

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL ASSEMBLY

PAPERS LAID

DATE: 03 MAY 2025

Thursday

ON RD

BY:

Hon. Naomi Wago, MP
Deputy Majority Party Whip

CLERK AT
THE TABLE:

A. Shibusko

BOMET UNIVERSITY COLLEGE

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



BOMET UNIVERSITY COLLEGE
(A Constituent of Moi University College)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

Contents

I.	Acronyms and Definition of Key Terms	iii
2.	Key Entity Information and Management	iv
3.	Members of the University Council	vi
4.	Key Management Team	x
5.	Chairman's Statement	xiv
6.	Report of the Principal	xv
7.	Statement of Performance against Predetermined Objectives for FY 2023/2024.....	xvi
8.	Corporate Governance Statement.....	xxxi
9.	Management Discussion and Analysis	xxxiii
10.	Environmental and Sustainability Reporting	xliv
II.	Report of the Directors.....	xliv
12.	Statement of Directors Responsibilities	xlvi
13.	Report of the Independent Auditor for the Financial Statements of Bomet University College.....	xlvii
14.	Statement of Financial Performance for the year ended 30 June 2024.....	1
15.	Statement of Financial Position as at 30 June 2024.....	2
16.	Statement of Changes in Net Assets for the year ended 30 June 2024.....	3
17.	Statement of Cash Flows for the year ended 30 June 2024.....	4
18.	Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024	5
19.	Notes to the Financial Statements.....	6
20.	Appendices	49

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

I. Acronyms and Definition of Key Terms

A: Acronyms

BUC	Bomet University College
FY	Financial Year
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
VC	Vice Chancellor

B: Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year- Means the prior period.

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

2. Key Entity Information and Management

PRINCIPAL PLACE OF BUSINESS

Bomet University College
Off Narok- Kaplong Road
P.O. Box 701-20400
BOMET, KENYA

INDEPENDENT AUDITORS

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

BANKERS OF THE UNIVERSITY

Co-operative Bank of Kenya Limited
Bomet Branch.
P.O Box 501-20400
BOMET, KENYA

PRINCIPAL LEGAL ADVISER

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

Kenya Commercial Bank Limited,
Bomet Branch.
P.O Box 264-20400
BOMET, KENYA

UNIVERSITY COLLEGE CONTACTS

Telephone:0748067182

National Bank of Kenya
Bomet Branch.
P.O Box 539-20400
BOMET, KENYA

E-mail: principal@buc.ac.ke

Website: www.buc.ac.ke

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

Entity Information and Management (continued)

PRINCIPAL ACTIVITIES

The principal activity of the University College is to provide university education through teaching, training, research and outreach.

VISION, MISSION AND CORE VALUES

VISION

To be a premier Green University in fostering research excellence in Science, Technology and Innovation for sustainability.

MISSION

To provide a conducive environment for discovery, preservation and dissemination of knowledge; to nurture critical inquiry, creativity and engagement for social transformation and advancement of humanity.

CORE VALUES

Integrity
Transparency
Respect

Patriotism
Accountability
Commitment

PHILOSOPHY

As a University Community, we believe in quality, pragmatic teaching, learning, originality, inclusiveness in management, harnessing knowledge and being a multi-disciplinary institution of quality and innovative research for sustainable development.

NICHE

Green University for sustainability

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

3. Members of the University Council

The Profiles for the University Council Members who were in office during the period ended 30 June, 2024 are presented here below:

CHAIRPERSON



Prof. Simon Eric Mitema
PhD(UoN), MSc(UoN), BSc(UoN)
YoB: 1957

Prof. Simon Eric Mitema holds a Bachelor of Veterinary Medicine, MSc and PhD in Pharmacology and Toxicology from the University of Nairobi. He is a Professor of Veterinary Pharmacology and Toxicology and formerly served as Chairman, Department of Public Health, Pharmacology and Toxicology and Director, Centre for International Collaboration and Links. He has supervised 8 PhD and 15 Masters Students' Projects to completion and has published 52 peer-reviewed scientific papers and 20 conference papers. He is a Member of the African Union Expert on residues of Veterinary drugs in food as well as Member of the National Action Plan on Antimicrobial Resistance (AMR)

Prof. Isaac Kosgey,



Ex-officio member

YoB: 1965

PhD (Weningen University), MSc (Weningen University), BSc
(Egerton University).

Prof. Isaac Kosgey is a Professor of Animal Sciences (Animal Breeding and Genetics) and currently the Vice Chancellor of Moi University. He served previously as the Deputy Vice Chancellor (Administration, Finance and Development) at Laikipia University.

He holds a Doctor of Philosophy in Animal Sciences and a Master of Science degree in Animal Sciences from Weningen University, Netherlands. In addition, he holds a Bachelor of Science in Animal Production from Egerton University, Diploma in Law from Mount Kenya University, and a Master of Business Administration from Kenyatta University. He holds a Bachelor of Laws degree (LLB) from the Open University of Tanzania, Tanzania.

Prof. Anne Kisaka Nangulu,

Secretary (Upto 10th April, 2024)

YoB: 1963

PhD(West Virginia University), MA(UoN), BA(UoN)



Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

Prof. Anne Nangulu holds a Bachelor of Arts Degree (History) from the University of Nairobi (UoN), Master of Arts (History) from UoN, PhD in History from West Virginia University, USA. She has trained in Quality Assurance in University/Higher Education.

She has extensive experience in teaching, research and management in university education. She served as the Deputy Commission Secretary in charge of Quality Audits and Standards at the Commission of University Education. Also served as Acting Deputy Vice-Chancellor, Academic, Research and Extension at Moi University and Secretary to Senate. She has also served as Dean School of Arts and Social Sciences and Director Quality Assurance at Moi University. She is the Principal and Secretary to Council at Bomet University College and Professor of History at Moi University.



Prof. Loice C. Maru

Secretary (Between 11th April, 2024 Todate)

YoB: 1963

PhD, MPhil, BBM (Moi University), HND (KTTC), Diploma (KTTC)



Mr. Martin Mugambi,

Member

YoB: 1962.

MBA (KEMU), LLB (UoN) CPS (K) Dip. Law (KSL).

Mr. Martin Mugambi is the Managing Partner at Mithega & Kariuki Advocates with more than 30 years' experience in Legal Practice. He is a Commissioner for Oaths and Notary Public.

He holds a Master in Business Administration (Human Resource Management), Kenya Methodist University. He holds Bachelor of Laws (LLB. Hons), University of Nairobi and Diploma in Law (dip. Laws) Kenya School of Law.

He previously served as a Member of the Insurance Appeals Tribunal and had also served as Director with Agricultural Development Corporation (ADC).

Member of Several Professional Bodies; Law Society of Kenya, East Africa Law Society, and Certified Public Secretaries of Kenya among others.



Eng. Peter Hiram,

Member

YoB: 1953

MSc (Southampton University), BSc UoN)

Eng. Peter Hiram is a Professional Engineer with over 40 years' postgraduate experience in Feasibility

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

Studies, Design and Construction Supervision of Highway Projects in Rural and Urban areas in Kenya and other African countries.

He holds a Msc. Civil and Structural Engineering, Southampton (UK) and Bachelor of Science in Civil Engineering, University of Nairobi.

He is a Member of Institution of Engineers of Kenya, Registered Engineer (Kenya) and Registered Consulting Engineer



Mr. Cherukut Butaki,

Member

YoB: 1944.

MSc (University of Manitoba), M.Ed (UON), BSc, (University of East Africa).

Mr. Reuben Cherukut Butaki holds a Msc in Agriculture from the University of Manitoba, Canada. He also holds a Bachelor Science degree in Chemistry and Botany from the University of East Africa.

He previously worked as Director at National Agricultural Research Centre (KARI) Kitale. He also worked as the Managing Director at Kenya Farmers Association (KFA), Nakuru.

He also worked as a Produce Executive at Kenya Farmers Association. Mr. Cherukut also worked as a Senior Agricultural Officer, Njoro, under the Ministry of Agriculture.

He previously worked as Research Officer at Kenya Breweries Limited.



Ms. Christine Oduogi

Rep State Department of University

Education and Research

YoB: 1974

MA (Cardiff Wales),

Ms. Christine Oduogi is an Assistant Director at the Ministry of Education Headquarters Jogoo House, Republic of Kenya since 30th May 2022. Ms. Oduogi was posted to the Ministry of Education from the Ministry of Information, Communication and technology from 1st July 2014 to work in the Administration section, communication unit Ms. Oduogi is currently a member of the National Focal Points of the East African Community Risk and Crisis Communication Sub-Working Group. The partner States members are drawn from the Ministries of Agriculture, Livestock, Education, and Health, immigration, tourism wildlife and trade.

Rev. Dr. Robert Lang'at



Member

YoB: 1967

PhD, (Drew University), MA (WBS), BA (Highlands University).

Rev. Dr. Robert Lang'at is the Presiding Bishop of Africa Gospel Church, Kenya. He holds PhD and a Master of Philosophy from Drew University. He also has a Master of Arts in Theology from Wesley Biblical Seminary (WBS). He has a Bachelors 'degree in Theology from Kenya Highlands University.

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

Has published several Internal Academic Journals in Theology and Missions. Previously served as Assistant Academic Dean at WBS and Head of Department at Kabarak University. He is currently the Chairperson of Tenwek Mission Hospital in Bomet County.



Ms. Monica Asuna,
Rep National Treasury
YoB: 1970.
MA (University of Malawi), BA (Moi University)

Ms. Monica Asuna is a Director of Planning at the National Treasury and Planning, Kenya, with 24 years' experience specifically under the Ministry of Finance which is now The National Treasury.

She holds a Master degree in Economics from the University of Malawi and BA in Economics from Moi University. She is the Head of United Nations Agencies Division, Development Effectiveness Secretariat and Investor Relations Unit, in the Resource Mobilization Department, Directorate of Public Debt Management Office at the National Treasury and Planning. Previously, she worked in the former Monopolies and Prices Commission in areas of discouraging Restrictive Trade Practices, Review of Mergers and Acquisition applications (1998 -2007);



Ms. Grace Khayota,
Member
YoB: 1962.
MSc (KU), B.Ed (Science) (KU)

Ms. Grace Khayota is the Acting Chief Executive Officer/Administrator at Friends Lugulu Mission Hospital. She previously served as County Executive Committee Member (CEC) in Charge of Gender and Culture, Bungoma County.

She holds Master of Science in Microbiology from Kenyatta University. She also holds a Bachelor of Education (Science) in Botany and Zoology from Kenyatta University.

She has over 20 years' experience in teaching at various Schools. She has also worked as a Coordinator for Exchange Programmes with schools in various countries including USA, Europe and

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

4. Key Management Team

The Key management personnel who held office during the period ended 30 June, 2024 and who had direct fiduciary responsibilities are presented here below:



Prof. Anne Kisaka Nangulu, Principal
PhD(West Virginia University), MA(UoN), BA(UoN)



Prof. Loice Chemngetich Maru, Deputy Principal, (Administration & Finance)
PhD (Moi University), MPhil (Moi University),
BBM (Moi University), HND (KTTC), Diploma (KTTC)



Prof. George Otieno Orwa, Deputy Principal, (Academic & Students Affairs)
PhD (JKUAT), MSc (JKUAT), BSc (JKUAT).

CPA. Lorine Obonyo, Chief Accountant
MBA (Maseno University),
B.com (CUEA), CPA (K).



Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

Fiduciary Oversight Arrangements

Committees of the University College Council

In order to facilitate the smooth running of its affairs, the University College Council establishes such committees with the membership and with such terms of reference as it may deem fit. The following committees were in place during the Period ending 30 June, 2024.

- i. Finance, Administration, Strategy, Building and Development Committee
- ii. Audit, & Compliance Committee
- iii. Human Resource, Governance and Staff Disciplinary Committee
- iv. Academic, Research, Extension, Student Affairs and Sealing Committee

The University Council nominates the Chairperson of each committee of the Council provided that in the absence of the Chairperson of any committee, the members present and constituting a quorum may elect one person from among them to chair the meeting. The Chairperson of the University Council, the Vice Chancellor and the Principal are ex-officio members of every committee of the Council.

- i. Finance, Administration, Strategy,
Building and Development Committee

The Committee provides oversight and advice on matters relating to the University College financial position, annual estimates, resource mobilization and investments and pay due regard to the necessity to refer matters of major importance to the Council for final approval.

The Committee advises and oversees the strategic development; physical facilities and infrastructures plan;

- ii. Audit and Compliance Committee

The Committee oversee and advises on matters relating to the safety of assets; operations of adequate systems; control processes, preparation of accurate financial reports in compliance with legal and statutory requirements and standards; internal and external audits; risk management strategies;

- iii. Human Resource, Governance and Staff Disciplinary Committee

The Committee oversees institutional governance; the formulation and subsequent monitoring/review of policies and strategies on employment of all University Staff, including policies on recruitment and selection, staff development and training, performance management schemes and salaries, administrative practices and other conditions of service.

- iv. Academic, Research, Extension,
Student Affairs and Sealing
Committee

The Committee advises on implementation of academic and research programmes; quality assurance for excellence in teaching, research and innovation and protection of intellectual assets.

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.
MEMBERSHIP TO THE COMMITTEES

FINANCE, ADMINISTRATION, STRATEGY, BUILDING AND DEVELOPMENT COMMITTEE

- | | | |
|------|-------------------------|------------------------------------|
| i. | Eng. Peter Hiram Nduati | Chairman |
| ii. | Ms. Grace Khayota | Member |
| iii. | Ms. Christine Oduogi | Representing SDUER |
| iv. | Ms. Monica Asuna | Representing the National Treasury |
| v. | Principal | Secretary |

ACADEMIC, RESEARCH, EXTENSION, STUDENT AFFAIRS AND SEALING COMMITTEE

- | | | |
|------|----------------------------|--------------------|
| i. | Grace Khayota | Chairman |
| ii. | Eng. Peter Hiram Nduati | Member |
| iii. | Mr. Reuben Cherukut Butaki | Member |
| iv. | Ms. Christine Oduogi | Representing SDUER |
| v. | Principal | Secretary |

HUMAN RESOURCE, GOVERNANCE AND STAFF DISCIPLINARY COMMITTEE

- | | | |
|------|----------------------------|-----------|
| i. | Rev. Dr. Robert K. Langat | Chairman |
| ii. | Mr. Reuben Cherukut Butaki | Member |
| iii. | Mr. Martin Mugambi Mithega | Member |
| iv. | Principal | Secretary |

AUDIT AND COMPLIANCE COMMITTEE

- | | | |
|------|----------------------------|------------------------------------|
| i. | Mr. Martin Mugambi Mithega | Chairman |
| ii. | Rev. Dr. Robert K. Langat | Member |
| iii. | Ms. Monica Asuna | Representing the National Treasury |
| iv. | Internal Auditor | Secretary |

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

5. Chairman's Statement

I am pleased to present the Annual Report and Financial Statements for Bomet University College for the Financial Year 2023/2024.

Bomet University College continues to be a Premier Green University in fostering Research Excellence in Science, Technology and Innovation for advancement of humanity. The University College ensures that policies, processes and strategies are aligned in order to realise this vision as well as ensuring that the University College strives to attain world class competitiveness.

The University College operated in line with the Master Plan 2018-2068 and the Strategic Plan 2018-2023 which has come to an end. The Strategic plan guides in financial planning, development of academic programs, process efficiency, stakeholder engagement and overall infrastructure development.

The University College Council has adhered to the MWONGOZO code of Governance for State Corporations. This framework focuses on addressing matters on effectiveness of the council, transparency, accountability, risk management, internal controls, ethical leadership and Good Corporate Governance.

While the University has continued to make great strides in pursuit of its priorities, it continues to face challenges in terms of constrained financial resources. The University College was not able to carry on with the development of its flagship projects: Construction of 1 No. Tuition Block, 1 No. Library Block, 1 No. Multi-purpose Hall and 2 No. Hostel Blocks due to lack of Budget Allocation to this particular Project in the Financial Year 2023/2024. Other challenge the University College has faced is to hire or promote senior academic and administrative staff to provide leadership in their respective areas of expertise. The Council has requested the case of inadequate senior staff to the Ministry of Education and The National Treasury to prioritize appointments of these positions. The University College also faces another challenge for not having acquired any titles for any of its land parcels.

On behalf of the University Council, I thank the Government for their invaluable support, Chancellor and Vice Chancellor of Moi University, Management, BUC senior management, staff, our dedicated Students, local community and other stakeholders. Together we shall strive to steer the University College to greater heights as we work towards the award of the Charter in the near future.



Prof. Simon Eric Mitema
Chairperson of Council

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

6. Report of the Principal

Bomet University College has been in operation since 27th July 2017 when it was Gazetted as a Constituent College of Moi University. The University College is very strategic in offering academic programmes that meet the needs of the National Agenda and Society for the benefit of humanity. As a Green University with a focus on the Green Concept is captured in BUC 2018 Master Plan that is consistent with the Strategic Plan for 2018-2023 aims at delivering quality and relevant academic Programme. Financial constraints are a major challenge to universities in Kenya and Bomet University College is not an exception. In order to minimize this risk, the University College has outlined various income alternatives that will reduce the financing dependence on The National Treasury.

The University College has a total of one hundred and forty-eight (148) staff in post in teaching and administrative categories. The numbers of staff are still not adequate for the University College and therefore implementation of 2022/2023 Financial Year approved Establishment is ongoing.

BUC has a total student's population of Three Thousand Three Hundred and Thirty Seven (3,337). As a newly established University College, Bomet University College still rely to a large extent on the support from the Government through the State Department for Higher Education and Research. The current critical needs for the University is to complete the infrastructure developments in order to meet its Core Mandate and Quality standard requirements for service delivery. It is also anticipated that operational expenses will increase in the subsequent financial year as the staff and the student population expands.

Capital Projects

The Government approved a Capital Development Grant in 2016/2017 Financial Year for the construction of Tuition Block, Library, Multipurpose Hall and 2 Hostels all totalling Ksh.I, 391,982,469. However, inadequate funding is causing delay in the implementation of the Project. At the moment, the overall completion of the Project is 60% with; Tuition Block (99%), Library (55%), Multipurpose Hall (90%) and Hostels at (4%). The only Capital Development Project that is on-going and funded by the Exchequer is the Administration Block, Lecture Theatres and Associated Works.

At the time of its establishment, Bomet University College did not have infrastructural facilities except for the Academic, Science and Technology building that was inherited from Bomet Technical Training Institute (mentored by Eldoret National Polytechnic).

On behalf of Management, I would like to express our sincere gratitude and appreciation to the Government of Kenya, Moi University and Bomet University College for the immense support accorded to us during the year. I also want to thank BUC staff and students, other sponsors and all the stakeholders for the help and support that we continue to receive.



Prof. Loice C. Maru
Ag. Principal and Secretary to Council

Date:

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

7. Statement of Performance against Predetermined Objectives for FY 2023/2024

BUC has 8 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2023/2024. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1: To develop excellence in teaching, learning and innovation.

Pillar/theme/issue 2: To provide a vibrant intellectual climate for quality scientific research

Pillar/theme/issue 3: To develop state of the art green Library.

Pillar/theme/issue 4: To attract, develop and retain vibrant academic and non-academic Human Resources for sustainable performance of the University.

Pillar/theme/issue 5: To develop state-of-the-art green physical facilities and ICT Infrastructure for the University College.

Pillar/theme/issue 6: To develop viable programmes and activities that enhances Students Welfare

Pillar/theme/issue 7: To establish and maintain a prudent financial management system.

Pillar/theme/issue 8: To establish and maintain good corporate governance for quality service delivery

BUC develops its annual work plans based on the above 8 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The University College achieved its performance targets set for the FY 2023-2024 period for its 8 strategic pillars as indicated :

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1:	To develop excellence in teaching, learning and innovation.	<ul style="list-style-type: none"> a) Student Completion Rate b) Academic Programmes Reviewed c) CBC Readiness d) Innovative Pedagogies Adopted and Utilized e) Quality Assurance and Data f) Number of students on Continuing Education Programme 	<ul style="list-style-type: none"> a) To increase the graduation rate for eligible undergraduate students from the current 52.5% for 2021/2022 to 75% in the FY 2023/2024. b) To review Bachelor of Arts Programme by: Appointing a Programme Review Committee, Developing tracks of the Academic Programme, Approval of the developed Tracks of the Programme and Mounting the Approved tracks . c) Appoint, train and operationalize CBC 	<ul style="list-style-type: none"> a) 77.40% b) 75% c) 60% d) 100% e) 70% f) 78 %

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			<p>BUC Preparedness Steering Committee, Develop and roll out BUC CBC preparedness plan and sensitize twenty (20) staff on Competence Based Education and Training (CBET) curriculum preparedness.</p> <p>d) Adopt Blended Learning in curriculum delivery, Use of experiential learning by exposing learners to practicum, field trips and projects and Expose learners to market and industry dynamics through industrial attachment and teaching practice.</p> <p>e) Develop Quality Assurance Teaching Manual, Conduct an Analysis of Student evaluation of Instructors and Courses and disseminate findings and implement relevant recommendations of Student evaluation of Instructors and Courses.</p>	
--	--	--	--	--

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			f) Admitting thirty (30) students into Module II programmes and Admitting twenty (20) to postgraduate training programmes	
Pillar/theme/issue 2:	To provide a vibrant intellectual climate for quality scientific research	<ul style="list-style-type: none"> a) Innovations Commercialized b) Intellectual Property Registration c) Research Outputs Disseminated d) University Industry Linkages Established e) Science, Technology and Innovation (STI) Mainstreaming f) Research Incentivized g) University Niching h) Communities Outreach Programmes i) Research Publications Undertaken 	<ul style="list-style-type: none"> a) Establish a Botanic Garden, Register BUC Herbal Infused Soap with relevant agencies to enable mass production and Launch BUC Herbal Infused Soap. b) Preliminary search conducted, Application for registration, Examination and advertisement and Approval and Certification. c) Hold one International Conference, Conduct Academic seminar and Conduct Innovation Competition among staff, students and members of the community . d) To establish one (1) industry linkages e) Implement BUC's STI Mainstreaming Strategy using the template provided on NACOSTI'S website, Develop and implement STI Mainstreaming 	<ul style="list-style-type: none"> a) 70% b) 50% c) 100% d) 100% e) 100% f) 50% g) 0% h) 100% i) 100%

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

Pillar/theme/issue 3	To develop a state of the art green Library.	Library Resources Enhanced	Subscribe into e-resources and Procure two hundred (200) course textbooks (print)	108.6%
Pillar/theme/issue 4	To attract, develop and retain vibrant academic and non-academic Human Resources for sustainable performance of the University	<ul style="list-style-type: none"> a) Proportion of Academic Staff with PhD Degree - Achieved b) Competence Development - Achieved c) Youth Internships/ Industrial Attachments/ Apprenticeships 	<ul style="list-style-type: none"> a) The current proportion of lecturers with PhD in BUC is 54 against 9 translating to 85%. To strengthen teaching and research, in FY 2023/2024, the Principal commits to increase the proportion of lecturers with PhDs by 3%. b) Undertake the First Institutional Skills Gap Analysis for Bomet University College, Undertake Staff Training Needs Assessment and prepare annual staff training projections Address the identified skills gaps and training needs through interventions such as recruitment, outsourcing, capacity building, training, coaching, mentoring, etc. and Undertake 	<ul style="list-style-type: none"> a) 0 b) 85% c) 136%

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			<p>Employee Performance Management by carrying out the following: i.) Set individual employees annual performance targets for FY 2022/23 using the prescribed format by 31st July, 2023 (10%) ii.) Undertake Staff Performance Appraisal for all employees and compile the Appraisal Report for the FY 2022/23 by 31st August, 2023 (15%) iii.) Develop an action plan and implement the recommendations emanating from the staff appraisal reports (15%)</p> <p>c) Engage youth on internship (based on numbers declared and actual postings by the Public Service Commission and Engage youth on industrial attachment or apprenticeship programs</p>	
Pillar/theme/issue 5	To develop	a) Project Completion Rate	a) To undertake 100% of the projects earmarked for the	<p>a) 72 % b) 100%</p>

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

	<p>state-of-the-art green physical facilities and ICT Infrastructure for the University College</p>	<p>b) Digitalization of Government Services</p>	<p>FY 2023/2024 in accordance with the work plan as outlined in Construction of Administration Block, Lecture Theatre, Ablution Block and Associated Works by Achieving 80% completion rate that will include: Reinforcement of the columns and slabs of second floor; casting the second floor slab; walling of the ground and second floor; internal plastering of walls: fitting of doors and windows.</p> <p>b) Identify and Prioritize citizen-facing and back-office services to be digitized, Re-engineer business processes for at least 25% of the prioritized services, Digitalize at least 25% of the identified services ,On-board at least 25% of citizen-facing services to the e-citizen platform, Institute measures for cyber security and data protection e.g., use of biometric security features, anti-virus updates,</p>	
--	---	---	--	--

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			data back-up, Secure Socket Layer (SSL) Certificates, privacy and data protection and Identify and implement Business Continuity Strategies e.g., Disaster Recovery Plan, Backups and Storage Strategy.	
Pillar/theme/issue 6	To develop viable programmes and activities that enhances Students Welfare	<ul style="list-style-type: none"> a) Students Mentored b) Cultural Events Undertaken c) Students Welfare Programmes Enhanced 	<ul style="list-style-type: none"> a) Undertake a Comprehensive Career Orientation Programme for the new students, Undertake Pre-internship training for the students proceeding on Industrial Attachment/Teaching Practice, Visit at least two (2) Secondary Schools within Bomet County for Career Mentorship and Participate in one (1) Education and Trade Fairs b) To undertake one (1) Student cultural week. c) Participate in two (2) Kenya University Sports Association (KUSA) Games and/or any other sports event organized by any other sports body, Participate in two (2) 	<ul style="list-style-type: none"> a) 172% b) 100% c) 134%

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			Kenya Universities Performing Arts and Film Association (KUPAA) competitions and or any other related Clubs and Societies activities in Kenya, Conduct e-elections for the Student Governing Council and Enhance support for the extremely needy and /or vulnerable students by admitting ten (10) beneficiaries into the Work Study Programme.	
Pillar/theme/issue 7	To establish and maintain a prudent financial management system	<ul style="list-style-type: none"> a) Absorption of Allocated Funds – GoK (100%) b) Appropriation in Aid c) Absorption of Externally Mobilized Funds d) Pending Bills e) Access to government procurement opportunities f) Promotion of Local Content in Procurement g) Asset Management h) Innovative Financing Options Explored 	<ul style="list-style-type: none"> a) Recurrent Expenditure = Ksh.434,894,340 and Development Expenditure = ksh.40,000,000 totalling = Ksh.474,894,34,00 b) Appropriation in Aid; Tuition Fees = ksh.142,313,615, Miscellaneous income = ksh.5,600,000.00 amounting to Kshs. 147,913,615.00. c) 100% absorption of externally mobilized funds from research proposals amounting to Ksh. 500,000.00. d) Not exceeding 1% of the actual 	<ul style="list-style-type: none"> a) 80.71% b) 184.2 % c) 0% d) 0.07% e) 110 % f) 100 % g) 54 % h) 0%

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			<p>budgetary allocation for FY 2023/2024 amounting to Ksh. 474,894,340.00</p> <p>e) Access to Government Procurement Opportunities (AGPO) (22936832.00) and 2% of 30% Award to People With Disabilities(458737.00)</p> <p>f) Allocate 40% of the total Procurement Budget amounting to Ksh. 76,456,109.00 to procurement for locally produced goods and services as provided in the Annual Procurement Plan of the University College and Prepare and Submit quarterly progress reports on the implementation of this indicator to the Ministry of Investments, Trade and Industry.</p> <p>g) Maintain and update Assets Registers using the prescribed reporting templates issued by the National Treasury ,</p>	
--	--	--	---	--

Bomet University College
 (A Constituent College of Moi University)
Annual Report and Financial Statements
 For the year ended June 30, 2024.

			<p>Ensure disposal of unserviceable, obsolete and surplus assets by way of sale, transfer to other public institutions, destruction, donation or other authorized methods of disposal and in all cases in full conformity to the existing legal requirements and Submit quarterly performance reports to National Treasury via nalm@treasury.go.ke</p> <p>h) Review and implement the Resource Mobilization Policy, Establish a Resource Mobilization Unit and Develop and implement a Resource Mobilization Plan for 2023/2024</p>	
Pillar/theme/issue 8	To establish and maintain good corporate governance	<p>a) Implementation of Citizens' Service Delivery Charter</p> <p>b) Resolution of Public Complaints</p> <p>c) Strategic Plan Developed</p> <p>d) Productivity</p>	<p>a) Display the Citizens Service Delivery Charter prominently in both English and Kiswahili at the reception and the following service delivery points, Admissions,</p>	<p>a) 100%</p> <p>b) 100%</p> <p>c) 100%</p> <p>d) 100%</p> <p>e) 100%</p> <p>f) 100%</p> <p>g) 403%</p> <p>h) 100%</p>

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

	<p>e for quality service delivery</p>	<p>Mainstreaming e) Compliance with Government Circulars f) National Values and Principles of Governance g) Implementation of Presidential Directives h) Road Safety Mainstreaming</p>	<p>Library and the Multi-Purpose Hall in both English and Kiswahili in the prescribed format, Customizing the Citizens' Service Delivery Charter to unique needs and convenient access by customers with special needs by training students and staff on sign language, providing updated audio recordings and uploading reviewed Charter on BUC's Website, Sensitize fifty (50) Staff on the Citizens' Service Delivery Charter and Ensure conformity with commitments and standards in the Charter by establishing compliance mechanisms comprising use of Service Delivery Registers and a Service Delivery Compliance Template. b) Resolve all public complaints received and processed by the end of each quarter, Provide access to information</p>	
--	---	--	--	--

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			<p>through proactive disclosure as per required format and Create awareness on the complaints handling mechanisms.</p> <p>c) Finalize development of the Second BUC Strategic Plan 2023-2028 and align it to the Revised Guidelines for the preparation of the Fifth Generation Strategic Plan and Launch the Second BUC Strategic Plan 2023-2028.</p> <p>d) Develop Productivity Metrics, Collect productivity measurement data, Compute Productivity Index, Develop workplace productivity improvement strategy and Submit quarterly performance reports to NPCC using the prescribed format.</p> <p>e) Undertake a compliance audit of all Public Service Commission circulars and SRC advisories and Submit a report to</p>	
--	--	--	---	--

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			<p>the Cabinet Secretary, Ministry of Education</p> <p>f) Implement measures to support at least two of the five pillars of the Government Plan as outlined in the Bottom-Up Economic Transformation Agenda (2022-2027) namely: Agriculture and Digital Superhighway and Creative Economy, Leverage on digitization and automation of government processes to make 80% of government services online, Enhance adherence to the provisions of Article 10 of the Constitution through civic education, training and sensitization and mainstreaming of national values and principles of governance, Continue to implement measures to protect the environment and mitigate climate change and Undertake Measures towards realization of</p>	
--	--	--	--	--

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			<p>National Values and Principles of Governance and submit in the prescribed format the Annual Report on the measures taken and progress achieved in the realization of National Values and Principles of Governance by 30th June, 2024 through either hard copy or soft copy emailed to info2@cohesionandvalues.go.ke or nationavalues2017@gmail.com</p> <p>g) Grow a minimum of 30 trees per staff translating to 4,440 trees by the 148 BUC Staff, Mobilize key stakeholders in liaison with the State Department for Forestry to conduct three (3) tree planting/growing events in the year and Submit half yearly (for each rain season) and annual reports to the State Department for Forestry on the number of trees grown.</p> <p>h) Develop an Annual Road Safety Implementation</p>	
--	--	--	--	--

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

			<p>Plan based on the Workplace Road Safety Policy with the following key components included:</p> <ul style="list-style-type: none"> i. Undertake eight (8) road safety activities stipulated in the Workplace Road Safety Policy ii. Undertaking Annual Motor Vehicle Inspections of all the vehicles. iii. Training of all drivers on defensive driving. iv. Reporting on non-compliance on road safety at the workplace on quarterly basis using the prescribed Reporting Template, Implement the Annual Road Safety Implementation Plan and Submit quarterly reports to NTSA in the prescribed format within 15 days after the end of a quarter 	
--	--	--	---	--

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

8. Corporate Governance Statement

Ownership

Bomet University College was established as a constituent college of Moi University through the Legal Notice No. 145 published in the Kenya Gazette Supplement No. 114 of 27th July, 2017. The University College is owned by Government of Kenya.

I. Responsibility of the University College Council

The University College Council is responsible and accountable to the Government of Kenya through the State Department of University Education and Research for ensuring that the University complies with the Universities Act 2012, the Moi University Statutes (2013) REV 2021, Legal Notice No. 145 that established Bomet University College, 2017 and adheres to the highest standards of corporate governance as prescribed in the State Corporations Act and the code of Governance for state corporation (Mwongozo).

2. Roles and Functions of the Council

The main role of the Council is oversight. Functions of the Council Includes: Approval of policies, approval of the Budget and Financial Statements

3. Remuneration of the University College Council members.

The University College Council members other than the Principal and the Vice Chancellor who are

ex-official members do not receive a salary. They are however paid a sitting allowance for every meeting attended. The sitting allowance paid to the Council Members. The Chairperson of the Council is entitled to payment of Honararia. All the Council payment is disclosed in note 5 of the financial statements.

4. Conflict of Interest

The Council has complied with Mwongozo provisions paragraph 1.3 that expects each Council member to act honestly at all times and not to place themselves in a situation where their personal interest conflict with those of the organization. In addition, in compliance with paragraph 1.16, Council members disclose all real or perceived conflict of interest registered in a register maintained and updated accordingly.

However, the Council is yet to develop a policy on Conflict of Interest as envisaged by paragraphs 2.6 and 4.3. The Policy is among those scheduled for development to provide a framework to manage these conflicts.

5. Risk Management and Governance Audit

The identification and management of risk is a continuous process linked to the achievement of the University's objectives. The Council is responsible for risk management and has an approved policy and procedure document for risk management. The University College conducts risk

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

assessment on regular basis which informs the internal audit plan. The University College has a Risk Management Committee which oversee the risk management. The University College has an Internal Audit department to carry out risk based internal audit on quarterly basis. The University College Council through its Audit and Compliance Committee received regular reports during the period on internal control and risk.

Moreover, the University College management conducts legal compliance reviews which are reported to the council. The University College has an in-house Assistant legal officer to advice on legal matters.

6. Statement of Compliance

The Council Members confirm that Bomet University College has throughout the period ending 30 June, 2024 complied with the entire statutory and regulatory requirements and has been managed the Entity in accordance with the principle of Corporate Governance.

7. Board Meetings

The Council and the Committees of Council held 4 regular meetings and two special meetings.

8. Induction, Training and Development

The Council went through an induction programme immediately they were appointed.

9. Board and Member Performance

The Council conducts an annual evaluation to appraise its performance. The Board evaluation provides an opportunity for Board members to

identify strengths, collective skill gaps and individual areas of improvement. The Board will also review the performance of each committee against the agreed Terms of Reference. The Board will also evaluate the performance of the CEO and Corporation Secretary.

10. Process of Appointment and Removal of Council Members

Board appointments shall be made in line with Article 27 of the Constitution of Kenya.

The Board may recommend the removal of a member based on non-performance, non-attendance of meetings, unethical conduct or as set out in any constitutive documents or applicable law.

II. Succession planning

The appointing authority should ensure that the tenures of Board members are staggered to ensure a phased transition. This is not the case in Bomet University College as the tenure of the Board Members will come to an end at the same time as the Council members were appointed on 8th July, 2022. The Council has put in place a succession plan for both the Council and management and review the same regularly.

12. Existence of a board charter

The Council has a Board Charter in place. Board Charter fosters a culture of good corporate governance by serving as a reference guide for directors.

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

9. Management Discussion and Analysis

THE ENTITY OPERATION REVIEW

Teaching and research is a key pillar of all academic institutions and in the Period ending 30 June, 2024 Bomet University College (BUC) academic staff members excelled in many aspects. The Academic and Student Affairs Division mandate is to be a Premier Green University in fostering Research Excellence in Science, Technology and Innovation for sustainability as outlined in the vision of the University College were achieved.

During the Quarter, the Division organized and engaged in various core activities through its Subdivisions and Schools that were geared towards our vision.

The Division of Academic and Student Affairs is divided into two (2) Sub Divisions:

- (i) Academics
- (ii) Students Affairs

ACADEMICS

Under Academics Affairs we have Schools and Departments headed by the Deans and Chair of Departments' respectively. There are four (4) Schools in the Division as listed below: -

- (i) School of Education (SOE)
- (ii) School of Arts and Social Sciences (SASS)

- (iii) School of Business and Entrepreneurship (SBE)
- (iv) School of Pure and Applied Sciences (SPAS)

Currently, the University College is offering programmes from Certificate, Diploma, Degree and Doctorate level.

BUC has twenty four (24) Senate approved Ph.D Programmes, thirty two (32) Master Programmes, Thirty two (32) Bachelor Programmes, four (4) Diploma Courses and three (3) Certificate Courses. BUC endeavours to develop new Programs that suit the University College's Philosophy and Academic Niche.

ACADEMIC STAFF

The University College has the following Academic Staff: -

Professors	0
Associate Professors	2
Senior Lecturers	8
Lecturers	45
Tutorial Fellows	4
Total number of Academic Staff	59

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

FY	2020-2021	2021-2022	2022-2023	2023-2024
Total Student Numbers	1110	1832	2449	3337

The University College is understaffed with Administrative staff to Academic Staff ratio standing at 51% to 49% as compared to the expected of 30% to 70% in tandem with the Commission of University Education requirements. The University College is committed to recruit additional academic staff to comply with the Commission for University Education requirements based on availability of funds.

STUDENT POPULATION

BUC had the first batch of Students from Moi University in 2017/2018 Academic Year, and 2018/2019 Academic Year. Since then BUC Students allocated directly to the Institution by KUCCPS in 2020/2021, 2021/2022 and 2022/2023 and 2023/2024 Academic Years.

Student numbers continue to grow in line with the University College Strategic Plan as follows.

Total Student Numbers

The University College currently has students' enrolled programmes as indicated below: -

ACADEMIC PROGRAMME	ENROLMENT FY 2023/24
PhD	14
Masters	22
PGDE	5
Bachelors	3,266
Diploma	27
Certificate	3
Total	3,337

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

FINANCIAL PERFORMANCE REVIEW

The Annual Report and Financial Statements of BUC for the period ended June 30, 2024 are presented as per the Public Finance Management Act 2012, The Universities Act 2012 No. 42 and the Public Audit Act 2015.

The University College recorded an aggregate income of **Kshs. 554,905,984** at the end of the Period under review, with the recurrent grant from the Exchequer of **Kshs. 286,980,722**. Internally generated revenue stood at **Kshs. 267,925,262** as at end of the period consisting of Tuition Fee and related income of Kshs 266,833,471 and other incomes amounting to Kshs. 1,091,791.

INCOME June 30, 2024

Recurrent Exchequer Grants	286,980,722
Rendering of good & services	266,833,471
Other Incomes	1,091,791
Total Revenue	554,905,984

EXPENDITURE

Personnel emoluments continued to comprise the largest portion of the expenditure during the period at 74% of the total expenditure while all other expenses constituted the balance of 26%. The table below illustrates the expenditure trends with the overall total expenditure rising steadily during the period under review.

EXPENDITURE

June 30, 2024

Employee costs	318,890,039
Remuneration of Directors	13,940,462
Depreciation	16,080,580
Repairs and maintenance	2,212,760
Contracted Services	8,146,989
Use of Goods and Services	79,803,222
Total Expenses	439,074,062

To ensure achievement of Academic Excellence, the University College has concentrated most expenditure on enhancing teaching in a progressive manner

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

TOTAL INCOME VERSUS TOTAL EXPENDITURE

The relationship between income and expenditure is as tabulated below.

Income versus Expenditure June 30, 2024

	KSHs
Total Income	554,905,984
Total Expenditure	439,074,062

WORKING CAPITAL

The University College has had a healthy Working Capital position with positive Net Current Assets position as shown below:

Particulars	June 30, 2024	KSHs
Total Current Assets		424,506,185
Total Current Liabilities		119,469,933
Net Working Capital		305,036,252

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

COMPLIANCE WITH STATUTORY REQUIREMENTS

The University College complies with statutory requirements as follows:

I. PAYE

Income Tax Act, 1973, Laws of Kenya, places on employers an obligation to deduct and remit monthly income tax for all employees and be remitted to the pay master general on or before 9th day of the following month. The University College has complied with the deadline for remission.

2. NSSF

The NSSF Act, 2013, Laws of Kenya, requires employers to deduct and remit NSSF deductions on monthly basis and remit the same on or before 9th of the following month. The University College has been remitting the deductions to NSSF on time.

3. NHIF

NHIF Act, 1998, Laws of Kenya, requires the employer to deduct the NHIF dues and remit the same on or before the 9th of the following month. The University has complied with the NHIF Act.

4. HELB

HELB Act, 1995, Laws of Kenya, requires employers to deduct from the wages or remuneration of the loanee(s) the amount of any loan as instructed by the Board and submitted within 15 days after the end of each month. The University College has effected HELB loans as required and submitted the same within the stipulated fifteen days after the end of each month.

5. NITA

Industrial Training Levy Act CAP 237 requires employers to pay KESs 50/= per employee,

including temporary, casual and apprentices per month. The University College has effected NITA payments as required and submitted the same by 9th day of the following month.

The University College is cognizant of the fact that compliance is a continuous process. To this effect it has put measures in place to ensure the institution maintains the required threshold of compliance to best Corporate Governance Principles.

MAJOR RISKS FACING THE ENTITY

The University College's Principal Financial Assets are, trade receivables and cash and short term deposits which arise directly from its operations. The institution has financial liabilities comprising trade and other payables.

BUC is exposed to the following risks:

- i) Market risks
- ii) Liquidity risk
- iii) Credit risks

The University College Council has overall responsibility for the establishment and oversight of the University College's Risk Management framework. The institution's Risk Management Policy has been established to identify and analyse the risks faced by the University College, set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk Management Policies and systems will be reviewed regularly to reflect changes in economic conditions and the University College's activities.

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024.

i) Market risk - Low Student Enrolment

The University College is more likely to experience low student enrolment in a number of Academic programmes and choice of students.

ii) Liquidity risk -Low Funding

Liquidity risk is the likelihood that the BUC will not be able to meet its financial obligations as and when they fall due. The University College's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the University College's reputation. Typically, the University ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters and political violence. All capital investments are funded by the Government. However, Low funding levels by the government may result to liquidity issues and slow development in infrastructure which can lead to congestion & inadequate facilities.

iii) Credit Risk-Student Debtors

Credit risk is the likely financial loss to the University College if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the organization's receivables from customers. BUC receives fees from students and the students

are not allowed to sit for exams if they have not cleared fees which minimizes the credit risk exposure.

Classification of Credit Risk Bearing Assets

The table below represents University College's maximum exposure to Credit Risk as at the end of the Period under review.

ASSETS	2023/2024
Cash and Cash Equivalents	362,836,767
Receivables from Exchange Transactions	28,930,496

All the University's College's receivables are fully performing and are expected to be received. Cash and cash equivalents include cash in hand and deposits held with banks.

MATERIAL ARREARS IN STATUTORY/FINANCIAL OBLIGATIONS

Currently the University College has no material arrears in pending bills, tax default, outstanding Staff and Pension obligations on the Pension Scheme as it meets all its statutory obligations as they fall due.

There is no major financial impropriety reported by Internal Audit/ Audit and Compliance Committee of the College Council and External Auditors. Consequently, the University College has responsive governance structures and practice in the Council and Top Management.

Bomet University College
 (A Constituent College of Moi University)
Annual Report and Financial Statements
 For the year ended June 30, 2024.

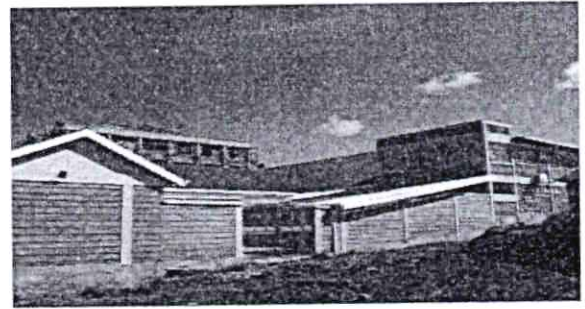
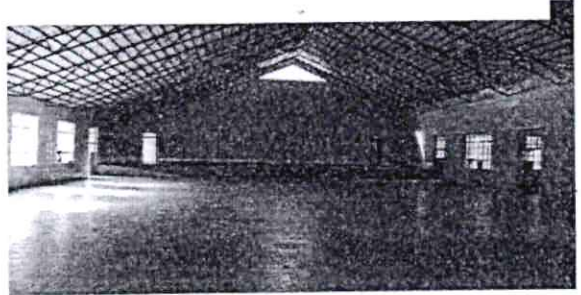
DEVELOPMENT PROJECTS

Following the National Government directive of no new development projects will be undertaken before On-going Projects are completed, Bomet University College undertook the following projects:

1. Construction of 1 No. Tuition Block, 1 NO. Library Block, 1 No. Multipurpose Hall and 2No. Hostel Blocks,
2. Construction of Administration Block, Lecture Theatre & Associated Works.

These two Projects share the same IFMIS Number. The Capital Development Funds received in the Financial Years 2021/2022, 2022/2023 and 2023/2024 were Channelled to the Construction of Administration Block, Lecture Theatre & Associated Works.

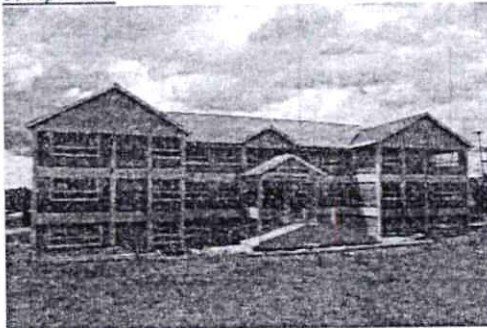
1Students Multi-purpose Hall 90%



Stalled Project

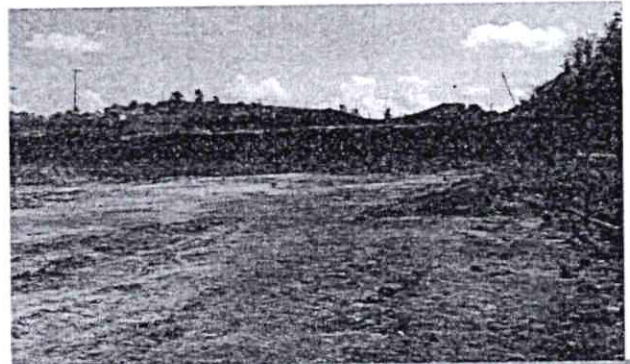
Construction of 1 No. Tuition Block, 1 NO. Library Block, 1 No. Multipurpose Hall and 2No. Hostel Blocks KES. 1,385,982,469

BUC Green Tuition Block- Front Elevation -99% completion



Proposed Construction of Library Block

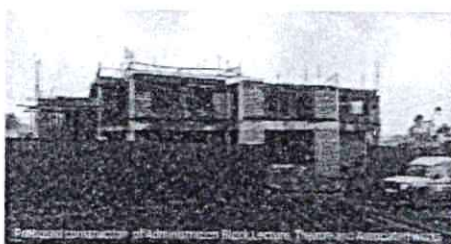
2. Construction of Hostels 4%



Ongoing Project

Construction of Administration Block, Lecture Theatre & Associated Works KES.110,425,696.

The Construction of Administration Block, Lecture Theatre and Associated Works was informed by Commission of University Education (CUE) recommendations that the University College must have seat of the institution and Teaching and Non-Teaching Staff should have Offices that adhere to their standards. These projects are funded by Capital development grants.



INTERNAL PROJECTS

CUE recommended that the institution should have laboratories to support students, and the lecture rooms and halls should conform to the stipulated guidelines. It was also noted that the washrooms were not sufficient to serve the students and staff.

These Internal projects are as listed below:

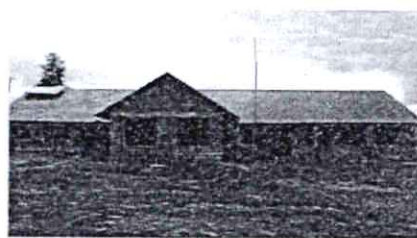
1. Fabrication of Equipment and Storage Facility for Research Collaboration, International and Training Centre/Units.
2. Construction and Extension of Ablution Blocks and Kitchenette, Collaboration, International and Training Centre Unit for Research Centre and Start-Up Village Centre Phase II.
3. Construction of 2NO. Ablution Blocks.
4. Construction of 2 No. Generator Houses

5. Modification of Site House for Training and Extension, Demonstration Rooms and Partitioning of Offices at Green Tuition Block

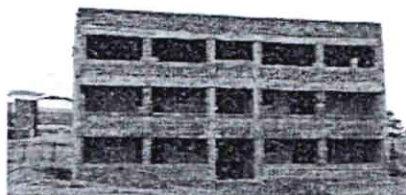
Stalled Internal Projects

BUC has two (2) stalled Internal Projects that were terminated and are to be re-tendered as Approved by Council in 2023/2024 Financial Year.

1. Construction and Extension of Ablution Blocks and Kitchenette, Collaboration, International and Training Centre Unit for Research Centre and Start-Up Village Centre Phase II KES. 13,908,317.00

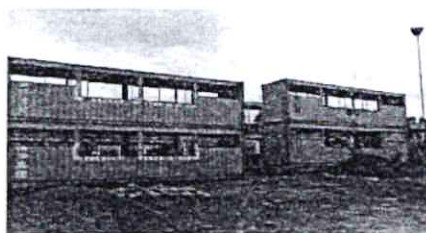


Construction of Research Collaboration, International and Training Centre/Units



Construction of International and Training Centre Unit for Research Centre and Start-Up Village Centre Phase II

2. Fabrication of Equipment and Storage Facility for Research Collaboration, International and Training Centre/Units KES 9,527,629.44

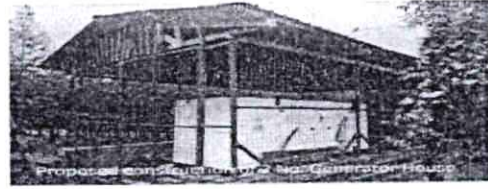


Fabrication of Equipment and Storage Facility for Research Collaboration, International and Training Centre/Units,

Bomet University College
Annual Report and Financial Statements
for the year ended June 30, 2024.

Ongoing Internal Projects

I. Construction of 2 No. Generator Houses



Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024

INTERNAL DEVELOPMENT PROJECTS										
Project	Total project Cost	Total expended to date	Start Date	Completion Date	Extension	Budget	Actual spending FY 23/24	Completion % to date	Status	
1. Fabrication of Equipment and Storage Facility for Research Collaboration, International and Training Centre/Units,	9,527,629	5,365,862.70	12/02/2021	12/08/2021	12/02/2022			60%	Terminated	
2. Proposed Extension of Ablution and Kitchenette, Collaboration International and Training Centre/Unit for Bomet University College PHASE II	13,908,317	0	03/02/2022	04/02/2023		3,165,078	3,165,078	28%	Terminated	
3. Construction of 2 No. generator House	2,223,535	666,775.00	08/06/2021	04/12/2021		1,153,550	926,420	98%	Complete	
4. Construction of 2NO. Ablution Blocks	8,746,450	4,373,225	01/09/2022	02/09/2023		4,373,225	4,373,225	98%	Complete	
5. Modification of Site House for Training and Extension, Demonstration Rooms and Partitioning of Offices at Green Tuition Block/upgrading of Laboratories	4,111,960	1,334,600.00	16/01/2023	16/07/2023		2,777,360	1,286,424	71%	Terminated	
Totals						8,304,135	6,586,069			

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024

CAPITAL DEVELOPMENT PROJECTS										
S/No.	Project Name	Total Cost KES	Cumulative Expenditure	Timelines			Budget 2023/2024	Actual Spending FY 23/24	Actual Project Status	Progress Status
				Start Date	Expected Completion date	Revised Completion date				
1	Construction of 1 No Tuition Block, 1No Library, 1No Multipurpose Hall and 2No Hostels.	1,391,982,469	782,376,216	08/11/2016	07/11/2018	02/08/2021			52%	Stalled
2	Construction of Administration Block, Lecture Theatre and Associated Works	110,425,696	62,460,194	30/03/2022	31/03/2025		40,000,000	30,735,146	72%	On- going
	Total	1,502,408,165	844,836,410				40,000,000	30,735,146		

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024

10. Environmental and Sustainability Reporting

i) Sustainability Strategy and Profile

The Motto of Bomet University is *“Green University for Sustainability”* while the Niche is *“Green Economy for Sustainability”*. The University College is committed to integrating the green concept in academic programmes and in its operations to enhance sustainability.

During the Financial Year 2023/2024 Bomet University College had a total of 30,189 trees planted amongst other activities to facilitate sustainable use of the land. A total of 30,189 trees were planted during the Financial Year. During the Financial Year, the University College Council approved closure of implementation of Strategic Plan 2018-2023; and transition to the Strategic Plan 2023-2028 that has incorporated planned activities towards enhancing sustainability.

ii) Employee Welfare

In the FY 2023/2024 the Council and Management committed to promote Staff Welfare by undertaking various activities which were accomplished within the said year. Staff Welfare activities are evidenced in the Performance Contract for the Financial Year 2023/2024 which included: Prevention of HIV Infection through implementation of Maisha I Wellness program; securing a comprehensive medical insurance cover for staff; Gender Mainstreaming; Disability Mainstreaming; undertaking safety and security measures and sensitizing staff and students on National Cohesion and Values, Business Re-engineering process as well as Digital Transformation.

iii) Market Place Practices

Bomet University College is committed to contributing effectively and efficiently to the achievement of the national development agenda as espoused in the “Bottom Up and Transformation Agenda (BETA) and Kenya Vision 2030, keeping in mind the specific priorities of the University College. The Vision, Mission, Strategic Objectives of the University College have been aligned to the National Agenda. During the Financial Year 2022/2023, the University Council approved the Strategic Plan 2018-2023 to enable incorporation of the Strategic Objectives they have been aligned to the National Agenda. In its operations, the University College acknowledges and complies with provisions of the Constitution of Kenya and relevant government regulations. The University College also supposed the limit of the trees to be planted in the year under review.

iv) Corporate Social Responsibility / Community Engagements

In the Financial Year 2023/2024 Bomet University College (BUC) engaged the local community and local institutions in the following ways:

Bomet University College through the head of career advisory, alumni and International Office offer mentorship programmes to various school in Bomet County.

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024

II. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of Bomet University College affairs.

i) Principal activities

The principal activity of the University College is to provide university education through teaching, training, research and outreach.

ii) Results

The results of the University College for the year ended June 30, 2024, are set out on page I.

iii) Directors

The members of the University College Council who served during the year are shown on pages' vi-ix. During the year 2023/2024 no director retired/ resigned and 6 directors were appointed with effect from 8th July, 2022 for a period of three years.

iv) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

v) Auditors

The Auditor-General is responsible for the statutory audit of the University College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act to carry out the audit of the *Entity* for the year/period ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Council



Prof. Loice C. Maru

Ag. Principal and Secretary to Council

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act Cap 446 require the Directors to prepare financial statements in respect of the University College, which give a true and fair view of the state of affairs of the University College at the end of the financial year/period and the operating results of the University College that year/period. The Directors are also required to ensure that the University College keeps proper accounting records which disclose with reasonable accuracy the financial position of the University College. The Directors are also responsible for safeguarding the assets of the University College.

The Directors are responsible for the preparation and presentation of the University College's financial statements, which give a true and fair view of the state of affairs of the University College for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the University College; (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 University College; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.


The Directors accept responsibility for the University College'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 the State Corporations Act Cap 446. The Directors are of the opinion that the University College's financial statements give a true and fair view of the state of University College's transactions during the financial year ended June 30, 2024, and of the University College's financial position as at that date. The Council further confirms the completeness of the accounting records maintained for the University College which have been relied upon in the preparation of the University College's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Council to indicate that the University College will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

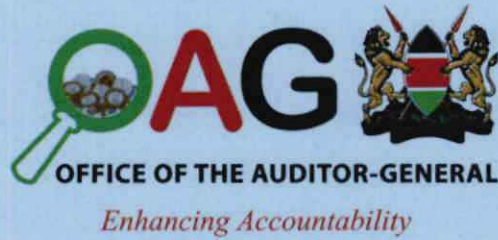
The University College's financial statements were approved by the Council on August 26, 2024 and signed on its behalf by:


Prof. Simon Eric Mitema
Chairperson of Council


Prof. Loice C. Maru
Ag. Principal and Secretary to the Council

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 BOMET UNIVERSITY COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Bomet University College set out on pages 1 to 73, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Bomet University College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the University Act, 2012 (Revised 2020) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Inaccuracy of Non-Current Liabilities

The statement of financial position reflects non-current liabilities totalling Kshs.71,959,103 in respect of retention money and caution money as disclosed in Note 22 to the financial statements. However, the amount differs with the deposit bank account balance amounting to Kshs.51,190,191 as disclosed in Note 15 to the financial statements resulting to a shortfall of Kshs.20,768,912. This is an indication that the College may not be able to pay the liabilities as and when they fall due.

In the circumstance, the accuracy and existence of noncurrent liabilities totalling Kshs.71,959,103 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis amounting to Kshs.534,894,340 and Kshs.554,905,984, respectively, resulting to an over-funding totalling Kshs.20,011,643 or approximately four percent (4%) of the budget. Similarly, the statement reflects final payments budget and actual on comparable basis amounting to Kshs.534,894,340 and Kshs.444,296,719, respectively, resulting to under-absorption of Kshs.90,597,621 or seventeen percent (17%) of the budget.

The under-absorption affected implementation of the planned projects and programs 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. Except for the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Unresolved Prior Year Matters

In the audit reports of previous year, seventeen (17) 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. However, Management has not resolved the issues or given any explanation for failure to resolve the issues.

Other Matter

Other Information

Management is responsible for the Other Information set out on page iv to xlvi which comprise of Key Entity Information and Management, Members of the University Council, Key Management Team, Chairman's Statement, Report of Principal, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Non-Compliance with Commission for University Education Guidelines on Research Programmes

The statement of financial performance reflects use of goods and services amounting to Kshs.79,803,222. The amount includes research and development -University research programme totalling Kshs.6,524,479 as disclosed in Note 14 to the financial statements which was approximately one percent (1%) of the total University operational expenses of Kshs.477,465,928. This was contrary to Standard NST/STD/010 of the University Standards for Accreditation and Operations which states that a university shall endeavor to have adequate funds for research by allocating a minimum of 2% of its operational budget to research.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and 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 the University College Council

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 University College'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.

The University College Council is responsible for overseeing the University College'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 for 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 IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I 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/>.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


30 December, 2024

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024


14. Statement of Financial Performance for the year ended 30 June 2024

PARTICULARS	Note	2023/2024	2022/2023
Revenue from Non Exchange Transactions			Kshs
Recurrent Exchequer Grants	6	286,980,722	313,170,059
Sub-Total		286,980,722	313,170,059
Revenue from Exchange Transactions			
Rendering of good & services	7	266,833,471	92,413,075
Other Incomes	8	1,091,791	132,900
Externally Generated Funds	3		518,601
Sub-Total		267,925,262	93,064,576
Total Revenue		554,905,984	406,234,635
Expenses			
Employee costs	9	318,890,039	305,725,310
Remuneration of Directors	10	13,940,462	9,770,872
Depreciation	11	16,080,589	15,853,701
Repairs and maintenance	12	2,212,760	4,151,823
Contracted Services	13	8,146,989	24,952,786
Use of Goods and Services	14	79,803,222	36,041,119
Total Expenses		439,074,062	396,495,612
Other Gains/(losses)			
Provision for bad/doubtful debts		(1,691,212)	- 403,658
Total Other Gains/(losses)		(1,691,212)	- 403,658
Surplus (Deficit) for the Period		114,140,711	9,335,365
Amount recogn as prov. Cr to Surplus		0	21,541,627
Accumulated Surplus		276,895,094	162,754,384

The notes set out on pages 6 to 55 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 2 were signed on behalf of the Council by:


 Prof. Simon Eric Mitema
 Chairperson of Council


 CPA Lorine Obonyo
 ICPAK NO. 6577
 Chief Accountant


 Prof. Loice C. Maru
 Ag. Principal and Secretary
 to the Council


Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements

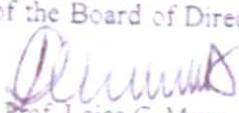
15. Statement of Financial Position as at 30 June 2024

PARTICULARS	Notes	2023/2024	2022/2023
ASSETS			
Current Assets:			Kshs
Cash and cash equivalents	15	362,836,767	221,803,371
Receivables from exchange transactions	16	28,930,496	13,709,592
Receivables from non-exchange transactions	17	25,479,153	373,725
Inventories	18	7,259,769	1,364,750
Total Current Assets		424,506,185	237,251,438
Non-Current Assets			
Property, Plant and Equipment	23	1,940,787,044	1,901,775,066
Intangible Assets	24	9,306,524	12,408,699
Biological Assets	25	165,000	
Total Non-Current Assets		1,950,258,568	1,914,183,765
TOTAL ASSETS		2,374,764,752	2,151,435,203
LIABILITIES			
Current Liabilities:			
Trade and other payables from exchange transactions	19	87,280,967	45,709,421
Other payables- Contingent Liabilities	20	7,937,480	118,554
Provisions	21	24,251,486	23,132,975
Total Current Liabilities		119,469,933	68,960,949
Non-Current Liabilities			
Non-Current Liabilities	22	71,959,103	67,143,299
Total Non- Current Liabilities		71,959,103	67,143,299
TOTAL LIABILITIES		191,429,036	136,104,248
NET ASSETS		2,183,335,716	2,015,330,955
FINANCED BY:			
Capital Development Funds		641,205,827	612,855,768
Revaluation Reserve		1,175,435,010	1,175,435,010
Accumulated Revenue Reserve		366,572,231	227,082,506
TOTAL ASSETS		2,183,213,068	2,015,373,284

The financial statements set out on pages 6 to 55 were signed on behalf of the Board of Directors

by: 
Prof. Simon Eric Mitema
Chairperson of Council


CPA Lorine Obonyo
ICPAK NO. 6577
Chief Accountant


Prof. Loice C. Maru
Ag. Principal and Secretary
to the Council

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024

16. Statement of Changes in Net Assets for the year ended 30 June 2024

Description	Capital/ Development Grants/ Funds	Revaluation Reserve	Retained Earnings	Totals
As at July 1, 2022	657,850,355	1,201,765,608	84,576,202	1,944,192,165
Revaluation	-	26,330,598	26,330,598	-
Surplus/ (deficit) for the year	-	-	46,181,119	46,181,119
Capital development grants received during the year	25,000,000	-	-	25,000,000
Transfer of depreciation/amortisation from capital fund to retained earnings	- 69,994,587	-	69,994,587	-
As at June 30, 2023	612,855,768	1,175,435,010	227,082,506	2,015,373,284
As at July 1, 2023	612,855,768	1,175,435,010	227,082,506	2,015,373,284
Revaluation	-	-	-	-
Surplus/ (deficit) for the year	-	-	114,140,711	114,140,711
Capital development grants received during the year	44,430,648	-	-	44,430,648
Transfer of depreciation amortisation from capital fund to retained earnings	- 16,080,589	-	16,080,589	-
Prior Year Adjustments	-	-	9,268,426	-
AS at 30 June, 2024	641,205,827	1,175,435,010	366,572,231	2,183,213,068

Disclosure:

From the Grants Received in the Financial Year 2023/2024 Kshs. 34,430,648 was for the FY 2022/2023 not captured as the actual receipt was 4th July, 2024. Kshs 5,365,088 was an understatement in the Statement of Net Assets in FY 2019/2020 during restatement of the Statement of net Assets in FY 2022/2023. In The FY 2019/2020 Ksh. 2,381,000 was expensed and on acquiring the asset in The FY 2020/2021 the same was capitalised to PPE but surplus was not credited. Kshs 1,522,338 has been credited to surplus following a court ruling that declined payment of CBA arrears to former top management in FY 2023/2024.

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024

17. Statement of Cash Flows for the year ended 30 June 2024

PARTICULARS	NOTE	2023/2024	2022/2023
			Ksh
Cash Flows from Operating Activities			
Receipts			
Revenue from Non Exchange Transactions	6 c.	255,980,275	313,170,059
Revenue from Exchange Transactions	7 b.	251,612,568	92,413,075
Other Income	8	1,091,791	651,501
Total Receipts		508,684,633	406,234,635
Payments			
Employee costs	9 b.	309,952,601	305,725,310
Remuneration of Directors	10	13,940,462	9,770,872
Repairs and maintenance	11	2,212,760	4,151,823
Contracted Services	12	8,146,989	24,952,786
Use of Goods and Services	14 b.	33,415,872	36,041,119
Total Expenses		367,668,685	380,641,911
Prior Year Adjustment		(9,268,426)	
Net Cash flows from Operating Activities		150,284,374	- 26,962,774
Cash flows from Investing Activities			
Purchase of property, plant, equipment		(52,038,392)	- 49,343,707
Net Cash flows from Investing Activities		(52,038,392)	(49,343,707)
Cash flows from Financing Activities			
Capital Development Grants from GOK		44,430,648	25,000,000
Net Cash flows used in Financing Activities		44,430,648	25,000,000
Net Increase/(Decrease) in Cash and Cash Equivalents		142,676,630	(51,306,481)
Cash and Cash Equivalents at the Beginning of the Year		221,803,371	265,329,020
Cash and Cash Equivalents at end of the period		362,836,767	221,803,371

Bomet University College
(A Constituent College of Moi University)
Annual Report and Financial Statements
For the year ended June 30, 2024

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024

	Original budget Kshs.	Adjustments Kshs.	Final budget Kshs.	Actual on comparable basis Kshs.	Performance difference Kshs.	% of utilization
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Recurrent Exchequer Grants	286,980,725	-	286,980,725	286,980,722	3	100
Rendering of Services	125,926,004	120,035,650	245,961,654	266,833,471	- 20,871,817	108
Other Income	21,987,611	- 20,035,650	1,951,961	1,091,791	860,170	56
Total Income	434,894,340	100,000,000	534,894,340	554,905,984	- 20,011,643	104
Expenses						
Employee costs	318,972,542	7,152,106	326,124,648	318,890,039	7,234,609	98
Remuneration of Directors	15,044,000	418,000	15,462,000	13,940,462	1,521,538	90
Repairs and Maintenance	1,890,001	1,608,448	3,498,449	2,212,760	1,285,689	63
Contracted Services	8,500,000	- 250,000	8,250,000	8,146,989	103,011	99
Use of Goods and Services	79,826,490	44,304,341	124,130,831	79,803,222	44,327,609	64
Non-Current Assets	10,661,307	46,767,105	57,428,412	21,303,246	36,125,166	37
Total Expenditure	434,894,340	100,000,000	534,894,340	444,296,719	90,597,621	83
Surplus for the period	-	0	0	110,609,265	- 110,609,264	0
Capital Expenditure	40,000,000	-	40,000,000	30,735,146	9,264,854	77
TOTAL BUDGET	474,894,340		574,894,340	475,031,865	99,862,475	83

Notes:

- Other Income: The university did not attract Research funds in the Financial Year.
- Use of Goods and Services: The university College did not achieve the target because of the late approval of the Supplementary Budget that was received on 25.06.24
- Non-Current Assets: The university College did not achieve the target because of the late approval of the Supplementary Budget that was received on 25.06.24
- Repairs and Maintenance: The university College did not achieve the target because of the late approval of the Supplementary Budget that was received on 25.06.24
- Capital Expenditure: The contract's pace of work was very slow.

1. General Information

Bomet University College (*A Constituent College of Moi University*) was established through Legal Notice No. 145 published in the Kenya Gazette Supplement No.114 of 27th July, 2017 and derives its authority and accountability from The Universities' Act 2013. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The University College's principal activity is to provide university education through teaching, training, research and outreach.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *Entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Entity*. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2024.*

There were no new and amended standards issued in the financial year.

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<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>
IPSAS 45- Property Plant and Equipment	<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</p>

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Standard	Effective date and impact:
	<p>PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<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>IPSAS 48- Transfer Expenses</p>	<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</p>

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Standard	Effective date and impact:
	arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.

iii. Early adoption of standards

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

Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The *Entity* recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the *Entity* and the fair value of the asset can be measured reliably.

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

The *Entity* recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Summary of Significant Accounting Policies (Continued)

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the *Entity*.

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.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Entity's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for the 2023/2024 FY was approved by the National Assembly on 4th July, 2023. 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 Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded additional appropriations of *Kshs. 100,000,000* on the 2024 budget following the governing body's approval.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Budget information (continued)

The *Entity's* budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has not been presented.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the *Entity* operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Summary of Significant Accounting Policies (Continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable *Entity* and the same taxation authority.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of sales tax included
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.(entity to amend appropriately based on the model adopted)* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) **Property, plant and equipment**

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

f) **Leases**

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

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the *Entity*. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

g) Intangible assets

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

The depreciation rate applied on Intangible assets is on a reducing balance basis at the rate of 25% per annum.

h) Research and development costs

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

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

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

Summary of Significant Accounting Policies (Continued)

i) 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 entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

The entity 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 entity'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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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.

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.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Impairment

The entity 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 6*.

b) Financial liabilities

Classification

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

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

k) Provisions

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

l) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

m) Contingent liabilities

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

n) Contingent assets

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

o) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

p) Changes in accounting policies and estimates

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

q) Employee benefits

Retirement benefit plans

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

Foreign currency transactions

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

The *Entity* 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 Council Members, the Principal and Deputy Principals*.

t) Service concession arrangements

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

u) Cash and cash equivalents

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

Summary of Significant Accounting Policies (Continued)

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Entity'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:

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

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Useful lives and residual value

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

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

Depreciation is provided for on a reducing balance basis at the following rates.

	Rate
Buildings	2%
Plant and Machinery	12.5%
Furniture and Fittings	12.5%
Motor Vehicle	25%
Computers	33.3%
Intangible Assets	25%

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 16 and 21. 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.

Provision for bad debts is provided for at the rate of 10% of the student debtors.

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

	Notes	Current FY 2023/2024	Audited FY 2022/2023
		Kshs.	Kshs.
Revenue from Non Exchange Transactions	6		
Recurrent Grants		286,980,722	313,170,059
Total		286,980,722	313,170,059

6(b). Transfers to Ministries Departments and Agencies

Name of The Entity Receiving The Grant	Amount recognised in Statement of Financial Performance	Amount deferred under deferred income	Amount recognised in Capital fund	Total transfers (FY 2023/2024)	FY 2022/2023
	KShs	KShs	KShs	KShs	KShs
State Department for Higher Education and Research	286,980,722	0	44,430,648	331,411,370	338,170,059
Total	286,980,722	0	44,430,648	331,411,370	338,170,059

6 c. Adjustment on Revenue from Non Exchange transactions for purposes of cashflow

Recurrent Grants		286,980,722	
Increase in receivable from Non Exchange Transactions		(25,105,428)	
Increase in inventory		(5,895,019)	
Totals		255,980,275	

Rendering of Goods and Services	7	Current FY 2023/2024	Audited FY 2022/2023
Tuition		154,156,090	36,867,000
Privately Sponsored Students Fees		4,406,375	6,135,825
Registration Fees		4,876,500	1,747,750
Academic Trips /Field Attachment		23,748,000	9,662,000
Student ID Cards		1,226,800	529,200
Examination Fees		8,490,906	3,087,000
Activity Fees		6,663,100	3,598,300
Amenity Fee		7,302,000	2,080,000
Medical Fee		9,110,200	3,689,500
Other Income- KUCCPS Processing Fees		1,849,500	1,273,500
Computer Fee		5,356,000	
Other Fees- Library Fees		30,000	70,000
Students Organisation Fees		1,223,500	450,000
Supervision / Thesis Fees		508,500	841,000
Annual Subscription Fee		2,160,000	1,187,000
Games and Sports		5,612,000	2,366,000
Connectivity Fee		8,529,000	4,722,000
Other Fees-CUE Quality Assurance Fee		1,247,000	863,000
Teaching Practice		16,732,000	9,098,000
Students Projects Charges		-	40,000
Student Practicals		3,606,000	231,000
Total Rendering of Goods and Services		266,833,471	88,538,075

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

7 b. Adjustment on Revenue from Exchange transactions for purposes of cashflow

Rendering of Goods and Services		266,833,471	
Increase in receivable from Exchange Transactions		(15,220,904)	
Totals		251,612,568	

Other Income:	8	Current FY 2023/2024	Audited FY 2022/2023
Application Fees		114,500	
Supplementary Exams		490,000	
Collaborations/ Research Funds		403,671	
Miscellaneous Income		33,420	132,900
Externally Generated Funds		-	518,601
Fines & surcharge		50,200	
Total Other Income		1,091,791	651,501
Total Revenue from Exchange Transactions		267,925,262	89,189,576
Personnel Costs	9		
Basic Salary		164,536,547	165,711,219
House Allowance		66,839,815	68,993,265
Commuting Allowance		5,026,804	6,004,364
Transport/ Car Allowance		19,436,713	18,263,171
Responsibility Allowance		4,097,863	1,970,027
Telephone Allowance		5,171,602	3,085,032
Domestic Servant Allowance		1,920,000	1,920,000
Professorial/Instructors Allowance		422,000	432,000
Risk Allowance		-	10,000
Tool Allowance		-	-
Extraneous Allowance		-	80,000
Passage and Baggage allowance		4,800	-
Gratuity		6,919,425	6,839,566
Housing Levy - Employers Contribution		3,763,144	
NSSF - Employers Contribution		1,801,800	950,760
Staff Pension Scheme - Employer Contributions		20,977,039	21,049,975
Leave Allowance		997,200	1,034,800
Water Allowance		-	-
Casual Wages		1,276,873	1,001,470
Entertainment Allowance		4,269,725	2,095,032
Electricity Allowance			
Research/Book Allowance		1,318,000	390,000
Other Allowances		5,760	6,792
Salary Locum Appointees		-	-
Special Duty Allowance		18,000	18,000
Acting Allowance		90,000	2,725,507
Internship / Apprenticeship			
National Industrial Training Authority (NITA)		94,450	141,450

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Sabatical, Visiting & Adjunct Academic Staff			
Work Study Program		85,800	111,000
Part Time Teaching Claims		9,816,680	1,927,880
Book and Journal Allowance			964,000
Total Personnel Costs		318,890,039	305,725,310

9 b. Adjustment on Personnel Costs for purposes of cashflow

Personnel Costs		318,890,039	
Increase in Provisions		(1,118,511)	
Increase in Contingent Liabilities		(7,818,927)	
Totals		309,952,601	

	10	Current FY 2023/2024	Audited FY 2022/2023
Remuneration of directors:			
Sitting Allowance		4,729,000	3,320,000
Chairman's Honoraria		1,044,000	987,870
Subsistence Allowance		3,946,600	2,504,600
Other Council Allowances		180,000	2,958,402
Mileage Allowance		2,069,956	
Lunch Allowance		727,500	
Board Medical Insurance		1,243,406	
Total		13,940,462	9,770,872
Depreciation and Amortization Expense:	11		
Depreciation - Buildings		952,733	972,176
Depreciation - Plant & Equipment		2,282,131	1,959,762
Depreciation - Furniture & Fittings		2,415,599	2,568,613
Depreciation - Motor Vehicle		2,345,118	3,126,824
Depreciation - Computer Hardware		4,982,834	3,090,093
Depreciation-Intangible Assets		3,102,175	4,136,233
Total Depreciation and Amortization Expense		16,080,589	15,853,701
Repairs and Maintenance :	12		
Maintenance of Buildings & Stations		654,416	2,908,442
Maintenance of Computers & Other Electronics		398,760	329,175
Maintenance of Motor Vehicles		546,288	348,606
Road Maintenance and Grounds		310,796	446,470
Maintenance of Plant & Equipment		98,000	119,130
Maintenance of Furniture and Fittings		204,500	
Total Repairs and Maintenance		2,212,760	4,151,823
Contracted services	13		
Security Services		4,544,134	3,008,804
Cleaning Services		3,295,440	3,125,022
Garbage and Sanitary Services		307,415	391,256
Total Contracted Services		8,146,989	6,525,082

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

Use of Goods and Services:	14	Current FY 2023/2024	Audited FY 2022/2023
Academic Expenses			
Field Course Expenses		2,053,145	402,300
Industrial Attachment Expense			804,600
Admission Expenses			89,950
SGC Elections & Training			888,255
Counselling and Mentorship			83,160
Examination Expenses		-	1,443,041
External Examiners		751,981	1,090,000
Printing & Publications			94,900
Research and Dvt- University Research Programme		6,524,479	2,225,210
Laboratory Materials and reagents		971,835	779,360
Teaching Practice		1,636,900	2,747,120
Books and Journals			1,979,334
Library Expenses		1,907,240	1,799,805
ODel Expense			19,500
Student smart card			164,170
Teaching Expenses- Training Farm		307,367	199,780
Accreditation Expenses- CUE		1,187,000	680,000
Total Academic Expenses		15,339,946	15,490,485
Administrative Costs			
Sports		733,800	588,560
Student Union- BUCSO & SGC		1,243,112	297,000
Student Welfare, Development/Student Activity		2,585,460	1,372,310
Cultural Week/Tamasha/Open Day			197,000
KUCCPS Expenses		1,833,000	1,006,500
Communication to Stakeholders/Public Participation		24,500	42,000
Capacity Building-Staff Training		1,864,980	871,520
Seminars, Conference, Workshops		1,347,475	974,089
Corporate Social Responsibility		23,180	
Hospitality, Office Refreshments & Office Expenses		302,294	336,781
Software, Licenses, Renewals and Connectivity		310,068	
Monitoring and Evaluation-Performace Contracting		501,266	364,132
Alcohol and Drug Abuse			41,500
Safety and Security			13,600
Public Complains			35,000
Surveillance, QA, ISO		2,050,640	617,478
Consumables- Purchase of Medical Drugs		(19,855)	304,520
Rent, Land Rates and Title Deed processing		292,840	
Communication Costs & Petty Cash		614,644	448,986
Enforcement & Compliance-Legal Expenses		174,800	398,250
Office Stationery, Printing etc		6,258,130	1,338,475
Public Celebrations & Funerals		270,250	94,610
Gender Mainstreaming			48,000
Travelling & Accommodation expenses		5,868,414	2,874,486
Refined Fuel, Oil and Lubricants		1,966,609	1,321,501
Transport expense			1,900
Postal and courier expenses		45,260	53,180
Audit fees			540,000

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Branding of of BUC Niche			38,350
Advertisements, Promotions, Publicity & Branding		241,600	165,249
Bank Charges		355,563	366,436
Cleaning Materials and Detergents		355,295	363,000
Subscriptions, License & Affiliation Expenses		810,660	370,324
Court awards		7,818,927	
Total Administrative costs		37,872,912	15,484,737
Utilities			
Electricity expenses		2,199,952	1,389,206
Water		312,431	341,897
Telephone, Mobile and Internet Services		5,897,503	3,334,794
Total Utilities		8,409,886	5,065,897
Insurance Expenses			
Staff Medical Scheme		14,990,227	14,920,608
Group Life Cover		2,112,766	2,370,457
Comprehensive Motor Vehicle insurance		1,077,486	1,136,639
Total Insurance Expenses		18,180,479	18,427,704
Totals Use of Goods and services		79,803,222	34,310,016

14 b. Adjustment on Use of Goods and Services for purposes of cashflow

Use of Goods and services		79,803,222	
Increase on Trade and other payables		(41,571,546)	
Increase in non Current Assets		(4,815,804)	
Totals		33,415,872	

14 c. Workings of Expenses on Inventory.

Inventory	O/S as at 1.07.23	Purchases 23/24	COS	C/S as at 30.06.24	Expenditure	Direct expenses in the respective votes	Total expenditure
Stationaries	918,140	10,463,434	11,381,574	5,123,444	6,258,130		6,258,130
Cleaning Materials	270,740	481,060	751,800	396,505	355,295		355,295
Maintenance	68,560	955,526	1,024,086	369,670	654,416		654,416
Farm Items	76,810	518,552	595,362	311,675	283,687	23,680	307,367
Games and Sports	-	-	-	-	-		-
Drugs Store	30,500	599,955	630,455	650,310	(19,855)		(19,855)
Laboratory		1,380,000	1,380,000	408,165	971,835		971,835
Branded Items							
Total Inventories	1,364,750	14,398,527	15,763,277	7,259,769	8,503,508		
Note :	Stationary comprises:						
Examination Materials	3,531,850						
Stationary	6,931,584						
	10,463,434						

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

Cash and Cash Equivalents	15		
Current Account		362,836,767	221,803,371
BUC CO-OP COLLECTION A/C-01129359078100		52,046,607	200,144
BUC NBK COLLECTION AIC -01060202684700		71,089,578	52,789,728
BUC NBK DEPOSIT AIC- 01071204352900		51,190,191	2,525,604
BUC NBK PAYMENT AIC- 0160202686400		42,584,241	5,979,495
BUC KCB CAPITAL DEVELOPMENT A/C-1219837245		139,839,558	152,622,899
BUC KCB RESEARCH A/C-1219838373		6,086,592	5,931,692
BUC Mpesa Account			1,753,809
Total Cash and Cash Equivalents		362,836,767	221,803,371
Receivables from exchange transactions	16		
Current receivables			
Student Debtors		32,144,995	15,232,880
Less: 10% Provision for doubtful debts		3,214,500	1,523,288
Net Receivables from Exchange Transactions		28,930,496	13,709,592
Receivables from Non-exchange transactions	17		
Ecitizen Debtors		148,101	
Outstanding Exchequer Grants		23,915,062	
Imprest Debtors		1,415,990	373,725
Net Receivables from Non-exchange transactions		25,479,153	373,725
Inventories	18		
Stationaries		5,123,444	918,140
Cleaning Materials		396,505	270,740
Maintenance		369,670	68,560
Farm Items		311,675	76,810
Drugs Store		650,310	30,500
Laboratory		408,165	
Total Inventories		7,259,769	1,364,750

	19	Current FY 2023/2024	Audited FY 2022/2023
Current Liabilities			
Trade payables		34,211,590	30,578,807
Accrued Payroll Expense (CBA)		615,603	2,137,940
HELB Control Account		2,534,034	499,309
CDF Control Account		1,170,100	649,232
Scholarships		6,583,420	
Moi University Graduation Income		817,500	322,800
Fees Prepayments		39,725,899	9,758,648
Union Dues outstanding		-	66,031
Caution Money		808,500	295,500
Deferred Income		814,322	1,401,154
Total		87,280,967	45,709,421

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Other payables- Contigent Liabilities	20		
Prof. Thomas Cheruiyot and Prof. Joshua Kwonyike		7,937,480	118,554
Provisions	21		
General Provisions		-	2,176,900
Provision for Gratuity		23,616,886	19,161,475
Provision for Audit Fees		634,600	1,794,600
Total Provisions		24,251,486	23,132,975
Non-Current Liabilities	22		
Retention Funds - Capital Dvt Project		63,895,543	61,839,904
Retention Funds- Internal Projects		2,685,473	1,931,908
Retention Funds- ERP System		1,181,488	1,181,488
Caution Money- Long Term		4,196,600	2,190,000
Total Non-Current Liabilities		71,959,103	67,143,300

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

23. Property, Plant and Equipment

Particulars	Land	Buildings	Capital In Progress	Motor vehicles	Furniture, Fixtures and Fittings	Plant and Equipments	Computers	Total
COST AS AT 1ST JULY 2022	930,800,000	53,960,000	827,495,068	32,996,863	30,643,362	17,374,130	16,989,689	1,910,259,112
Additions	-	-	48,526,808	-	58,000	4,097,577	3,463,024	56,193,409
Disposals	-	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-	-
Cost As at 30th June 2023	930,800,000	53,960,000	876,021,877	32,996,863	30,701,362	21,471,707	20,452,713	1,966,404,521
Depreciation & Amortization	-	972,176	-	3,126,824	2,568,613	1,959,762	3,090,093	11,717,468
Net Book Values at 30th June 2023	930,800,000	47,636,626	876,021,877	9,380,473	17,980,291	13,718,335	6,189,465	1,901,727,066
Cost As at 1ST JULY,2023	930,800,000	53,960,000	876,021,877	32,996,863	30,701,362	21,471,707	20,452,713	1,966,404,521
Additions	-	-	37,381,180	-	1,344,500	4,538,712	8,774,000	52,038,392
Disposals	-	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-	-
Cost As at 30th June, 2024	930,800,000	53,960,000	913,403,057	32,996,863	32,045,862	26,010,419	29,226,713	2,018,442,913
Accumulated dep upto 30th June, 2023	-	6,323,374	-	23,616,390	12,721,071	7,753,372	14,263,248	64,677,455
Depreciation & Amortization -June 30, 24	-	952,733	-	2,345,118	2,415,599	2,282,131	4,982,834	12,978,414
Net Book Values at 30th June, 2024	930,800,000	46,683,893	913,403,057	7,035,355	16,909,192	15,974,916	9,980,631	1,940,787,044

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

Valuation

Land and buildings/ Equipment (be specific) were not valued by professional valuers from the government in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30th June 2020). The assets were not revalued by professional valuers on this date xxx. These amounts were not adopted by the Board with concurrence from the National Treasury as there were no valuations.

23 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	KShs	KShs	KShs
Land	930,800,000	-	930,800,000
Buildings	53,960,000	7,276,107	46,683,893
Plant And Machinery	26,010,419	10,035,503	15,974,916
Motor Vehicles, Including Motorcycles	32,996,863	25,961,508	7,035,355
Computers And Related Equipment	29,226,713	19,246,082	9,980,631
Furniture, And Fittings	32,045,862	15,136,670	16,909,192
Intangible Asset	16,544,931	7,238,407	9,306,524
Total	1,121,584,788	84,894,277	1,036,690,511

24. Intangible Assets

Particulars	Intangible Assets- ERP SYSTEM
Net Book Values at 30th June 2020	nil
Additions- Capitalization	16,544,931
Disposals	-
Transfers/adjustments	-
As at 30th June 2020	16,544,931
Depreciation	-
Net Book Values at 30th June 2021	16,544,931
Depreciation	-
Net Book Values at 30th June 2022	16,544,931
Cost as at 1st July,2022	16,544,931
Depreciation	4,136,233
Net Book Values at 30th June 2023	12,408,699
Cost as at 1st July,2023	16,544,931
Depreciation	3,102,175
Net Book Values at 30th June 2024	9,306,524

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

25. Biological Assets

Particulars	Biological Assets
COST AS AT 1ST JULY 2022	
Additions	48,000
Disposals	
Transfers/adjustments	
Cost As at 30th June 2023	48,000
Depreciation & Amortization	-
Net Book Values at 30th June 2023	48,000
Cost As at 1ST JULY,2023	48,000
Additions	117,000
Disposals	
Transfers/adjustments	
Cost As at 30th June, 2024	165,000
Depreciation & Amortization -June 30, 24	-
Net Book Values at 30th June, 2024	165,000

26. Trade and Other Payables

Description	2023/2024		2022/2023	
	FY		FY	
	Kshs		Kshs	
Trade payables	34,211,590		30,578,807	
Payments received in advance	39,725,899		9,758,648	
Employee payables	615,603		2,137,940	
Third-party payments	-		-	
Other payables	12,727,876		3,234,026	
Total trade and other payables	87,280,967		45,709,421	
Ageing analysis: (Trade and other payables)	2023/2024	% of the	2022/2023	% of the
	FY	Total	FY	Total
Under one year	86,665,364	99	43,571,481	95
1-2 years	0	0	0	0
2-3 years	0	0	0	0
Over 3 years	615,603	1	2,137,940	5
Total	87,280,967	100	45,709,421	100

Notes to the Financial Statements (Continued)

27. Refundable Deposits and Prepayments from Customers

Descriptions	FY 2023/2024		2022/2023 FY	
	Kshs		Kshs	
Customer deposits(caution Money)	5,005,100		2,485,500	
Prepayments	39,725,899		9,758,648	
Other deposits(HELB,CDF,SCHOLASHIPS)	10,287,554		1,148,541	
Total deposits	55,018,553		13,392,689	
Ageing analysis: (Refundable deposits)	2023/2024 FY	% of the Total	2022/2023 FY	% of the Total
Under one year	2,474,000	49	734,000	30
1-2 years	791,600	16	942,000	38
2-3 years	931,000	19	514,000	21
Over 3 years	808,500	16	295,500	12
Total	5,005,100	100	2,485,500	100

28. Current Provisions

Description	General Provisions	Audit Fees provision	Gratuity Provision	Total
	Kshs	Kshs	Kshs	Kshs
	Balance b/f	2,176,900	1,794,600	19,161,475
Additional provisions	-	-	6,919,425	6,919,425
Provision utilised	(2,176,900)	(1,160,000)	(2,464,014)	(5,800,914)
Total provisions year end	-	634,600	23,616,886	24,251,486

29. Finance Lease Obligation

Description	2023/2024 FY	2022/2023 FY
	Kshs	Kshs
At the start of the year	0	0
Discount interest on lease liability	0	0
Paid during the year	(0)	(0)
At end of the year	0	0

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

Maturity Analysis

Period	Amount (Kshs)
Year 1	0
Year 2	0
Year 3	0
Year 4	0
Year 5 And Onwards	0
Less: Unearned Interest	0
Total	0

Analysed as:

Description	Amount (Kshs)
Current	0
Non- Current	0
Total	0

The deferred income movement is as follows:

30. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Benefits	(2023/24 FY)	(2022/23 FY)
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	0	0
Non-Current Benefit Obligation	0	0	0	0	0
Total Employee Benefits Obligation	0	0	0	0	0

Retirement benefit Asset/ Liability

The Entity operates a defined benefit scheme for all full-time employees from July 1, 20XX. The scheme is administered by xxx while xxx are the custodians of the scheme. The scheme is based on xxx percentage of salary of an employee at the time of retirement. An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at xxx June xxx by xxx actuarial valuers on this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

Description	2023/2024 FY	2022/2023 FY
Discount Rates	0	0
Future Salary Increases	0	0
Future Pension Increases	0	0
Mortality (Pre- Retirement)	0	0
Mortality (Post- Retirement)	0	0
Withdrawals	0	0
Ill Health	0	0
Retirement	0	0

Recognition of Retirement Benefit Asset/ Liability

- a) Amounts recognized under other gains/ Losses in the statement of Financial Performance:

Description	2023/2024 FY	2022/2023 FY
	Kshs	Kshs
The return on defined plan assets	0	0
Actuarial gains/ losses arising from changes in demographic assumptions	0	0
Actuarial gains/ losses arising from changes in financial assumptions	0	0
Actuarial gains and losses arising from experience adjustments	0	0
Others (specify)	0	0
Adjustments for restrictions on the defined benefit asset	0	0
Remeasurement of the net defined benefit liability (asset)	0	0

Notes to the Financial Statements (Continued)

b) Amounts recognised in the Statement of Financial Position

Description	2023/2024 FY	2022/2023 FY
	Kshs	Kshs
Present value of defined benefit obligations(a)	0	0
Fair value of plan assets(b)	0	0
Funded status (=a-b)	0	0
Restrictions on asset recognised	0	0
Others	0	0
Net asset or liability arising from defined benefit obligation	0	0

The Entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs. 2,160 per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by Moi University Pension Scheme. Employees contribute 5% for grade 1-4 and 7.5% for grade 5-15 while employers contribute 10% and 15% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

31. Provisions

Description	General Provisions	Audit Fees provision	Gratuity	Total
			Provision	
	Kshs	Kshs	Kshs	Kshs
Balance b/f	2,176,900	1,794,600	19,161,475	23,132,975
Additional provisions	-	-	6,919,425	6,919,425
Provision utilised	(2,176,900)	(1,160,000)	(2,464,014)	(5,800,914)
Total provisions year end	-	634,600	23,616,886	24,251,486

32. Surplus Remission

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes To The Financial Statements (Continued)

33. Cash Generated from Operations

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Surplus for the year before tax	114,140,711	9,335,365
Adjusted for:		
Depreciation	16,080,589	15,853,701
Provisions	1,691,212	403,658
Non-cash grants received	-	-
Contributed assets	-	-
Impairment	-	-
Gains and losses on disposal of assets	-	-
Contribution to provisions	8,937,437	6,839,566
Prior Year Adjustment	9,268,426	
Contribution to impairment allowance	-	-
Working capital adjustments	150,118,373	23,096,925
Increase in inventory	(5,895,019)	781,498
Increase in receivables	(40,326,332)	5,341,046
Decrease in deferred income	(586,832)	-
Increase in payables	12,191,127	(58,678,043)
Increase in payments received in advance	29,967,251	-
Increase in Retention	4,815,803	-
Net cash flow from operating activities	150,284,372	(29,458,574)

34. Financial Risk Management

The Entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity'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 Entity 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 Entity's financial risk management objectives and policies are detailed below:

i) Credit risk

The Entity 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

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

Financial Risk Management

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:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June, 2024				
Receivables from exchange transactions	28,930,496	28,930,496	0	0
Receivables from non-exchange transactions	25,479,153	25,479,153	0	0
Bank balances	362,836,767	362,836,767	0	0
Total	417,246,416	417,246,416	-	-
As at 30 June,2023				
Receivables from exchange transactions	13,709,592	13,709,592	0	0
Receivables from non-exchange transactions	373,725	373,725	0	0
Bank balances	221,803,371	221,803,371	0	0
Total	235,886,688	235,886,688	-	-

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 from xxx. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

Financial Risk Management

ii) **Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have 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 Entity 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
As at 30th June, 2024				
Trade payables	33,153,145	620,400	418,197	34,191,742
Current portion of borrowings	-	-	-	-
Provisions	-	-	24,251,486	24,251,486
Deferred income	-	-	814,322	814,322
Employee benefit obligation	-	-	615,603	615,603
Total	33,153,145	620,400	26,099,608	59,873,152
As at 30th June, 2023				
Trade payables	26,578,807	-	4,000,000	30,578,807
Current portion of borrowings	-	-	-	-
Provisions	-	-	23,132,975	23,132,975
Deferred income	-	-	1,401,154	1,401,154
Employee benefit obligation	-	-	2,137,940	2,137,940
Total	26,578,807	-	30,672,069	57,250,876

Notes to the Financial Statements (Continued)

Financial Risk Management

iii) Market risk

The *Entity* 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,

Financial Risk Management

while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The *Entity'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 way it manages and measures the risk.

a) 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 *Entity* 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.

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:

Notes to the Financial Statements (Continued)

Financial Risk Management

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June,2024			
Financial Assets	0	0	0
Investments	0	0	0
Cash	0	0	0
Debtors	0	0	0
Total Financial Assets	0	0	0
Financial Liabilities			
Trade And Other Payables	0	0	0
Borrowings	0	0	0
Total Financial Liabilities	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

Foreign currency sensitivity analysis

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June,2024			
Financial Assets	0	0	0
Investments	0	0	0
Cash	0	0	0
Debtors	0	0	0
Total Financial Assets	0	0	0
Financial Liabilities			
Trade And Other Payables	0	0	0
Borrowings	0	0	0
Total Financial Liabilities	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

Notes to the Financial Statements (Continued)

Financial Risk Management

The following table demonstrates the effect on the Entity's statement of comprehensive income 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 Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
As at 30 June,2024			
Euro	10%	0	0
USD	10%	0	0
As at 30 June, 2023			
Euro	10%	0	0
USD	10%	0	0

b) 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 Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity'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 Entity 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 t statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (Current FY: Kshs xxx). A rate

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx
(Current FY – Kshs xxx)

Notes To The Financial Statements (Continued)
Financial Risk Management

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the *Entity's* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *Entity* considers relevant and observable market prices in its valuations where possible.

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)
Financial Risk Management

The following table shows an analysis of financial and non-financial instruments recorded at fair value by level of the fair value hierarchy:

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June, 2024				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	984,760,000	-	-	984,760,000
Total	984,760,000	-	-	984,760,000
As at 30th June,2023				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	977,483,893	-	-	977,483,893
Total	977,483,893	-	-	977,483,893

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

The objective of the Entity's capital risk management is to safeguard the Entity's ability to continue as a going concern. The Entity capital structure comprises of the following funds:

DESCRIPTION	FY 2023/2024	FY2022/2023
	Kshs	Kshs
Revaluation Reserve	1,175,435,010	1,175,435,010
Retained Earnings	366,572,231	227,082,506
Capital Reserve	641,205,827	612,855,768
Total Funds	2,183,213,068	2,015,373,284
Total Borrowings	0	0
Less: Cash and Bank Balances	0	0
Net Debt/(Excess Cash And Cash Equivalents)	0	0
Gearing	0	0

35. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

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

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Students
- v) Key management.
- vi) Board of directors.

36. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2023/2024 FY	2022/2023 FY
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	0	0
Assets Arising from Determination Of Court Cases	0	0
Reimbursable Indemnities and Guarantees	0	0
Receivables From Other Government Entities	0	0
Others (Specify)	0	0
Total	0	0

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Contingent Liabilities

Description	FY	
	2023/2024	FY 2022/2024
	Kshs	Kshs
Contingent Liabilities		
Court Case No.35 against the Entity	7,937,480	118,554
Bank Guarantees in Favour of Subsidiary	0	0
Contingent Liabilities arising from Contracts Including PPPs	0	0
Others (Specify)	0	0
Total	7,937,480	118,554

37. **Capital Commitments**

Capital Commitments	FY	
	2023/2024	2022/2023
	Kshs	Kshs
Authorised for		
Authorised and contracted for	844,836,410	806,123,195
Total	844,836,410	806,123,195

38. **Events after the Reporting Period**

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

39. **Ultimate and Holding Entity**

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

40. **Currency**

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

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

20. Appendices

Appendix I: Implementation Status of Auditor-General's Recommendations

Financial Year of Audit	2020/2021, 2021/2022 & 2022/2023 Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Action by Management	Status: (Resolved / Not Resolved)
2020/2021	Basis for Conclusion 1	Non-Remittance of Tax Dues	The penalty and the interest on VAT is Ksh 37,821 and Ksh 30,257 respectively owing to an error since BUC is not obligated under VAT. BUC followed up with KRA to reverse the erroneous charges, and made a written request for the reversal of erroneous penalties and interest including removal of the VAT obligation. After KRA clears the VAT liability in their systems, Itax will enable filing of Pay as You Earn (PAYE) appeal of May 2019 and the Income Tax penalty appeal for September 2020. BUC had informed KRA on 7 th June 2019 about the expected late payment of salaries and PAYE for May 2019 owing to the delay in remittance of capitation. Payment of tax was made on 14 th June 2019 and hence the waiver in the system will be removed after the VAT obligation and penalties stated above is	There was waiver granted during amnesty period.	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2020/2021	Basis for Conclusion 2	Delayed Implementation of Projects	<p>remove.</p> <p>The Contractor is yet to seek Approval for the Extension of Contract Period from the Project Manager, State Department of Public Works. Furthermore, financing of the project has been low and no funds allocated by the Government for the Ongoing Proposed Construction of Library Block, 2No. Hostel Blocks Multipurpose Hall and Lecture halls 2021/2022 and 2022/2023 Financial Years.</p>	<p>Based on a request by Bomet University College, the Secretary of Works, State Department for Public Works instructed Project manager to undertake Joint Measurement of Works completed and Pending Works.</p> <p>Once the Report is received from Project manager, a Joint meeting will be convened to set the way forward to activate the process.</p> <p>BUC has also ensured that Capital development funds are used for both projects, effective 2024 and 2025</p>	Resolved.
2020/2021	Basis for Conclusion 3	Payment for Incomplete No-Commissioned ERP System	<p>On 26th June, 2020, Bomet University College (BUC) executed a Contract with Appkings Solutions Limited (ASL) for the Supply, Installation, Testing and Commissioning of an Enterprise Resource Planning (ERP) Software Solution for Bomet University College. The Consideration for the Contract was a sum of Ksh. 16,544,931 and payments was made in phases of performance as per the contract. During implementation of the Project, the Contractor's term was impliedly extended because of the need to have all Staff at BUC trained on the use of the said system as this meant that all the staff recruited by BUC in the year 2021 had to be trained. In addition,</p>	<p>Training of all Staff was done on 14th to 19th April 2024; cleaning up of the system is ongoing and once finalized; commissioning of ERP will be scheduled within Financial Year 2024/2025.</p>	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2020/2021	Basis for Conclusion 4	Payment of Unauthorized Allowances to Top Management	<p>COVID-19 Pandemic hindered the timely completion of the said Contract. The Contract was silent on how and when Commissioning will be done but currently all the modules are being implemented and improved on case-by-case basis based on user suggestions.</p> <p>The Terms of Service for the Senior Management Staff of Bomet University College are stipulated in the Terms and Conditions of Service for Senior Management Staff which was Approved by BUC Council. The Management wrote to State Corporations Advisory Committee (SCAC) seeking for Approval of the BUC Human Resource Policy Instruments on 16th November 2021. Further, Circular Ref No. PSC/LEG/009/21/544(27) from the Public Service Commission (PSC) on Employment and Labour Relations Court (ELRC) Petition number. E161 of 2021, advised that Corporations can continue to apply existing Human Resource Instruments as Approved by their Respective Boards pending consultations with critical Stakeholders on Policy and Financial implications of the Court order.</p>	<p>Management continues to use existing Human Resource Instruments as Approved by their Respective Boards pending consultations with critical Stakeholders on Policy and Financial implications of the Court order.</p>	Resolved.
-----------	------------------------	--	---	---	-----------

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2020/2021	Basis for Conclusion 5	Non-Compliance with the One-Third Basic Pay Rule	<p>The professorial Allowance of Ksh. 8,000 is a CBA negotiated Allowance under the Universities Academic Staff Union, (UASU) which the top Management Staff belong as Professors. (UASU, MU, CBA 2012-2013, Section.19.5) under Academic and Professorial Allowance.</p> <p>BUC is cognizant of the requirements of Section C.1 (3) of the Human Resource Policies and Procedures Manual for the Public Service dated May, 2016 which states that public officers shall not over-commit their salaries beyond two thirds (2/3). Presently after salary deductions, the Payroll Officer runs a Report to check on compliance with the two-thirds rule before printing the final Payroll for approval.</p>	Presently after salary deductions, the Payroll Officer runs a Report to check on compliance with the two-thirds rule before Payroll for approval.	Resolved
2020/2021	Basis for Conclusion 6	Irregular Staff Recruitment and Appointment	<p>Appointments by Council in Public Universities and University Constituent Colleges is from Grade 14 to Grade 16. Grade 17 to Grade 20 is interviewed by Public Service and appointed by the Cabinet Secretary on recommendation by Council.</p> <p>The overpaid salary of Ksh 601,878 and not Ksh 598,235.90 and of which the total amount was honoured by the Staff on 7th June 2022.</p>	The Human Resource Manual is in the process of being reviewed to be aligned to the current practice in the sector.	Resolved.
2020/2021	Basis for Conclusion 7	Irregular Payment of Salary to Former Employee	<p>This matter was sufficiently answered and cleared off in the Audit certificate of 2019/2020 Financial Year. However, at the time of concluding the audit of 2020/2021 Financial Year, we had not received the certificate of 2019/2020 Financial Year.</p> <p>The decision of BUC Council to recover had</p>	The staff paid the monies to BUC.	Resolved.
2020/2021	Basis for Conclusion 8	Overpayment of Salaries to former Members of Staff	<p>The Audit of 2020/2021 Financial Year was carried out before receiving the OAG certificate of 2019/2020 where the matter had been dropped.</p>		Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2020/2021	Basis for Conclusion 9	Irregular Engagement of Casual Employees for more than Twelve Months	<p>not been violated by the acting Management since the financial implication the period October 2017 to June 2019 and hence it was not practical to recover monies in January 2019. Moreover, the salaries of the acting Principal and the acting Deputy Principals had been withheld from January to March 2019 pending the decision of the College Council. During its 10th Regular Meeting, held on 24th April 2019 Council approved immediate payments of the withheld salaries for January, February and March 2019, and without any recoveries. Therefore, Council's Approval was implemented and salaries withheld paid.</p> <p>The University College disengaged the services of Casual workers and sub contracted security and cleaning services. However, there are only a few Casual workers who are hired on need basis and on rotation.</p>	Management has advertised the position internally to enable engagement of the casuals on a contract plan.	Resolved
2021/2022	Basis for conclusion 1	Casual Wages	<p>The University College disengaged the services of Casual workers and sub contracted security and cleaning services. However, there are only a few Casual workers who are hired on need basis and on rotation. The Council Approved that the University College can engage Casuals for not more than Sixteen 16 days in a Month. These Casuals are not engaged for a whole Month but for a maximum of Sixteen (16) Days in a Month as Approved by Council, after which they take a break.</p>	Management has advertised the position internally to enable engagement of the casuals on a contract plan.	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2021/2022	Basis for conclusion 2	Failure to Constitute Council	Board appointments shall be made in line with Article 27 of the Constitution of Kenya. The Council members were appointed on 8 th July, 2022 for a period of Three Years.	Resolved
2021/2022	Basis for conclusion 3	Irregular allowance	The Payment of Acting Allowance at 15% of Basic Salary was guided by: The BUC Internal Appointment And Promotions Policy For Staff , (Which is also under Review to align to other National Policies); Salaries and Remuneration Commission (SRC); Allowances Policy Guideline for the Public Service : Section 2.0 which stipulates that “Notwithstanding the need to enhance equity and fairness through streamlining of allowances; the Commission shall take into account existing contractual obligations, relevant laws and regulations. Allowances that are currently being obtained shall therefore continue to be paid until the Commission issues a further advisory” .	Resolved
2021/2022	Basis for conclusion 4	Ethnic Imbalance	BUC had a total of One Hundred and Forty-Eight Employees, 66 of them (45%) represent the dominant ethnic community in the County. Therefore, focusing on the particular period of Recruitment and Appointment, an imbalance may be noted which is continually rectified by focusing attention on groups that have lower	Resolved
			Management has appointed Staff to substantive leadership positions	Resolved
			In its Recruitment and Appointment processes, BUC strives to strike a balance between meritocracies, ethnic and Gender diversity in order to achieve its Strategic goal to develop, maintain and retain vibrant Academic and non-	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2021/2022	Basis for conclusion 5	Non implementation of e procurement	representation, without overlooking other already cited critical constitutional requirements	Academic Human Resource for sustainable performance and growth	Resolved
2021/2022	Basis for conclusion 6	Stalled and incomplete projects	<p>The Proposed Construction of Library Block, 2No. Hostel Blocks Multipurpose Hall and Lecture halls in Bomet University College is the first Capital Development Project Approved for implementation and commenced on 8th November, 2016 under Moi University in Bomet University College.</p> <p>The Project was later Handed Over to Bomet University College by Moi University in 2018.</p> <p>The overall physical progress is at 52% with physical progress for individual Blocks being; Tuition Block 98%, Library 72%, MPH 92%, Hostel 6%). The Contract Period has been Revised three times with the Latest extension running up to 2nd August, 2021 and the Contractor is yet to seek Approval for the Extension of Contract Period from the Project Manager, State Department of Public Works. The Project received funding from the Exchequer for the Financial Years 2016/2017, 2017/2018, 2018/2019, 2019/2020, 2020/2021 all totalling Ksh 757,850,000. However, Funds were not</p>	<p>E procurement is currently being implemented</p> <p>Based on a request by Bomet University College, the Secretary of Works, State Department for Public Works instructed Project manager to undertake Joint Measurement of Works completed and Pending Works.</p> <p>Once the Report is received from Project manager, a Joint meeting will be convened to set the way forward to activate the process.</p> <p>BUC has also ensured that Capital development funds are used for both projects, effective 2024 and 2025</p>	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Inaccuracies of the Financial statements	Variance between Financial statements and audited comparative balances	<p>allocated by the Government for Project in the Financial Years 2021/2022, 2022/2023 and 2023/2024. The contractor did not request for contract extension period. The Project Manager State Department of Public Works guided Bomet University Council on the matter</p> <p>Accumulated Surplus for the period of Ksh 47,301,586 is as a result of a reworking of the Statement of Net Assets. Provision that was expensed in the FY 2019/2020 and FY 2020/2021 was used to procure Assets in the FY 2020/2021, 2021/2022 and 2022/2023. These amounts were Debited to PPE over the years of purchase but the same was not credited to Surplus in the corresponding years of purchase of PPE. See treatment of provisions in the year they were provided. (See note 12 on General Expenses FY 2019/2020 for treatment of Provisions and WIP in FY 2020/2021 and 2021/2022 Audited FS expensed 2020/2021)</p> <p>The Cash and cash equivalents were based on the bank balances and not on the cashbook balances. The figures were changed to be line with the cash book balances in the respective years.</p> <p>The movement in the variance column of Ksh 4,715,950 at the beginning of the year and Ksh 4,715,950 at the end of the year</p>	Evidence of reconciled cashbook balances were availed to Auditors for verification. (<i>Annex I, I a & b, I.0</i>)	Resolved.
-----------	--	--	--	--	-----------

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Inaccuracies of the Financial statements	Statement of Financial Position	had zero net effect on cash flow movement. The error of unreconciled and unsupported variance of Kshs.42,330 Is still being worked on as the cleaning exercise is ongoing.	Evidence was provided of the Corrected Financial Statements for the period ended 30th June, 2023.	Matter not resolved
2022/2023	Inaccuracies of the Financial statements	Statement of Changes in Net Assets	The unreconciled variance of Ksh. 11,132,304 resulted from corrected figures of Ksh1,944,192,165(657,850,355+1,201,765,608+84,576,202) which were the closing balances for the financial year ending 30 th June 2022 which did not agree with which was reported of Ksh 1,933,059,861 Ksh 34,430,648 were received on 4 th July 2024. Bank statements and inter entity transfers signed by SDHER are attached for verification. The figure of Kshs.34,430,648 was not captured as the amount had not been received at the close of financial year. The same has been recognized in the FY 2023/2024. Accumulated Surplus for the period of Ksh 116,573,265 was as a result of a reworking of the Statement of Net Assets which included Ksh 69,994,587, Ksh 5,578,833, Ksh 15,962,795, Ksh 26,330,598 and Kshs. 46,181,119 Ksh 69,994,587 were depreciation over the years since 2017/2018 all through to 2022/	Evidence of bank statements showing when the monies were received was provided See Annex: Corrected Financial Statements for the period ended 30th June, 2023.) <i>Annex 1.1.1) and (Annex Net Assets reworked, 1.0, 1.1,1.3.0, 1.3.1, 2.0)</i>	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Inaccuracies of the Financial statements	Statement of Cash Flows	<p>2023 in the audited financial statements.</p> <p>Kshs. 26,330,598 was additional Valuations-Project interim certificates as reported in the year ended 30 June, 2019 (Audited Report) which was corrected in the FY 2022/2023 to support part of provisions that had been capitalized to PPE but not credited to surplus.</p> <p>Provision of Kshs, 46,181,119 that was expensed in the FY 2019/2020 and FY 2020/2021 which was used to procure Assets in the FY 2020/2021,2021/2022 and 2022/2023. These amounts were Debited to PPE over the years of purchase but the same was not credited to Surplus in the corresponding years of purchase of PPE. See treatment of provisions in the year they were provided. (See note 12 on General Expenses FY 2019/2020 for treatment of Provisions and WIP in FY 2020/2021 and 2021/2022 Audited FS expensed 2020/2021) See query on Draft report 2019/2020 6.0 General expenses. Also see notes on administrative expenses 2020/2021 for equipping of teaching Lab and University Research Programme.</p>	<p>The variance between 56,193,409 and 49,343,707 arose because of prior year adjustments in PPE hence there was no actual movement of cash of Ksh 6,849,702 as disclosed on the face of the PPE</p>	<p>The figures have been reconciled and corrected.</p> <p>Evidence was provided, (<i>See Annex: 1.1, 1.3.0, 1.4, 1.5.2</i>)</p>	Resolved.
-----------	--	-------------------------	---	--	---	-----------

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

<p>2022/2023</p>	<p>Inaccuracies of the Financial statements</p>	<p>Variations Between Balances in the Financial Statements and Trial Balance</p>	<p>schedule of the year under audit. The decrease in payables of Ksh 58,678,043 reported in the cash flow statement resulted from trade and other payables from exchange transactions and other payables (contingent Liabilities) (FY 2022-23 of Ksh 45,709,421+Ksh 118,554 less FY 2021-22 of Ksh 99,525,342 + Ksh 4,980,675). The prior year's adjustments were considered by the External Auditors. The figure of Ksh. 34,430,648 was not captured as the amount had not been received at the close of financial year. The same has been recognized in the FY 2023/2024. Further there was no formal communication from SDUER on the same.</p>	<p>The Trial Balance figures have been reworked to be the same as financial statement figures after the adjustments that were recommended by the auditor except for the Property Plant and Equipment and intangible assets which is shown at cost in the trial balance and at net book value in the</p>	<p>Resolved</p>
------------------	---	--	--	--	-----------------

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

		<p>balance of Ksh. 15,232,880 with provision of doubtful debts balance of Ksh. 1,523,288. This was ascertained after clean-up of student data.</p> <p>Kshs.1, 965,400,521 on Property, Plant & Equipment in the Trial Balance was reported at cost, whereas the figure of Ksh. 1,901,775,066 was the Net Book Value of the Assets.</p> <p>Kshs.16,544,931 is the cost of the Intangible Asset that was carried to the Trial balance. The figure of Ksh 12,408,699 is the net book value of the intangible asset as was reported in the Financial Statements. The variance of kshs.4,136,232 on intangible assets was an effect of depreciation charged and other depreciation on other assets effected as per the auditor's recommendation on the draft audit report. See recommendations in the draft audit report.</p> <p>Trade and other Payables were reworked to reflect Ksh 45,709,421 after clean up.</p> <p>The variance of Ksh. 299,000 in Non-Current Liabilities was captured as part of opening retention in the FY 2020/2021 of Ksh 58,451,550 but was then corrected to Ksh. 58,152,500 after taking into consideration all the payment vouchers supporting retention.</p> <p>Variance of Ksh. 11,745,044 from provisions was credited to Surplus for the period under</p>	<p>statement of financial position. <i>(Annexures 1.5.1...1.5.5) 1.1, 1.5.2, 1.5.3, 1.5.4, 1.5.5</i></p>	
--	--	--	---	--

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Unsupported Transactions.	Unsupported Revenue from Exchange Transactions	<p>review after incorporating the clean-up and the amount changed to Ksh 15,962,794.</p> <p>Ksh 612,855,768 changed from Ksh 617,151,340 due to depreciation on intangible assets as was recommended in the management letter.</p> <p>Revenue from exchange transactions amounted to Ksh. 92,413,075 as per the Revenue Schedules as disclosed in Note.2 to the financial statements. The University reconciled its enrolment data for the year with the billed/ Income ledgers for the year to match the revenue with number of students at any given time.</p>	<p>Schedules of Revenue from exchange transactions, and billed/ Income ledgers for the year to be availed to Auditors for verification availed. (See soft copy of the Schedules forwarded to Abel as they cannot be printed)</p>	Resolved
2022/2023	Unsupported Transactions	Part Time Teaching Claims	<p>1) Ksh 1,927,880.00 was the correct figure as stated in the statement of financial performance. The schedules attached to the Financial Statement of Kshs.1,761,800 in respect of part time teaching claims had omitted Kshs.166,080.00 as supported by payment voucher no. PV002668.</p> <p>2) Ksh. 1,593,260 out of Ksh 1,927,880 in respect of previous years had not been disclosed at the close of their respective years.</p> <p>3) The copies of appointment letters, Class Attendance Registers and Time Tables were attached to the payment</p>	<p>The copies of Class Attendance Registers, Time Tables and register showing Hours taught and attendance registers were availed for verification. (See Annex 2.2)</p>	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Use of Goods and services	Academic Expenses Review of payment vouchers provided for audit noted that expenditure amounting to Kshs.5,125,586 as detailed in Appendix IV was incurred in form of imprest to university employees and were directly expensed. The academic expenses include Kshs.2,500,080 in respect of provisions for teaching practice. Provisions were supported with specific schedules of debts provided for, evidence of travel, assessment and back to office reports and list of the assessed students	vouchers. 1) The Figure of Kshs.5,125,586 on academic expenses were not directly expensed. Imprests were issued and then accounted for. Actual documents as per Academic Files which has all imprest warrants, Imprests accounting forms/surrender vouchers and other supporting documents have been provided for verification and further proof. 2) Kshs.2,500,080 was a provision in the first draft which was revised to Ksh. 2,176,900 (See Note 16 of The Audited Financial Statement for period ended 30 th June 2023 and note 31 on Provisions Financial Statements for period ended 30 th June,2024) based on certainty of the probable payments. 3) Evidences of Assessment forms, Industrial attachment job cards (list of assessed students, per diem Allowances form and Transport receipts were attached to respective claims	Specific schedules of debts provided for, evidence of travel, assessment and back to office reports and list of the assessed students. Surrender vouchers and proof of work done were attached, availed and uploaded to teams.to Auditors for verification (see file documents – Annex 2.3.0, 2.3.1)	Resolved
2022/2023	Use of Goods and services	Administrative Expenses Further, payment vouchers provided for audit revealed	1) The expenses of Kshs.3,831,576 under administrative expenses were not directly expensed. Imprests warrants were issued, accounted (surrendered) and all had supporting	Surrender vouchers and proof of work done were attached and availed to Auditors for verification. (See file Documents Annex 2.3.2)	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

		<p>that expenditure amounting to Kshs.3,831,576 was incurred through imprest issued to University employees and were directly expensed without surrender vouchers and proof of work done and therefore the payments remain unaccounted for. There was no unreconciled variance of K.sh, 137,076.</p>	<p>documents including among other things Approvals, Receipts, per diems claim forms, GRN/Inspection and Acceptance report as per administrative expense File 1, 2 & 3.</p>		
2022/2023	Use of Goods and services	<p>Receivables from Exchange Transactions</p>	<p>The validity and recoverability of the receivables from exchange transactions balance of Kshs.13,709,592 was confirmed. The balance includes student debtor's balance of Ksh. 15,232,880 with provision of doubtful debts balance of Ksh. 1,523,288. The supporting schedule detailing total</p>	<p>The system can now generate Aging Analysis (Annexure- Aging analysis for period ending 30 June 2024) (<i>Annex 1.5.1</i>).</p>	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Use of Goods and services	Refundable Deposits and Retention Monies	students fee that had been outstanding for entire period were provided for audit review to justify the outstanding figure. However, at the point of Audit the ERP system could not generate the aging analysis.	Resolved	
2022/2023	Use of Goods and services	Students Payables	<p>1) Refundable deposits and retention of Kshs.67, 143,299 dates back to 2017 when the university college was started. A schedule showing Refundable deposit and retention as at 30th June 2023 was availed. Further the all the capital development payment certificates and vouchers which had the retention amounts were also provided for verification.</p> <p>2) Currently BUC does not have a separate account for retention Money. KCB Development account is used to hold both retention and Development funds.</p> <p>1) The statement of financial position reflects trade and other payables from exchange transactions balance of Ksh. 45,709,421 which includes balances of Ksh. 9,758,648, Ksh. 499,309 and Ksh. 649,232 in respect of fees prepayments, HELB Control and CDF Control account. The supporting documents including the list of</p>	<p>Evidence of interim payment certificates for the FY 2022/2023 because they also formed evidences for Work in Progress for the same period Certificate of bank balance for the KCB Development account were availed for verification.</p> <p>KCB Development Bank account certificate and Payment Vouchers Dating back to 2017 have been provided for verification. (<i>Annex 2.5.1, 2.5.2, 2.5.3, 2.5.4, 2.5.5, 2.5.6</i>)</p> <p>A schedule showing List of student and fees Prepaid have been availed for verification. (<i>Annex 2.6.0, 2.6.1 & 2.6.2</i>)</p>	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Use of Goods and services	General Provisions	<p>students were provided. We have attached the lists for fees prepayments and control account for HELB & CDF</p> <p>2) For CDF the cheques receipted and banked must be cleared by bank before individual student ledgers can be credited.</p> <p>3) For HELB, the dispatched amount by HELB did not have the list of beneficiaries at the end of the period under Audit. The excess for those students who graduated were refunded to HELB and some did not have the registration number.</p>	<p>Evidence of supporting schedules of provision were availed to Auditors for verification and Corrected Financial Statements for the period ended 30th June, 2023.</p>	Resolved
2022/2023	Use of Goods and services	Cash and Cash Equivalents	<p>The statement of financial position reflects a Provision balance of Ksh.23,132,975 which includes a balance of Ksh. 1,176,900 in respect of general provisions and as disclosed in Note. 16 to the financial statements.</p> <p>The correct figure of General provision is Ksh 2,176,900 (Note 31 on Provisions in FY 2023/2024)</p> <p>The Actual Cashbooks as at 30.06.2023 were availed to Auditors for verification. The financial statements have been adjusted as per the cash book balances Mpesa reconciliation statements were availed to Auditors for verification. A</p>	<p>The Actual Cashbooks as at 30.06.2023 were availed to Auditors for verification. The financial statements have been adjusted as per the cash book balances</p>	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Use of Goods and services	Long Outstanding Imprests	<p>figure of Ksh 221,803,371 was derived at after adjusting the figure of Ksh. 711,570 as per the Auditors recommendations. The initial figure was Ksh. 222,514,941. The balance includes an amount of Kshs. 1,753,809 held in Mpesa pay bill and reconciliation was maintained.</p> <p>Receivables from non-exchange transactions balances of Ksh. 373,725 was the correct figure. Ksh. 2,081,850 in respect of unaccounted Imprests was on the credit side in the ERP Trial Balance hence could not constitute imp rest debtors. In 2021/2022 FY Ksh. 2,081,850 was reported as outstanding Imprests. (See note 1.1 (i).</p>	<p>Mpesa reconciliation statements were availed to Auditors for verification. (Annex 3.0, 3.1, 3.2)</p> <p>2,081,850 in respect of unaccounted Imprests was on the credit side in the ERP Trial Balance hence could not constitute imprest debtors. In 2021/2022 FY Ksh. 2,081,850 was reported as outstanding Imprests. (See note 1.1 (i)). (Annex 4.0, 4.1)</p>	Resolved
2022/2023	Use of Goods and services	Long Outstanding Accounts Payables	<p>1) Long Outstanding payments of Ksh. 9,858,547 was due to pending works to be completed. The payment has since been made.</p> <p>2) Payroll creditor amounting to Ksh. 2,137,940 was due to nonpayment of CBA arrears. As at the time of audit, the said staff who left service had not cleared with the University College to warrant the payment.</p>	<p>Evidence of Payment Vouchers have been availed for verification. (Annex 5.0, 5.1)</p>	Resolved
	Emphasis of matter	Budgetary control and control	<p>The statement of comparison of budget and actual amounts for the year ended 30 June, 2023 reflects a final recurrent budget of Kshs.396,170,059 and an expenditure of</p>	<p>(Annex 6.0)</p>	

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

			<p>Ksh 406,234,635 and actual budget of Kshs.455,600,706 and Ksh. 464,267,023 respectively resulting to an over absorption of Ksh. 8,666,316 or 2% of the budget.</p> <p>The 'budget revenue and expenditure appropriation has been balanced. The 59,430,647 was the capital 'budget and kshs.396, 170,059 was the recurrent budget.</p> <p>The implementation of the budget was within the threshold of 10%.</p> <p>The correct figures were reflected in the financial statements, however after the correction the word document was not adjusted.</p> <p>The statement of comparison of budget and actual amounts for the year ended 30 June, 2023 reflects a final recurrent budget of Kshs.396,170,059 and an expenditure of Ksh 406,234,635 and actual budget of Kshs.455,600,706 and Ksh. 464,267,023 respectively resulting to an over absorption of Ksh. 8,666,316 or 2% of the budget.</p> <p>The 'budget revenue and expenditure appropriation has been balanced. The 59,430,647 was the capital 'budget and kshs.396, 170,059 was the recurrent</p>		
2022/2023	Emphasis of matter	<p>Non-Compliance with PSASB Requirement on presentation of financial statement</p> <p>Unbalanced Budget</p>		<p>Evidence of the statement of comparison of budget and actual amounts for the year ended 30 June, 2023. (<i>Annex 2.0</i>)</p>	Resolved

Bonnet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Basis for Conclusion	Non-Compliance with Fiscal responsibility principles.	The implementation of the budget was within the threshold of 10%.	The statement of financial position reflects Employee costs of Ksh. 305,725,310 which constitute 75% of total revenue of Ksh. 406,234,635 during the year under review. This is 40% above the Limit contrary to Regulations.	The management has since regularized the appointment to substantive position. (Annex 7.0)	Not resolved	
2022/2023	Basis for Conclusion	Irregular Payment of Acting Allowances	Allowance paid to 23 employees appointed to higher positions in the Academic and Administrative department. The statement of financial performance reflects employee costs of Ksh. 305,725,310 which includes acting allowance of Kshs.2,725,507 as disclosed in note 4 to the financial statements.	Staff to substantive leadership positions Management has appointed		Resolved	
2022/2023	Basis for Conclusion	Irregular Engagement of casual employees	The implementation of the budget was within the threshold of 10%.	Kshs.1,001,470 in respect of casual wages paid to casual employees who were recorded in the master roll. Further, available information indicated that the University had engaged seven (7) casual employees for over twelve months. Management advertised the positions internally to enable engagement of the casuals on a contract plan	Copies of the Advert in the Dailies, Appointment Letters of casuals to contract of six (6) months, Muster roll and <i>Approved</i> Council Minutes on Casual Engagement. (Annex 8.0)- <i>See File Documents</i>	Resolved	

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Basis for Conclusion	Under - Establishment	Review of HR records reveal that BUC staff establishment was at 148 employees as at 30 June, 2023 against an Approved establishment of 293 indicating an under establishment. BUC continues to seek for enhancement of the Budget to allow for Actualization of the Approved Staff establishment in order to enable the University College pursue its core Mandate smoothly.	Evidence of Approved Staff establishment to be actualized was provided (<i>see working as stated in 4th Column</i>)	Resolved
2022/2023	Basis for Conclusion	Irregular payment of Council Allowances to Non-Council Members	The statement of financial performance reflects an amount of Ksh. 9,770,872 in respect to director's remuneration. Amount of 2,693,480 were imprests taken by members of staff for the payment of council allowance	Schedule of payments signed by each council member was attached on each surrender document for verification. (<i>Annex 9.0</i>)- <i>See File Documents</i>	Resolved
2022/2023	Basis for Conclusion	Non-Compliance with Commission for University Education guidelines on Research Programmes	The total printed estimate stood at Ksh. 396,170,059 . The actual total employee cost was Ksh 305,559,230 hence operational budget Ksh. 90,610,829 . The threshold of 2% on research programme vote of the operational budget was kshs. 1,812,217 against an actual expenditure of Kshs. 2,225,210	Evidence of allocation for Research funds during the year under review.	Resolved
2022/2023	Basis for Conclusion	Irregular Procurement of Internet Services	The University college is a member of KENET which is the National Research and Education Network (NREN) of Kenya and is licensed by Communication Authority of Kenya to build and operate the private national network that interconnect the institutional campus	The Contract was signed for the provision of 65 mbps of bandwidth and the bandwidth which the university college is receiving is more than 100 mbps which implies that the contract was implemented in compliance with the terms of the	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Basis for Conclusion	Non-Payment of Audit Fees	<p>network and provide internet and community cloud service to member institution, (Annexed KENET profile)</p> <p>The contract was signed for the provision of 65 mbps of bandwidth and the bandwidth which the university college is receiving is more than 100 mbps which implies that the contract was implemented in compliance with the terms of the contract. This also confirms that the services were actually delivered and verified. (Annexed KENET internet speed test).</p> <p>Audit fees can only be paid upon submission of the Pending Invoices to the University.</p> <p>All invoices submitted by the Office of the Auditor General have been fully settled.</p>	<p>contract. This also confirms that the services were actually delivered and verified. (Annexed KENET internet speed test).</p>	Resolved
2022/2023	Basis for Conclusion	Ineligible Expenditure on Legal Cost	<p>Contingent Liabilities were disclosed in the financial years 2019/2020, FY 2020/2021, FY 2021/2022 as per the Audited financial statements. The same has been included in the notes under contingent Liabilities for FY 2022/2023.</p> <p>Despite the fact that the full amount of Kshs.16,544,931 had been paid. In the circumstance, the accuracy, completeness and fair valuation of the intangible assets of Kshs.16,544,931 could not be confirmed.</p>	<p>Evidence of Invoices and payment vouchers supporting payment were availed to the OAG for verification. (See Annex 10)</p>	Resolved
2022/2023	Basis for Conclusion	Incomplete intangible assets	<p>Management is in the process of commissioning the ERP System. (See Annex 12)</p>	<p>Evidence of Judgement in Bomet PMCC No. 77 of 2018 and Consent Order in Bomet High Court Civil Appeal No. E045 of 2022. (See Annex 11)</p>	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Basis for Conclusion	Unbudgeted Expenditure on Renovations and Associated Works at Green Tuition Block	Commissioning is yet to be done. The intangible asset was depreciated as per recommendations in the Management Letter. The Green Tuition Block was completed and partially handed over in November 2018. A Snack List was generated; however, the Contractor (Smith and Gold Limited) did not make good the Defects during Defects and Liability Period. After several follow ups by the Client and Project Manager and failure by the Contractor to attend to the Defects, Project Manager (State Department of Public Works) approved use of second Moiety meant for the Main Contractor, to remedy the defective Tiles in the Green Tuition Block. Bomet University College procedurally sourced a local Contractor to attend to defective Tiles and payment drawn from the Second Moiety as Approved by Project Manager.	Minutes capturing Snack List, the Approval by the Project Manager to use second Moiety to remedy tiles and acknowledgement letter by the Principal Bomet University College (Client)) (See Annex 13)	Resolved
2022/2023	Basis for Conclusion	Abandoned Proposed Construction of Library Block, Construction of 2 No. Hostel Blocks, Construction of Multipurpose Hall and Tuition Block	The Proposed Construction of Library Block, 2No. Hostel Blocks Multipurpose Hall and Lecture halls in Bomet University College is the first Capital Development Project Approved for implementation and commenced on 8th November, 2016 under Moi University in Bomet University College. The Project was later Handed Over to	The project was mutually discontinued based on advisory of Attorney General and re-advertised. (See Annex 14)	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

			<p>Bomet University College by Moi University in 2018.</p> <p>The overall physical progress is at 52% with physical progress for individual Blocks being: Tuition Block 98%, Library 72%, MPH 92%, Hostel 6%. The Contract Period has been Revised three times with the Latest extension running up to 2nd August, 2021 and the Contractor is yet to seek Approval for the Extension of Contract Period from the Project Manager, State Department of Public Works. The Project received funding from the Exchequer for the Financial Years 2016/2017, 2017/2018, 2018/2019, 2019/2020, 2020/2021 all totalling Ksh 757,850,000. However, Funds were not allocated by the Government for Project in the Financial Years 2021/2022, 2022/2023 and 2023/2024. The contractor did not request for contract extension period. The Project Manager State Department of Public Works guided Bomet University Council on the matter</p>		
2022/2023	Basis for Conclusion	Abandoned Construction and Extension of Ablution Blocks and Kitchenette, Collaboration,	Contractor vacated Site in February 2023. With several follow ups, the Contractor did resume Works. Instead, the Contractor wrote a Letter requesting for mutual termination of Contract. Bomet University College through a correspondence letter	Attached are the Mutual application by the Contractor to terminate the Contract and Concurrence Letter by Bomet University College to Terminate the Contract (See Annex 15)	Resolved

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

2022/2023	Basis for Conclusion	International and Training Centre Unit for Research Centre and Start-Up Village Centre Phase II Proposed Construction of Administration Block, Lecture Theatres and Associated Works	date 6th September, 2023, concurred to terminate the Contract. Contract Period expired in January 2023. The Contractor did not apply for extension of Contract Period and hence the Performance Bond also expired. The two (2) Capital Projects shares the same IFMIS Number. The Capital Development Funds received in Financial Years 2021/2022, 2022/2023 and 2023/2024 were used to Fund the Construction of Proposed Construction of Administration Block, Lecture Theatres and Associated Works as per the Approved budget from Ministry of Education of Financial Year 2020/2021	Attached are the Approved Budgets for the above Financial Years (See Annex 16)	Resolved
2022/2023	Basis for Conclusion	Inventories and Stores Management	The University has an inventory policy in Draft form.	Evidence of Draft Policy is Attached. (See <i>Annex 17</i>)	Resolved


 Prof. Loice C. Maru

Ag. Principal and Secretary to Council

Bomet University College
 Annual Reports and Financial Statements
 for the year ended June 30, 2024.

Appendix II: Projects implemented by *Bomet University College*

Projects implemented by the State Corporation/ SAGA Funded by development partners and/ or the Government.

Project Title	Project Code	Donor	Period/ Duration	Donor Commitment	Separate donor reporting required by the donor agreement (Yes/No)	Consolidated in those financial statements. (Yes/No)
Construction of 1 No Tuition Block, 1 No Library, 1 No Multipurpose Hall and 2 No Hostels.	1065101400	GoK	3yrs	1,391,982,469		Yes
Construction of Administration Block, Lecture Theatre and Associated Works	1065101400	GoK	3yrs	110,425,696		Yes

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Status of Projects completion

S/N	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Construction of 1 No Tuition Block, 1 No Library, 1 No Multipurpose Hall and 2 No Hostels	1,391,982,469	774,498,239	52%			GoK
2	Construction of Administration Block, Lecture Theatre and Associated Works	110,425,696	62,460,193	72%	40,000,000	30,735,146	GoK

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Appendix V- Inter-Entity Confirmation Letter


Name of Transferring entity: State Department of Higher Education and Research

Name of Beneficiary entity: Bomet University College

Confirmation of Amount Received By Bomet University college as at 30th June 2024					
Reference Number	Date Disbursed	Recurrent(A)	Development (B)	Total(C)=(A+B)	Remarks
REC02998	04/07/2023	-	34,430,648	34,430,648	Not Considered in the FY 2022/2023
REC02849	10/08/2023	23,915,060		23,915,060	
REC02897	30/08/2023	23,915,060		23,915,060	
REC03024	12/09/2023	23,915,060		23,915,060	
REC03542	01/11/2023	23,915,060		23,915,060	
REC03564	13/12/2023	23,915,060		23,915,060	
REC03937	08/01/2024	23,915,060		23,915,060	
REC03939	13/02/2024	23,915,060		23,915,060	
REC03983	29/02/2024	-	10,000,000	10,000,000	
REC04121	13/03/2024	23,915,060		23,915,060	
REC04452	12/04/2024	23,915,060		23,915,060	
REC04450	17/05/2024	23,915,060		23,915,060	
REC04500	12/06/2024	23,915,060		23,915,060	
REC04626	01/07/2024	23,915,062		23,915,062	Outstanding
Total		286,980,722	44,430,648	331,411,370	

I confirm that the amount shown above is correct as of the date indicated

Head of Accounts Department of Beneficiary Entity: Head of Accounts Department of Sending Entity:

Name: Lorine Obonyo Sign.....  Date: 10/08/2024: Name..... Sign: Date:

Note: Kshs 34,430,468 was received on 04.07.23 but was for FY 2022/2023. This amount was not included in the FS then and has now been captured in the FY 23/24. As at the close of the FY 23/24 Recurrent Exchequer Grants of Kshs.23,915,062 had not been received.

Bomet University College
 Annual Reports and Financial Statements
 for the year ended June 30, 2024.

Appendix VI: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
None	None	None	None	None	None	None	None	None	

Bomet University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

Appendix VII: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
None	None	None	None	None	None	None

