ten years in the County Government in various positions. He holds an MBA in Finance and CPA (K) and also a member of ICPAK.He is the Currently the Deputy Director accounting Services.</p>
<p>CPA Nancy Laboso</p> 	<p>CPA Nancy Laboso has over 14 years in Public Sector. She Holds Bachelor's Degree in Business Management Finance Option and Member of ICPAK. She's a of Member of Financial Reporting Unit and Principal Accountant.</p>





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

CPA Wilbert Cheruiyot



CPA Wilbert Cheruiyot has over 7 years in Public Sector. Holds Bachelor's Degree in Business Management Finance Option and Member of ICPAK. Member of Financial Reporting Unit and Accountant of the Fund.

4. Key Management Team

Name	Details of qualifications and experience
<p>Hon Jackson Rop</p> 	<p>Hon Jackson Rop is Holder of MBA Finance and Bachelor of commerce accounting Option. Has over 19 years experience in accounting Sector.</p>
<p>CPA George K Kirer</p> 	<p>CPA George K Kirer holds over ten years' experience in Public Finance & Planning from Audit to Accounts. He holds an MBA in Strategic Management, CISA, and Bachelors in Commerce Accounting Option and holds CPA (K) and a member of ICPAK.</p>
<p>CPA Fernandes K Korir</p> 	<p>CPA Fernandes Korir has over ten years in the County Government in various positions. He holds an MBA in Finance and CPA (K) and also a member of ICPAK.</p>
<p>CPA Nancy Laboso</p> 	<p>CPA Nancy Laboso has over 14 years in Public Sector. She Holds Bachelor's Degree in Business Management Finance Option and Member of ICPAK. She's a of Member of Financial Reporting Unit and Principal Accountant</p>

CPA Wilbert Cheruiyot



CPA Wilbert Cheruiyot has over 7 years in Public Sector. Holds Bachelor's Degree in Business Management Finance Option and Member of ICPAK. Member of Financial Reporting Unit and Accountant of the Fund.

Note: The Fund Administrator will feature under both the 'Committee' and 'Management'.

5. Report of the Chairman of the Fund

I am pleased to present this report on behalf of the Fund Administration Committee for the Kericho Emergency Fund for the year under review.

The Emergency Fund continues to serve as a critical financial instrument in our county's disaster preparedness and response framework. It provides the much-needed flexibility to respond swiftly to unforeseen calamities such as floods, fire outbreaks, disease outbreaks, and other emergent public needs. During the year under review, the Fund received an allocation of Kshs. 17 million, reflecting the County Government's continued commitment to strengthening disaster resilience and safeguarding the lives and livelihoods of our people.

Despite the progress made, the Emergency Fund faced several challenges in its implementation:

- Inadequate and delayed disbursement of funds, which affected timely response to emergencies.
- Limited public awareness about the scope and use of the Emergency Fund, resulting in underutilization in some quarters.
- Gaps in coordination mechanisms between key departments and stakeholders during emergency response.

These issues underscore the need for continued strengthening of governance structures and operational procedures within the Fund framework.

Strategies and Policies Implemented

To address these challenges, the Fund Administration Committee undertook several measures:

- Revised the Emergency Fund Guidelines to align with the Public Finance Management (Emergency Fund) Regulations and improve transparency and accountability in fund utilization.
- Strengthened multi-agency coordination by establishing a rapid response protocol, ensuring timely mobilization and action across departments during emergencies.
- Enhanced monitoring and reporting mechanisms, including periodic fund utilization reviews and community feedback systems.
- Capacity building for key personnel and community-level stakeholders on emergency preparedness and fund access procedures.

Cross-Cutting Observations and Way Forward

Looking ahead, the Committee recognizes the importance of:

- Advocating for increased budgetary allocations to the Fund in subsequent financial years.
- Digitizing fund request and disbursement processes to improve efficiency and traceability.

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

- Partnering with development partners and humanitarian organizations to leverage technical and financial support in times of major emergencies.
- Promoting citizen awareness and participation in emergency risk reduction strategies.

In conclusion, I express my sincere appreciation to the County Executive, Assembly, and all stakeholders for their continued support and commitment. The Emergency Fund remains a vital safeguard for the people of Kericho, and with sustained effort, we shall strengthen its impact and responsiveness.

Hon Jackson Rop



.....
(To be signed by the Chairman-Fund Administration Committee)

6. Report of The Fund Administrator

The Emergency Fund was established to provide a timely and effective financial response mechanism for unforeseen emergencies affecting Kericho County. In the reporting year, the Fund received a total allocation of Kshs.17 million to support disaster preparedness and response initiatives. This allocation has been instrumental in enhancing the County's capacity to manage emergencies, mitigate losses, and protect public welfare.

The fund supported several key interventions during the year, including:

- Provision of emergency medical supplies and sanitation kits to health facilities during disease outbreak threats.

To enhance the fund's efficiency, the administration undertook the following initiatives:

- Developed a rapid disbursement framework to ensure quick mobilization of funds during emergencies.
- Strengthened collaboration with the County Disaster Risk Management Committee, enhancing coordinated response and assessment.
- Initiated a public sensitization campaign to raise awareness on how communities can access emergency relief support.

Successes

- Timely response to emergency situations in three sub-counties, reducing impact on affected populations.
- Improved stakeholder coordination, including health, infrastructure, and social services departments.
- Accountability and transparency mechanisms put in place for fund tracking and reporting.

Challenges

- Inadequate funding relative to the growing number and scale of emergency incidents.
- Delays in replenishment of the fund, limiting responsiveness during overlapping emergencies.
- Limited capacity at sub-county level in terms of trained personnel and logistics to manage rapid response operations.



.....
CPA Dr George Kirer
Fund Administrator

7. Statement of Performance Against the Fund’s Predetermined Objectives

Section 164 (2) (f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of performance against predetermined objectives when preparing financial statements at the end of each financial year.

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

• Continuation of Flagship Projects & Priority Programs

The plan builds upon unfinished initiatives from previous plans and aligns with the governor’s manifesto, Kenya Vision 2030, Medium Term Plan IV, Agenda 2063, the Bottom-Up Economic Transformation Agenda (BETA), and the Sustainable Development Goals .

• Infrastructure & Economic Development Focus

Key thematic areas include:

- a) Infrastructure development (e.g., roads, housing, waste management)
- b) Economic development and revenue collection
- c) Administrative efficiency and devolved governance systems

Progress on the attainment of Strategic development objectives

(NB: Entities can prepare this performance information as per the table below or in a more relevant format suitable for the nature of its activities)

Program	Objective	Outcome	Indicator	Performance
<i>Disaster Risk Management</i>	<i>Mitigating emergencies in the County</i>	<i>Well-coordinated emergency response</i>	<i>100% response to emergencies</i>	<i>100% response to drought.</i>

8. Statement of Corporate Governance

The Kericho Emergency Fund is governed by the Fund Administration Committee, which is responsible for ensuring effective oversight, prudent management, and integrity in the utilization of emergency response resources. This statement outlines the governance structures, systems, and practices that promote transparency, accountability, and ethical conduct in the administration of the Fund.

Roles and Functions of the Fund Administration Committee

The Fund Administration Committee serves as the apex body overseeing the operations of the Kericho Emergency Fund. Its core functions include approving disbursements for emergency-related interventions, reviewing fund performance reports, establishing operational guidelines and procedures, and ensuring alignment with the Public Finance Management (Emergency Fund) Regulations. The Committee also plays a strategic role in risk management and stakeholder coordination, particularly during emergency responses.

Committee Charter and Governance Framework

The Committee operates under a formal Committee Charter, which defines its mandate, roles, decision-making processes, and ethical standards. The Charter was developed in line with the relevant provisions of the Public Finance Management Act, County Government Act, and other guiding laws and policies. It provides a clear governance framework, ensuring the Committee functions in a structured, objective, and accountable manner.

Appointment and Removal of Committee Members

The appointment of Committee members follows a transparent and merit-based process guided by County Executive directives. Members are drawn from key departments such as Finance, Health, Public Works, Disaster Management, and Legal Services, as well as representatives from civil society. Nominations are vetted and appointed by the County Executive Committee Member (CECM) for Finance in consultation with relevant stakeholders. Removal of a member can be effected through resignation, breach of code of conduct, prolonged absenteeism, or dismissal by the appointing authority for valid reasons, including conflict of interest or misconduct.

Committee Meetings and Attendance

During the year under review, the Fund Administration Committee held four (4) scheduled meetings, with additional ad hoc meetings convened in response to emergency incidents. The average attendance rate was above 90%, reflecting the strong commitment of members to the Fund's mandate. Attendance registers and meeting minutes are maintained to ensure accountability and traceability of decisions.

Succession Planning

To ensure continuity and institutional memory, the Committee has in place a succession plan that outlines a clear framework for onboarding and transitioning members. This includes identifying potential successors from within relevant departments and building their capacity in emergency fund management and governance practices. The plan is periodically reviewed to address emerging institutional needs and align with best practices in public service governance.

Induction and Training

All new members undergo a structured induction program that familiarizes them with the Fund's objectives, operational procedures, legal framework, and ethical expectations. In addition, the Committee facilitates periodic capacity-building sessions, including training on disaster risk management, financial oversight, and public procurement procedures. These initiatives are critical to enhancing the effectiveness and responsiveness of the Committee.

Performance of Committee Members

The performance of Committee members is reviewed annually based on their participation, decision-making input, adherence to ethical standards, and contribution to the Fund's objectives. Performance reviews are documented and used to inform succession, reappointments, or restructuring where necessary. This performance management system promotes a results-oriented culture within the Committee.

Conflict of Interest

The Fund has instituted a Conflict of Interest Policy that requires members to declare any personal or professional interests that may affect their impartiality in Committee deliberations. Declaration forms are signed at the beginning of each term and updated as needed. Members found to have acted in conflict without disclosure are subject to disciplinary action as stipulated in the governance policy.

Remuneration of Committee Members

Committee members serve on a part-time basis and are entitled to a modest sitting allowance, in accordance with County Government guidelines. The remuneration is subject to budget availability and is reviewed periodically in line with Salaries and Remuneration Commission (SRC) advisories. No member is allowed to receive multiple payments for the same function from different departments.

Ethics, Conduct, and Governance Audit

Members of the Fund Administration Committee are bound by a Code of Ethics and Conduct, which emphasizes integrity, confidentiality, accountability, and commitment to public service. Annual declarations of wealth, adherence to anti-corruption guidelines, and commitment to fair decision-making are standard expectations. Additionally, the Fund is subject to periodic

Kericho County Emergency Fund

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

governance audits, both internally and externally, to assess compliance with applicable laws, effectiveness of oversight, and quality of governance practices. These audits inform continuous improvement and enhance public confidence in the Fund's operations.

The Kericho Emergency Fund remains committed to upholding the highest standards of governance, fostering transparency and accountability, and ensuring that resources entrusted to it are used efficiently and equitably to safeguard public welfare in times of crisis

9. Management Discussion and Analysis

Over the last five financial years, the Kericho Emergency Fund has remained a vital financial instrument for addressing unplanned emergencies and safeguarding public welfare. The Fund has continued to receive allocations from the County Treasury to support its mandate of enabling rapid responses to disasters such as floods, fires, disease outbreaks, and other critical incidents. The most recent allocation in FY 2024/2025 was Kshs.17 million.

During this period, the Fund has supported a variety of projects and interventions. These include the provision of emergency medical supplies, construction of ECDE Toilets and support to health facilities during disease outbreaks.

Operationally, the Fund has improved efficiency in disbursement and coordination. The average response time from incident report to fund approval has reduced from 14 days in 2020/21 to under 5 days in 2024/25.

In terms of compliance, the Fund has adhered to the Public Finance Management (Emergency Fund) Regulations, 2014, and the Public Procurement and Asset Disposal Act, 2015, in all its operations. Annual financial statements have been prepared and submitted for audit within statutory timelines. The Fund also complies with reporting requirements of the Controller of Budget and the County Treasury.

Despite these successes, the Fund faces several risks. Key among them is the unpredictability of emergencies, which often stretch the limited resources beyond available allocations. Furthermore, delayed releases from the exchequer and bureaucratic approval processes occasionally affect timely response. The Fund is also exposed to operational risks, including inadequate staffing at sub-county levels and limited logistical support.

As of the end of FY 2024/2025, the Fund had no material arrears in statutory obligations such as tax remittances, employee-related payments, or procurement commitments. All financial obligations were met as required, and no penalties or fines were incurred during the review period. However, constraints in funding have resulted in deferred emergency interventions in at least two instances during the year, where requests had to be postponed pending additional allocations.

Looking forward, the Fund aims to strengthen its capacity through increased budget proposals, enhanced digitization of processes, and partnerships with humanitarian agencies to supplement its operations. Discussions are underway with development partners to support capacity building and emergency preparedness training at ward level. In addition, a public awareness campaign is planned to enhance community knowledge on accessing emergency support and reporting incidents.

In conclusion, the Kericho Emergency Fund has demonstrated strong operational resilience and financial prudence over the past five years. While challenges persist, the management is committed to improving systems, enhancing transparency, and ensuring that the Fund continues to serve as a reliable pillar in disaster response and recovery for the people of Kericho County.

10. Environmental and Sustainability Reporting

Sustainability Strategy and Profile

The Kericho Emergency Fund recognizes the growing significance of sustainability in public service delivery, especially in light of global trends such as climate change, pandemics, and rising socio-economic inequality. These dynamics have heightened the need for sustainable emergency preparedness strategies that align with Kenya's Vision 2030 and international frameworks such as the Sustainable Development Goals (SDGs)—particularly SDG 3 (Good Health and Wellbeing), SDG 11 (Sustainable Cities and Communities), and SDG 13 (Climate Action).

During the reporting period, the Fund prioritized building local resilience through inclusive emergency response mechanisms. Notably, over 35% of procurement contracts for emergency services (such as relief supplies and logistical support) were awarded to youth, women, and persons with disabilities (PWDs), in line with the Access to Government Procurement Opportunities (AGPO) framework. Furthermore, all contracts were issued through open and competitive processes, reflecting our commitment to fair market practices and value-for-money service delivery. Although constrained by limited funding, the Fund achieved notable success in promoting community preparedness and rapid response, despite delays in exchequer releases. To mitigate such failures, the Fund has adopted a rolling contingency plan that allows staggered interventions during overlapping emergencies.

Our Service Delivery Charter, which is publicly available at the Fund's offices and online platforms, outlines clear response timelines, complaint handling procedures, and service standards. All contractors are required to commit to environmental compliance and social safeguards before engagement.

Environmental Performance

The Kericho Emergency Fund has adopted an Environmental Management Policy that emphasizes compliance with environmental protection laws and proactive adoption of eco-friendly practices in all funded activities. In line with this policy, the Fund promoted the use of biodegradable packaging, reduction of single-use plastics, and recycling of relief material waste during food and medical distribution efforts. In 2024/2025, a total of 42% of relief supply packaging transitioned to biodegradable alternatives, and sorting bins were installed at three strategic storage centers to encourage waste segregation.

Efforts to minimize environmental impact include promoting solar-powered lighting at emergency shelters, using eco-toilets in remote areas, and maintaining government-owned emergency vehicles to reduce carbon emissions. In partnership with the County Environment Department, tree planting campaigns were undertaken in disaster-prone zones to support biodiversity conservation and land rehabilitation—with over 3,000 trees planted in Kipkelion and Belgut sub-counties alone. Key challenges remain in ensuring full policy enforcement due to limited staffing and occasional logistical constraints during rapid deployments. Plans are in place to integrate climate-smart innovations such as mobile, low-emission cooking stations in relief camps and to automate logistical operations to reduce paper usage.

Employee Welfare

The Fund promotes equitable, safe, and inclusive work environments, guided by policies that adhere to the Occupational Safety and Health Act (OSHA), 2007. Recruitment practices are merit-based and promote diversity, with deliberate inclusion of women (40%), youth (30%), and PWDs (5%) in both permanent and temporary engagement roles. Staff training was a key priority in the year under review, with emergency response personnel undergoing specialized training in trauma-informed first aid, disaster logistics, and field safety protocols.

Performance management includes bi-annual appraisals, recognition of high-performing staff, and clear career progression pathways. Notably, there were no recorded work-related injuries or safety violations in the year under review. The Fund also facilitated access to mental health support services for frontline workers handling traumatic incidents—a milestone in employee welfare.

Marketplace Practices

The Fund upholds high standards in marketplace ethics, procurement, and citizen engagement.

(a) Responsible Competition Practice:

All procurement is conducted through open tendering, adhering strictly to the Public Procurement and Asset Disposal Act, with anti-corruption clauses included in all tender documents. The Fund maintains a zero-tolerance policy on political interference and ensures equal treatment of all bidders. To enhance service delivery, it adopted cashless payment systems, an interactive complaints mechanism, and self-service information desks at county offices.

(b) Responsible Supply Chain and Supplier Relations:

Suppliers are treated fairly, with over 90% of payments made within contractual timelines, and all service providers are vetted for compliance with labor and environmental standards. Suppliers are engaged through periodic forums where they give feedback and receive updates on upcoming opportunities.

(c) Responsible Engagement with Citizens:

The Fund engages the public through community consultative forums, radio broadcasts, and information desks at sub-county offices. Emergency support guidelines and timelines are clearly communicated, and no misleading or exaggerated claims are made. The Fund prioritizes respectful, inclusive communication that reflects the diversity of Kericho County.

(d) Product Stewardship / Awareness Creation:

The Fund prioritizes citizen rights and transparency by providing clear information on relief entitlements, complaint resolution avenues, and rights to appeal. Citizen data collected during relief operations is handled with strict confidentiality and in accordance with Data Protection guidelines. A whistleblower policy has been developed to encourage ethical reporting of fund misuse or corruption.

Corporate Social Responsibility (CSR) and Community Engagement

Although emergency relief is the Fund's core mandate, the entity has initiated CSR efforts aligned to its mission. In FY 2024/25, the Fund supported three local schools affected by storm damage with temporary roofing materials and hygiene kits. It also conducted a public tree planting exercise in partnership with the County Environment Office and local youth groups, planting over 3,000 indigenous trees across flood-prone areas. Additionally, the Fund hosted four civic education forums across wards to sensitize communities on disaster preparedness, emergency reporting, and first aid basics.

In terms of public participation, the Fund was represented in the County Budget and Economic Forum (CBEF), where priorities for emergency response were discussed with stakeholders and incorporated into budget formulation. Community feedback from these sessions directly informed the prioritization of interventions and allocation decisions.

The Kericho Emergency Fund remains committed to deepening its sustainability agenda by aligning its operations with environmental responsibility, social inclusion, and good governance. Future priorities include scaling digital platforms, enhancing partnerships, and building resilient communities capable of withstanding and recovering from shocks more effectively.

11. Report of The Committee

The Committee 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 activities of the Kericho Emergency Fund are to provide timely financial interventions for unforeseen and urgent emergencies within Kericho County. These include responding to natural disasters such as floods, fires, and droughts; addressing public health emergencies, including disease outbreaks; and supporting affected communities through emergency relief services, temporary shelter, medical supplies, and logistical support. The Fund also plays a key role in strengthening county disaster preparedness, supporting rapid response mechanisms, and building community resilience through risk mitigation initiatives and stakeholder coordination. All these activities are carried out in line with the Public Finance Management (Emergency Fund) Regulations and the County Government's broader strategy on disaster risk reduction and sustainable development.

Results

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

Committee

The Fund Committee Members who served during the year are shown on page 1-6 (*refer to the key entity information and management page*). The changes in the Committee during the financial year are as shown below: (*indicate any Fund Committee members who left office during the year*)

Auditors

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

By Order of the Board



.....

Chairman of the Fund Administration Committee

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, 20xx. 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 and Kericho County Emergency Fund Act, 2014. 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, 20xx, 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 _____ 2025 and signed on its behalf by:


.....

Fund Administrator

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KERICHO COUNTY EMERGENCY 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.

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kericho County Emergency Fund set out on pages 1 to 28, which comprise of the statement 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

Report of the Auditor-General on Kericho County Emergency Fund for the year ended 30 June, 2025

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Kericho County Emergency 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 Kericho County Emergency Act, 2014 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kericho County Emergency 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 opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total receipts final budget against actual on comparable basis amounting to Kshs.32,000,000 and Kshs.25,000,000, respectively, resulting to a revenue shortfall of Kshs.7,000,000 or twenty two percent (22%) of the budget.

Further, the statement reflects total payments budget amounting to Kshs.32,000,000 against actual on comparable basis of Kshs.23,842,702 resulting to under absorption of funds of Kshs.8,157,298 or twenty five percent (25%) of the budget.

In addition, Management has not disclosed in a way of a footnote to the financial statements' reasons for the material difference between the budgeted and actual amounts. This was contrary to Regulation 130(2)(c) of the Public Finance Management (County Governments) Regulations, 2015 which requires an Accounting Officer to provide footnotes to the annual financial statements giving reasons for material differences between approved estimates and actual expenditure, or actual collection of Appropriation-in-Aid.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Prior Year Audit Matters

In the audit report of the previous year, six (6) issues were raised under the Report on Financial Statements, Emphasis of Matter, Other Matter, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance as shown in **Appendix I**. However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

Other Information

Management is responsible for the Other Information set out on page iii to xix which comprise of Key Entity Information and Management, Fund Administration Committee, Key Management Team, Report of the Chairman of the Fund, Report of the Fund Administrator, Statement of Performance Against Predetermined Objectives, Statement of Corporate Governance , Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Committee, and Statement of Management's 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 effect 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

Unapproved Emergency Expenditure

The statement of performance reflects emergency expenses amounting to Kshs.11,955,062. However, the expenditure was not approved by the County Assembly within two months after making the payments. This was contrary to Section 10(1) of Kericho County Emergency Fund Act, 2014 which requires the County Assembly to approve emergency expenditure within two months after payments are made out of the Fund.

In the circumstance, Management was in breach of the law.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on the 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

Lack of Risk Management Policy

Documents and records provided for audit review revealed that the Fund Management had not established Risk Management Policy. This is contrary to Regulation 158(1)(a)(b) of the Public Finance Management (County Governments) Regulations, 2015 which provides that the accounting officer shall ensure that the county government entity develops risk management strategies which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstance, the existence of an effective mechanism to safeguard against risks could not be confirmed.

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 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 continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern 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

26 November, 2025

Appendix I

Unresolved Prior Year Audit Matters

Number	Financial year	Audit Issue
		Report on Financial Statements
1	2023/2024	Unsupported cash and cash equivalents
2	2023/2024	Unsupported property, plant and equipment
3	2023/2024	Unsupported trade and other payables from exchange transactions
		Emphasis of Matter
4	2023/2024	Budgetary control and performance
		Other Matter
5	2023/2024	Prior year matters
		Report on Lawfulness and Effectiveness in the Use of Public Resources
6	2023/2024	Lack of Approval for Emergency Expenses by the County Assembly
		Report on the Effectiveness of Internal Controls, Risk Management and Governance
7	2023/2024	Lack of Risk Management policy

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	17,000,000	15,000,000
Public Contributions and Donations	7		
		17,000,000	15,000,000
Revenue From Exchange Transactions			
Finance Income	8	-	-
Total Revenue		17,000,000	15,000,000
Expenses			
Emergency Expenses	9	11,955,062	16,664,090
Use of goods and services	10	3,180.00	453,657
Total Expenses		11,958,242.00	17,117,747
Surplus/(Deficit) for the Year		5,041,758.00	-2,117,747

.....
Name: CPA Dr George Kirer

Fund Administrator

ICPAK Member Number:9499

Date 15/11/25

.....
Name: CPA Wilbert Cheruiyot

Fund Accountant

ICPAK Member Number:24068

Date 10/11/2025

Kericho County Emergency Fund

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

15. Statement of Financial Position As at 30 June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	11	8,026,531.02	5,710,365
Receivables from non-exchange transactions	12	7,000,000.00	15,000,000
Receivables from exchange transactions	13	-	-
Total current assets		15,026,531.02	20,710,365
Total Assets (A)			
Non-Current Assets			
Property, Plant and Equipment	14	-	12,019,162
		15,026,531.02	32,729,527
Liabilities			
Current Liabilities			
Trade and Other Payables	15	5,640,670	16,366,262
Total current liabilities		5,640,670	16,366,262
Total Liabilities (B)			
Net Assets (A-B)		<u>9,385,861</u>	<u>16,363,265</u>
Represented By:			
Accumulated Surplus		9,385,861	16,363,265
Net Assets		<u>9,385,861</u>	<u>16,363,265</u>

.....
 Name: CPA Dr George Kirer
 Fund Administrator
 ICPAK Member Number:9499
 Date: 10/11/25

.....
 Name: CPA Wilbert Cheruiyot
 Fund Accountant
 ICPAK Member Number:24068
 Date: 10/11/25

Kericho County Emergency 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/Deficit
	Kshs
Balance As At 1 July 2023	18,481,012
Surplus/(Deficit) For the Year	-2,117,747
Balance As At 30 June 2024	16,363,265
Balance As At 1 st July 2024	16,363,265.00
Prior Year Adjustment	(12,019,162)
Surplus/(Deficit) For the Year	5,041,758
Balance As At 30 June 2025	9,385,861.00

Prior Year Adjustment of Net assets Brought Forward relates to Property, plant, and equipment amounting to Kshs.12,019,162 was erroneously capitalized in the previous year instead of being expensed as per the applicable accounting standards. Upon review, it was established that the related payments did not meet the capitalization criteria outlined under IPSAS 17.

Kericho County Emergency 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	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Receipts From the County Government		25,000,000.00	5,000,000
Public Contributions and Donations			
Interest received			
Total receipts		25,000,000.00	5,000,000
Payments			
Emergency Expenses		23,839,522.00	4,203,947
Use of goods and services		3,180.00	453,657
Total Payments		23,842,702.00	4,657,604
Net cash flows from operating activities	16	1,157,298.00	342,396
		.	
Cash flows from investing activities		-	
Net cash flows used in investing activities			
Cash flows from financing activities			
Adjust for :Increase /Decrease in Retention		1,158,868.00	102,148
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash & cash Equivalents		2,316,166.00	444,544
Prior Year Adjustment		-	2,740,743
Cash and cash equivalents at 1 July	11	5,710,365.00	2,525,078
Cash and cash equivalents at 30 June		8,026,531.02	5,710,365.00

(PSASB has prescribed the direct method of cash flow preparation/ presentation for all entities under the IPSAS accrual basis of accounting.)

18. Statement Of Comparison Of Budget And Actual Amounts For The Period

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Opening Budget Carry overs	-	-	15,000,000	15,000,000	-	100%
Receipts						
Transfers From County Govt.	17,000,000	-	17,000,000	10,000,000	7,000,000	58.8%
Public Contributions and Donations						
Interest Income						
Total Receipts	17,000,000	-	32,000,000	25,000,000	7,000,000	78.1%
Payments						
Emergency Expenses	16,990,000	-	31,990,000	23,839,522.00	8,150,478	74.5%
Use of goods and services	10,000	-	10,000	3,180.00	6,820	31.8%
Total Payments	17,000,000	-	32,000,000	23,842,702.00	8,157,298	74.5%
Surplus For the Period	0		0	1,157,298.00	(1,157,298)	

(Budget carryovers This is for entities whose budget lapses at year-end, but the surpluses are not legally required to be remitted back to the CRF.. Budget carryovers should not include third-party funds such as contractors' retention.)*

Budget notes

1. Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)
2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)

(Entities can present the Statement of Comparison of Budget & Actual amounts in a different categorization of items as approved by the governing body.)

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

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	1,157,298.00
1	Increase in Deposit	1,158,868.00
2	Reason for differences	
3	Reason for differences	
4	Reason for differences	
	Closing Cash and Cash Equivalent as per the statement of Cash flows	2,316,166.00

19. Notes to the Financial Statements

1. General Information

The Emergency Fund is established by and derives its authority and accountability from Kericho County Emergency fund Act. The fund is wholly owned by the Kericho County Government and is domiciled in Kenya. The fund’s principal activity is provide timely financial interventions for unforeseen and urgent emergencies within Kericho County

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

(When an IPSAS becomes effective on 1st January 20xx, it is applicable in Kenya from 1st July 20xx)

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

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 2025.

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

Standard	Effective date and impact:
	<p>financial statements to assess the effect that 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><i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></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><i>State the expected impact of the standard to the Entity if relevant</i></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>

**Kericho County Emergency Fund
Annual Report and Financial Statements For the year ended 30th June 2025**

Standard	Effective date and impact:
	<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> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
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> <p><i>State the expected impact of the standard to the Entity if relevant</i></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> <p><i>State the expected impact of the standard to the Entity if relevant</i></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</p>

Standard	Effective date and impact:
	sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

(iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

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 2025 was approved by the County Assembly on xxxx. 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 recorded additional appropriations of xxxxx on the FY 2025 budget following the governing body's approval.

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 cash flows.

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. (amend as appropriate).* 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 xx*.

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. *Entity to state the reserves maintained and appropriate policies adopted.*

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. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

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

Kericho County Emergency Fund
Annual Report and Financial Statements For the year ended 30th June 2025

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.

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

c) Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

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.

(Include provisions applicable for your organisation)

6. Transfers from the County Government

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfers From Finance County Department	17,000,000	15,000,000
Others (<i>specify</i>)		
Total	17,000,000	15,000,000

7. Public contributions and donations

Description	2024-2025	2023-2024
	Kshs	Kshs
Cash Donation from Development Partners	-	-
Cash Contributions from the Public		
In kind Donation from Development Partners		
In kind Contributions from the Public		
Others (<i>specify</i>)		
Total	-	-

(Provide brief explanation for this revenue)

8. Finance Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Interest Income on Bank Deposits (current account)	-	-
Total Finance Income	-	-

(Provide brief explanation for this revenue)

9. Emergency Expenses

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Drought related expenses	-	-
Fire related expenses		
Flood related expenses		
Other (<i>Specify</i>)	11,955,062	16,664,090
Total	11,955,062.00	16,664,090.00

(Indicate the expenses as per the nature of emergency)

10. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Bank Charges	3,180.00	
Audit Fees		
Other (<i>Specify</i>)		453,657.00
Total	3,180.00	453,657.00

11. Cash and cash equivalents.

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	8,026,531.02	5,710,365.00
Others (<i>Specify</i>)	-	-
Total Cash and Cash Equivalents	8,026,531.02	5,710,365.00

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

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
EQUITY BANK	0280263500766	4,024,772.00	2,867,474.00
EQUITY BANK	0280280030289	4,001,759.02	2,842,890.50
Sub- Total		8,026,531.02	5,710,365.00
b) Others (Specify)			
Cash In Transit		-	-
Cash In Hand		-	-
Sub- Total		-	-
Grand Total		8,026,531.02	5,710,365.00

Provide disclosure on any restricted cash that the entity is holding.

12. Receivables from non-exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Revenue Receivable	7,000,000	15,000,000
Others (<i>specify</i>)		
Total Current Receivables	7,000,000	15,000,000

13. Receivables from exchange transactions

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Current Receivables		
Interest Receivable	-	-
Others (<i>specify</i>)	-	-
Total Current Receivables	-	-

14. Property, plant and Equipment

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Property, plant and Equipment	-	12,019,162
Total Property, plant and Equipment	-	12,019,162

15. Trade and other payables

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Payables	1,098,900	16,366,262
Accrued Expenses		
Retention money	4,541,770	
Other Payables		
Total Trade and Other Payables	5,640,670	16,366,262

Kericho County Emergency Fund

Annual Report and Financial Statements For the year ended 30th June 2025

Ageing analysis (Trade and other payables)	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	5,640,670	%	-	%
1-2 years		%		%
2-3 years		%		%
Over 3 years		%		%
Total (tie to above total)	5,640,670			

16. Cash generated from operations.

Description	2024-2024	2023-2024
	Kshs	shs
Surplus/ (Deficit) For the Year Before Tax	5,041,758	
Adjusted For:		
Working Capital Adjustments		
Increase In Receivables	(15,000,00)	
Increase In Payables		
Net Cash Flow From Operating Activities	1,157,298.00	342,396

(The total of this statement should tie to the cash flow section on net cash flows from operating activities)

17. 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.

b) Related party transactions

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Transfers From Related Parties		
Transfers To Related Parties		

c) Due from related parties

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Due From County Government	-	
Total	-	-

d) Due to related parties

Description	2024-2025	2023-2024
	Kshs	Kshs
Due To County Government	-	-
Total	-	-

18. Contingent assets and contingent liabilities

Contingent Assets/Liabilities	2024-2025	2023-2024
	Kshs	Kshs
Court Case Against the Fund	-	-
Bank Guarantees	-	-
Total	-	-

(Give details)

19. 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. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Kericho County Emergency Fund
Annual Report and Financial Statements For the year ended 30th June 2025

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables From Exchange Transactions				
Receivables From Non-Exchange Transactions	15,000,000	-	-	-
Bank Balances	5,710,365			
Total	20,710,365	-	-	-
At 30 June 2025		-	-	
Receivables From Exchange Transactions				
Receivables From Non-Exchange Transactions	7,000,000	-	-	-
Bank Balances	8,026,531			
Total	15,026,531	-	-	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

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 entity has significant concentration of credit risk on amounts due

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.

The table below represents cash flows payable by the Fund under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2025				
Trade Payables		4,541,770		4,541,770
Total		4,541,770		4,541,770
At 30 June 2024				
Trade Payables			16,366,262	16,366,262
Total			16,366,262	16,366,262

c) Market risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

i. Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Kericho County Emergency Fund
Annual Report and Financial Statements For the year ended 30th June 2025

Description		Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June (Current FY)			
Financial Assets			
Cash			
Debtors/ Receivables			
Liabilities			
Trade And Other Payables			
Net Foreign Currency Asset/(Liability)			

The Fund manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
(Current FY)			
Euro	10%	-	-
USD	10%	-	-
(Comparative FY)			
Euro	10%	-	-
USD	10%	-	-

ii. Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The entity's interest rate risk arises from bank deposits. This exposes the Fund to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (20xx: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (20xx – Kshs xxx).

d) 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. The entity capital structure comprises of the following funds:

Description	Current FY	Comparative FY
	Kshs	Kshs
Accumulated surplus	-	-
Total funds	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)		-
Gearing		-

20. Events after the reporting period

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

21. Currency

The financial statements are presented in Kenya Shillings (Kshs)

Kericho County Emergency Fund

Annual Report and Financial Statements For the year ended 30th June 2025

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.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
REPORT OF THE AUDITOR GENERAL	Unsupported Cash and Cash Equivalent	The Management has Supported and Reconciled the Cash and CASH Equivalent	Resolved	
REPORT OF THE AUDITOR GENERAL	Unsupported Property ,Plant and Equivalent	The Management has Supported the PPE with Schedules.Payment vouchers and Certificate of Buildings	Resolved	
REPORT OF THE AUDITOR GENERAL	Unsupported Trade and Other Payables from Exchange Transactions	The Management had Supported Trade and Other Payables from Exchange Transactions with Invoices and Interim Payment Certificates	Resolved	

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the “Issue/Observation” and “management comments” required above from the final external audit report that is signed by Management.
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Fund responsible for the implementation of each issue.

Kericho County Emergency Fund
Annual Report and Financial Statements For the year ended 30th June 2025

(iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report.

.....
[Handwritten signature]

Fund Administrator

Date.....*10/11/25*.....

Kericho County Emergency Fund
Annual Report and Financial Statements for the year ended June 30, 20xx

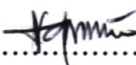
Annex II: Inter-Entity Confirmation Letter


Name of transferring entity: KERICHO EXECUTIVE

Name of beneficiary entity: ...KERICHO COUNTY EMERGENCY FUND

Confirmation of amounts received by [Kericho County Emergency Fund] as at 30 th June 2025						
Reference Number	Date Disbursed	Amounts Disbursed by [Kericho County Department] (Kshs) as at 30 th June 2025			Amount Received by Kericho County Emergency Fund] (KShs) as at 30 th June 2025 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
FT25073W06ZY	14-Mar-25	10,000,000	-	10,000,000		-
FT2518595SSR	04-Jul-25	7,000,000	-	7,000,000		-
Total		<u>17,000,000</u>		<u>17,000,000</u>		

I confirm that the amounts shown above are correct as of the dates indicated.

Head of Accounts Department - Disbursing Entity:
 Name: CPA Fernandes Korir Sign  Date 10.11.25

Head of Accounts Department - Beneficiary Entity:
 Name ...CPA Willy Chirchir..... Sign  Date 10/11/25

Kericho County Emergency Fund
Annual Report and Financial Statements for the year ended June 30, 20xx

Annex III: Analysis of Emergency Expenditure

Date	Payee	Amount	Purpose of Payment	Status (spent/not spent)	Remarks
17.4.25	Boc K Ltd	7,954,930.98	Supply and Delivery Of Oxygen	Spent	100%
30.06.2025	Cent View Company Limited	1,098,900	Construction of 3 Door Pit Latrine	Spent	100%

(This information is in compliance with PFM Sec 115. The Fund administrator should state whether the person to whom the payment was made has spent the money for that purpose, and a statement made to that effect; if the person to whom the payment has been made has not yet spent the money for that purpose, a statement specifying the reasons for not having done so)



.....
Name: CPA Dr George Kirer

Fund Administrator

Date 10/11/25.