

REPUBLIC OF KENYA



109

REPORT

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BOMET MUNICIPALITY

**FOR THE YEAR ENDED
30 JUNE, 2025**

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BOMET MUNICIPALITY
County Government of Bomet

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

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

PSASB	Public Sector Accounting Standards Board
FY	Financial Year
OSHA	Occupational Safety & Health Act

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

PSASB	Public Sector Accounting Standards Board
IPSAS	Public Sector Accounting Standards
PFM	Public financial management
IDEP	Integrated Development Plan
NIUPLAN	Nairobi Integrated Urban Development Master Plan
SDGs	Sustainable Development Goals
MTP III	Third Medium Term Plan.

Key Entity Information and Management

a) Background information

Bomet Municipality is established by and derives its authority and accountability from Urban Areas and Cities Act No. 13 of 2011 and Cities and Municipal Charter on 26th May 2018. The Municipality is an entity of the County Government of Bomet.

b) Principal Activities

The principal activity of the Municipality is to facilitate urbanization process in Bomet County through integrated urban and regional planning management framework of Kenya urban centres and towns.

c) Key Management

Ref	Position	Name
1.	Chairman of the Board	Rev. Philex Korir
2.	Chief Officer Lands, Housing and Urban Planning	Issah Yarrow
3.	Chief Officer finance	Milcah Chepkoech
4.	Vice Chairlady	Cherono Kosgei
5.	Board Member	Flavian Kenduiywa
6.	Board Member	Jonah Rotich
7.	Board Member	Hon. Joseph Kirui
8.	Municipal Manager	Davis Kipkirui

d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

Ref	Position	Name
1	Municipal Manager	Davis Kipkirui
2	Deputy Manager	Richard Kirui
3	Project Coordinator	Chirchir Erick
4	Finance Officer	CPA Christopher Kibet
5	Accountant	CPA Peter Langat
6,	HRM Officer	Tangus Robert
7.	Procurement Officer	Tere Erick
8	Enviromental Officer	Nelly Chepwogen
9	Valuer	Mary Chemu

e) Fiduciary Oversight Arrangements

1. Committee on Finance, ICT and Economic Planning;

Key Fiduciary Activities:

- Presented to the County Assembly the proposal for the basis of allocating revenue among the County
- Executive Departments and County Assembly and considered the bill dealing with county financial matters
- Examined financial statements submitted to the County Assembly and make recommendations for improving the management of government's public finances
- Monitored adherence by the County Assembly to the principles of public finance set out in the Constitution, and to the fiscal responsibility principles of the PFM Act (2012).

2. Audit and Risk Management Committee Bomet Municipality Board

Members

1. Cheronno Kosgei
2. Flavian Kenduiwa
3. Hon. Joseph Kirui
4. Charlotte Chelangat

Key Fiduciary Activities:

- Examined departmental expenditures by summoning Municipal manager and relevant staff
- Monitored all budgetary matters.

3. Public Accounts/Investments Committee;

Key Fiduciary Activities:

- Examined departmental expenditures by summoning CECMs;
- Examined responses to OAG reports 2023/24, accounts and workings of the county public investments.

4. Budget and Appropriations Committee;

Key Fiduciary Activities:

- Discussed and reviewed the Budget Policy Statement and budget estimates and make recommendations to the County Assembly;
- Considered the appropriation bill;
- Provided general direction on budgetary matters;
- Monitored all budgetary matters.

f.) Registered Offices

Bomet Municipality
P.O. Box 19- 20400
Old HRs office
Next to Bomet Huduma Centre

g.) Contacts

Telephone: (254)710256100
bometmunicipality@gmail.com
Website: www.bometcounty.go.ke

h.) Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
i) UIG Account number 1000385747
P.O Box 60000
City Square 00200
Nairobi, Kenya

ii) Central Bank of Kenya
Haile Selassie Avenue
UDG Account number 1000385758
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Equity Bank of Kenya
Bomet Branch
i) UDG Account number 1220278947148
P.O Box 75104-00200
Nairobi.

ii) UIG Account number 1220278947204
P.O Box 75104-00200
Nairobi.

iii) Retention Account
Account number 1220284039609
P.O Box 75104-00200
Nairobi.

3. Diamond Trust Bank Limited
i) Bomet Municipality urban development grant
Account number 0242595001
P.O Box 61711 – 00200
Bomet

ii) Bomet municipality institution Grant
Account number 0242595002
P.O Box 61711 – 00200
Bomet

iii) Bomet Municipality Operation Accounts
Account Number 0278931002
P.O Box 61711 – 00200
Bomet




f) Independent Auditor




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

g) Principal Legal Adviser

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

3. Municipality Board

Name	Details of qualifications and experience
 <p>Rev. Philex Korir Chairman</p>	<p>D.O.B: 1967</p> <p>Academic /Professional qualification:</p> <ul style="list-style-type: none"> • Bachelors of Theology • Diploma in Guidance and Counselling • Diploma in Pastoral Ministry <p>Work experience:</p> <ul style="list-style-type: none"> • Chairman, Pastor’s Interdenominational Fellowship (2014-2019) • Senior Pastor, Imani Fellowship A.G.C Bomet (2004 to date) • Chairman of the board, Bomet Municipality (2018 to date)
 <p>Ms. Cheron Kosgei Vice Chairperson</p>	<p>D.O.B: 24/08/1982</p> <p>Academic /Professional qualification:</p> <ul style="list-style-type: none"> • Doctor of Philosophy in Business Administration (ongoing) • Master’s in Business Administration • Bachelors in Business Management <p>Work experience:</p> <ul style="list-style-type: none"> • Chief Executive Officer, KNCCI Bomet Chapter • Part-time lecturer, Maasai Mara and University Of Kabianga (2019 to date) • Deputy Director of Cooperative, Bomet County (2016-2017) • Credit Officer, KIE (2014-2015) • Vice chairperson of the Board, Bomet Municipality (2018 to date)
 <p>Mr. Jonah Rotich Member</p>	<p>D.O.B: 1958</p> <p>Academic /Professional qualification:</p> <ul style="list-style-type: none"> • Diploma in Water Technology • Diploma in building construction <p>Work experience:</p> <ul style="list-style-type: none"> • Chairman, Bomet Jua Kali Association (2001 to date) • Board member, Bomet Municipality (2018 to date) • Draughtsman II, Ministry of Water Nyamira District (1989-2000)

 <p>Mrs. Flavian Kenduiwo Member</p>	<p>D.O.B: 16/03/1987</p> <p>Academic /Professional qualification:</p> <ul style="list-style-type: none"> • Bachelors in Science in Natural Resource Management • Certificate in Environmental Impact Assessment <p>Work experience:</p> <ul style="list-style-type: none"> • Finance Chairperson, Nyongores Water Resource Users Association (2016 to date) • Registration Assistant, Ministry of Interior and Coordination of National Government (2019) • Board member, Bomet Municipality (2018 to date)
 <p>Hon. Joseph Kirui Member</p>	<p>D.O.B: 05.12.1963</p> <p>Academic /Professional qualification</p> <ul style="list-style-type: none"> • BBM Enterprise Management • MBA Entrepreneurship <p>Work experience:</p> <ul style="list-style-type: none"> • 15 YRS Banking • 10 YRS CDF Projects Management • 4 YRS Civic Education Work in County • 9 MONTHS County Executive Committee Member • Member of the Board, Bomet Municipality
 <p>Issa Yarrow Kahn Member</p>	<p>D.O.B 1978</p> <p>Academic /Professional qualification:</p> <p>Phd Ongoing MPPA. Masters in Public Policy And Administration</p> <p>Work experience</p> <ul style="list-style-type: none"> • OOP. Aridlands Resource Management Project 2003 ...2006 • KRES... Emergency Operations Manager 2007..2012 • Garisa County. Sub County Administrator 2014..2017 • Garisa County. Sub County CECM Road And Agri. 2018..2022 • Bomet County. CO Lands 2023 To Date

	<p>D.O.B: 09/11/1973</p> <p>Academic /Professional qualification:</p> <ul style="list-style-type: none"> • BED (Arts)- Kiswahili & C.R.E • Primary Teachers Certificate, P1 Certificate • Leadership MLM Certificate – International Christian Ministries • Certificate in Principles of Good Primary Practice <p>Work experience:</p> <ul style="list-style-type: none"> • Member, Bomet County Education Board (2014 to date) • Examiner KCPE, Kiswahili Insha KNEC (2000 to date) • Executive Secretary, KNUT Bomet Branch (2013 to date) • Board member, Bomet Municipality (2018 to date)
	<p>D.OB: 29/05/1980</p> <p>Academic/Professional qualification:</p> <ul style="list-style-type: none"> • Master of Business Administration (Ongoing) • Bachelor of Business Information Technology <p>Work Experience:</p> <ul style="list-style-type: none"> • Head of Administration Bomet TTC- 2008-2019 • Member of the board, Bomet Municipality
	<p>D.O.B: 24/12/1960</p> <p>Academic /Professional qualification:</p> <ul style="list-style-type: none"> • Bachelors of Education <p>Work experience:</p> <ul style="list-style-type: none"> • Principal of secondary school • Principal Siwot Polytechnic • BOM chair Chepkitwal Secondary School • Member of the board, Bomet Municipality
	<p>D.O.B 25th Dec 1983</p> <ul style="list-style-type: none"> • BED (Arts)- Kiswahili & History <p>Work experience:</p> <ul style="list-style-type: none"> • Secretary of the Board, Bomet Municipality Aug 2025 to date • Municipal Manager, Bomet Municipality Aug 2025 • MCA Longisa Ward (2017 -2022) • County Youth & Sports Officer (2015- 2016) • TSC Teacher

4. Key Management Team

Name	Details of qualifications and experience
<p>1. Municipal Manager Davis Kipkirui</p> 	<p>D.O.B 25th Dec 1983</p> <ul style="list-style-type: none"> • BED (Arts)- Kiswahili & History • Secretary of the Board, Bomet Municipality Aug 2025to date • Municipal Manager, Bomet Municipality August 2025
<p>2. Deputy Manager Richard Kirui</p> 	<p>D.O.B 25TH DEC 1974</p> <ul style="list-style-type: none"> • BED (Arts)- Kiswahili & History • Senior Management Course Certificate • Certificate in Environmental and Social Safeguards • Certificate in Principles of Good Primary Practice
<p>3.Project Coordinator Chirchir Eric</p> 	<p>BA Urban and Regional planning -University of Nairobi Reg planner No. 0296</p>
<p>4 Municipapal Head of Finance. Christopher Kibet</p> 	<p>Qualifications BCOM (Accounting Options) MSC Commerce ongoing CPA(K), CPS(K), CISA ACCA Member to ICPAK, ICS, IIA.</p>

<p>5 Human Resource Officer</p> <p>Robert Tangus</p>  <p>Robert Tangus</p>	<p>Degree: Bsc. Business Management (HR option On) Institution: Institute of Human Resource Management, Kenya Higher Diploma: Human Resources Management Institution: Institute of Human Resource Management, Kenya Diploma: Personnel Management</p>
<p>6 Municipal Procurement Officer</p> <p>Terer Erick</p> 	<p>Moi university- Kericho Campus Bachelor of Business and Management (Procurement Option)</p>
<p>7 Principal Environment and Climate Change Officer</p> <p>Nelly Chepwogen</p> 	<p>NIRAS, Aarhus Denmark Climate Change: Adaptation, Mitigation and Resilience Cert. Jomo Kenyatta University of Agriculture & Technology Master'---MSC Occupational Safety and Health Makerere University Kampala, Uganda Bachelor of Science... Environmental Management</p>
<p>8. Municipal Accountant</p> <p>Peter Langat</p> 	<p>Bachelor of Commerce (ongoing KCA) CPAK (KCA) Member ICPAK</p>
<p>9. Mary Chemutai valuer</p> 	<p>Bachelor of real estate and property management Registered valuer</p>

5. Municipality Board Chairperson's Report

Bomet municipality and the donor fund; Kenya Urban Support Program (KUSP) has played a significant role in actualizing the Urban Entities under the Urban Areas and Cities Act (UACA), 2011 UACA though enacted in 2011, its implementation delayed. Majority of counties for example began the process of establishing Municipalities in the year, 2018 and 2019. The process to establish these Municipalities were attributed to the stringent guidelines set by the World Bank to Counties and Municipalities to qualify for Urban Development Grant and Urban Institutional Grant funding. We appreciate the World Bank and National Program Coordination team for the immense support through which Bomet Municipality was established and is participating in the program. Notable achievements in Bomet municipality under Kenya urban Support Program includes but not limited to:

- i. Transformational infrastructure projects implemented in each Municipality such as Markets, NMT corridors, transport termini, paving of roads etc.
- ii. Urban residents experiencing enhanced and efficient social amenities in numerous Municipal entities
- iii. Peer review and learnings has been enhanced among the Urban entities
- iv. Although a work in progress, Municipal establishment has created a convergence point for various government institutions & Agencies, development partners and other stake holders to synergize for an effective and efficient urban service delivery charter.

• **Successes made.**

Bomet municipality has witnessed transformation of basic urban infrastructure as a result of upgrading of roads to bitumen standards; construction of a fire station, Development and maintenance of market are among the priority projects which have successfully been completed. A skip loader which was acquired has made a significant improvement in the management of solid waste management

• **Review of the Municipality Board's performance**

Bomet municipality managed to carry out all the programs and projects which had been budgeted for during the year under review. However due to inflation, prices of construction materials continued to climb up, there was a general felling by the contractors and suppliers that there should have been price variation. This wasn't possible sine most of the projects were funded by Kenya Urban Support program which doesn't anticipate variations of contract values.

- **Challenges faced**

The major challenge faced was delay in completion of projects; this has led to payment bills, which are likely to affect the execution of the subsequent years projects; the other challenge is inadequate budgetary allocation to develop the basic policies and regulations

- **Future outlook of the Municipality Board**

The municipal board will continue to develop basic infrastructure, which befits an urban area. We expect phase two of Kenya Urban Support Program to help us to better address the challenges of Bomet backstreet roads which requires to be improved to bitumen standards; more extension of sewer line especially in the western part of Bomet town.



.....
Name: Rev Philex Korir

Chairperson of the Board

6. Report of the Municipality Manager

The process to establish these Municipalities were attributed to the stringent guidelines set by the World Bank to Counties and Municipalities to qualify for Urban Development Grant and Urban Institutional Grant funding. We appreciate the World Bank and National Program Coordination team for the immense support through which Bomet Municipality was established and is participating in the program. There are notable achievements in Bomet municipality under Kenya urban Support Program which played a key role in the establishment and operationalization of Bomet Municipality as an urban institution as highlighted below.

- **Successes made.**

Bomet Municipality has witnessed transformation of basic urban infrastructure as a result of upgrading of roads to bitumen standards; construction of a fire station, Development and maintenance of market are among the priority projects which have successfully been completed. A skip loader which was acquired has made a significant improvement in the solid waste management

- **Review of the Municipality Board's performance**

Bomet municipality managed to carry out all the programs and projects which had been budgeted for during the year under review.

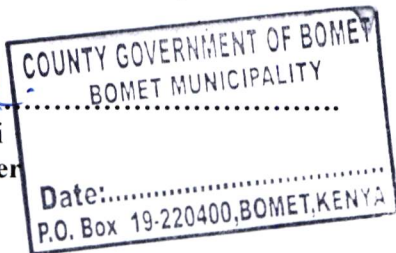
- **Challenges faced**

The major challenge faced now is lack of independence which grant us the powers to operate independence from the county government. As at now there is inadequate budgetary allocation to develop the basic policies and regulations.

- **Future outlook of the Municipality Board**

The municipal board will continue to develop basic infrastructure, which befits an urban area. We expect phase two of Kenya Urban Support Program to help us to better address the challenges of Bomet backstreet roads which requires to be improved to bitumen standards; more extension of sewer lines especially in the western part of Bomet town.

.....
Name: Davis Kipkirui
Municipality Manager



7. Statement of Performance Against Predetermined Objectives for the FY 2024/25

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a County Government entity shall prepare financial statements in respect of the entity in formats to be prescribed by the Accounting Standards Board including a statement of the county government entity's performance against predetermined objectives. The key development objectives of the Bomet Municipality integrated development plan 2020- 2025 are;

Strategic development objectives

The Bomet municipal IDEP 2020-2025 has identified key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor's Manifesto, the National Government's "Big Four", NIUPLAN, SDGs and the MTP III.

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks.

The key development objectives of the Reviewed Bomet municipal IDEP 2020-2025 are to:

- 1) To improve cleanliness of the Municipality and promote liveable urban spaces by efficiently collecting and managing solid waste through sustainable waste management practices both at the community and Municipality wide level
- 2) To improve sanitation in the Municipality through provision of adequate and proper storm water drainage facilities, adequate water supply to households and effective liquid waste disposal in all the urban areas within the Municipality
- 3) To increase accessibility to affordable and quality health care by constructing 3 dispensaries, upgrading two dispensaries to health centres, constructing 4 new health centres and upgrading one health centre to a level 4 (Sub-County) hospital
- 4) To improve liveability in residential areas through provision of adequate and accessible basic services and amenities
- 5) To promote local economic development by providing adequate and appropriate spaces and facilities for industrial development, wholesale and retail traders, jua kali artisans, transport operators, tourism activities, talent development and inclusion of marginalized communities in economic activities
- 6) To promote investments in the Municipality by providing appropriate and adequate water, sewer and road infrastructural facilities
- 7) To enhance the capacity of the Municipality in delivering its mandate to the people of Bomet through establishing necessary structures and increasing its financial resources
- 8) To increase revenue for the Municipality through optimal utilization of existing sources, enhanced revenue collection measures and promotion of local investment

Below we present the progress made in attaining the objectives of the reviewed IDEP 2020-2025 for Bomet municipality.

Program	Objectives	Outcome	Indicator	Performance FY 2024/2025
Urban Connectivity	To ease human and vehicular movement	To improve mobility in urban areas	Length of the road improved to bitumen standards	In FY 2022/2023 we increased roads under bitumen standards by 5%
Improved sanitation	To enhance solid and liquid waste management	To have a healthy liveable environment	Length of sewer line constructed Number of solid waste equipment's acquired	Solid waste equipments required cover increased by 25 % Sewer line cover increased by 5%
Improvement of basic services and amenities	To minimise risks on life and property	To boost support services eg response to fire disaster	Number of basic services and amenities provided	0
Develop and maintain recreational facilities	Promote investments and urban tourism	For psycho-social wellbeing of residents	Number of recreational facilities developed	0
Enhancing the capacity of the municipality to provide services	To improve service delivery	To effectively and efficiently provide municipal services	Number of staff engaged as per staff establishment and trainings	Basic staff increased by 20%
Improvement in revenue	To improve sustainability	To make the municipal sustainable	Number of revenue streams developed / percentage of revenue collected	0

The achievements of the strategic Development Objectives as documented in the Bomet Municipal Integrated Development Plan 2020- 2025

1. Construction of 4.2 Km of roads to bitumen standard. These are in Longisa, Chebirir, Silibwet and Longisa
2. Construction of Bomet Market and rehabilitation of old stalls
3. Construction of Bomet Fire station
4. Acquisition of solid waste handling equipment

8. Corporate Governance Statement

According to Bomet Municipality Charter and Urban Cities Act

a.) Appointment as member of the board of the Municipality

A person shall be qualified for appointment as a member of the board if that person:

- (a) Holds at least a diploma from an institution recognized in Kenya;
- (b) Has a distinguished career in a medium level management position in either the private or public sector;
- (c) Holds at least five years' post qualification professional experience; and Satisfies the requirements of Chapter Six of the Constitution;
- (d) Is ordinarily resident or has a permanent dwelling in the municipality; and carries on business in the municipality or has lived in the municipality for at least five years.

A person shall not be appointed as a member of the Board if that person;

- (a) Is an undischarged bankrupt;
- (b) As been removed from office for contravening the Constitution or any other law;
- (c) Is not a citizen of Kenya; or
- (d) Has in the conduct of his or her affairs not met any statutory obligations.

b.) Removal of members of the Board of the Municipality

A member of the Board of the Municipality shall cease to hold office if the member:

- (a) Is unable to perform the functions of the office by reason of mental or physical infirmity;
- (b) Is declared or becomes bankrupt or insolvent;
- (c) Is convicted of a criminal offence and sentenced to a term of imprisonment of six months or more;
- (d) Resigns in writing to the County Governor;
- (e) Without reasonable cause, the member is absent from three consecutive meetings of the Board or Committee of the Board of the Municipality within one financial year;
- (f) Is found guilty of professional misconduct by the relevant professional body;
- (g) Is disqualified from holding a public office under the Constitution;
- (h) Fails to declare his or her interest in any matter being considered or to be considered by the Board or Board Committees;
- (i) Engages in any gross misconduct; or
- (j) Dies.

A member of the Board of the Municipality may be removed from office by;the County Governor;

- (a) A resolution of the Board of the Municipality supported by at least two-thirds of the members of the Board of the Municipality; or
- (b) Petition by the residents of the Municipality.

The procedure for the removal or petition for removal of a member of the Board of the Municipality under above shall be provided by Regulations under the Urban Areas and Cities Act.

Any vacancy arising out of the removal of a member of the Board of the Municipality may be filled in the manner provided under Article above.

c.) Roles and functions of the Municipality Board members,

The Board of the Municipality shall perform the following functions:

- (a) Oversee the affairs of the Municipality;
- (b) Develop or adopt policies, plans, strategies and programmes and set targets for service delivery;
- (c) Formulate and implement an integrated development plan;
- (d) Control land, land sub-division, land development and zoning by public and private sectors for any purpose, including industry, commerce, markets, shopping and other employment centres, residential areas, recreational areas, parks, entertainment, passenger transport, agriculture, and freight and transit stations within the framework of the spatial and master plans for the Municipality as delegated by the County Government of Bomet;
- (e) Promoting and undertaking infrastructural development and services within Municipality as delegated by the County Government of Bomet;
- (f) Developing and managing schemes, including site development in collaboration with the relevant national and county agencies;
- (g) Maintaining a comprehensive database and information system of the administration;
- (h) Administering and regulating its internal affairs;
- (i) Implementing applicable national and county legislation;
- (j) Entering into contracts, partnerships or joint ventures as it may consider necessary for the discharge of its functions;
- (k) Monitoring and, where appropriate, regulating municipal services where those services are provided by service providers other than the Board of the Municipality;
- (l) Preparing and submitting its annual budget estimates to the County Treasury for consideration and submission to the County Assembly for approval as part of the annual County Appropriation Bill;
- (m) Collecting rates, taxes levies, duties, fees and surcharges on fees as delegated by the County Government of Bomet;
- (n) Settling and implementing tariff, rates and tax and debt collection policies as delegated by the County Government of Bomet;
- (o) Monitoring the impact and effectiveness of any services, policies, programs or plans;
- (p) Establishing, implementing and monitoring performance management systems;
- (q) Promoting a safe and healthy environment;
- (r) Facilitating and regulating public transport; and
- (s) Performing such other functions as delegated by the County Government of Bomet.

d.) Induction and training, Municipality Board members and member's performance,

The members of the Municipality have undergone Induction training in which they were Provided **core information to enable them to understand the organization and their roles** and to also **Provide all relevant governance documents e.g. role descriptions, terms of reference of committees**

e.) Number of Municipality Board meetings held and the attendance to those meetings by members, Meetings of the Board of the Municipality

The Board of the Municipality hold its sittings to transact the business of the Board once every three months.

Notwithstanding Article 3.12.1, the Chairperson of the Board of the Municipality may, and upon request in writing by at least one-third of the members of the Board of the Municipality shall, convene a special meeting to transaction any urgent business of the Board of the Municipality.

All regular meetings of the Board of the Municipality called for the purpose of transacting public business, where a majority of the members elected are present, shall be open to the public.

The Board shall have the privilege of holding executive sessions from which the public is excluded, however, no by-laws, resolution, rule or regulation shall be finally adopted at such an executive session.

The board held none statutory meeting during the fiscal year. During the year under Review the board fails to hold meeting due to lack of quorum to transact the business of the board

2. Succession plan,

The procedure for the succession of a member of the Board of the Municipality are stipulated in the Urban Areas and Cities Act 2011.

3. Existence of a service charter,

Bomet Municipality has a signed chartered granted by the Governor

4. Conflict of interest,

Board members have assigned a declaration form on Conflicts of Interests

5. Board remuneration,

The Board of the Municipality is not entitled to a salary. However, members of the Board of the Municipality are be paid such allowances as the County Executive Committee shall, with the approval of the County Assembly, and on the advice of the Salaries and Remuneration Commission, determine.

Ethics and conduct as well as governance audit undertaken if any

Professional ethics is to be upheld by all municipality staff as provided for by the law.

9. Management Discussion and Analysis

During the financial year 2024/25, Bomet Municipality had an approved budget of kshs 26,690,000 for recurrent and ksh 56,347,589 for development making it a total of kshs 83,037,589 whereas the expenditure was kshs NIL for recurrent and kshs 2,995,600 for development.

Financial performance of the Municipality during the year.

There has been inadequate budgetary allocation to the municipal entity during the year under review.

Operational Performance. The municipal programs and activities were affected by underfunding

Compliance with the statutory requirement

The statutory requirements like quarterly meetings, procurement procedures were complied with.

Major risks facing the municipality- inadequate budgetary allocation and inadequate technical staff is a major risk facing the municipality.

10. Environmental And Sustainability Reporting

The Board of the Municipality of Bomet and the County Government of Bomet work towards implementing municipal plans that are prepared and implemented as per the County Governments Act of 2012 and the Urban areas and Cities Act of 2011 (amended 2019). The Integrated Urban Development Plan of Bomet ensure the municipality is able to deal with the effects of urbanization such as urban sprawl, rise of informal settlements and uncontrolled developments. Below are the specific objectives:

- 1) To provide a framework to facilitate security of land tenure
- 2) To identify and analyse planning issues and challenges, harness existing opportunities and propose intervention measures for mitigating the planning issues and challenges
- 3) To propose appropriate land uses, locations and permissible densities
- 4) To provide a policy framework for socio-economic investments, economic use of space, infrastructure services and public facilities
- 5) To facilitate the implementation of County Urban Institutional Development Strategy

The municipal board and staff ensure proper planning through the control of development, provide services to the residents and provide proper Governance structures. It also develop adequate policies and regulations that govern the Municipality.

1. Sustainability strategy and profile

Adequate public participation is carried out so that people present their views prior to the implementation of the projects. This minimizes politicization during its implementation

2. Environmental performance

An environmental and impact assessment report is carried out before the commencement of any project; to examine the extent to which the implementation of the project affects flora and fauna.

3. Employee welfare

Bomet municipality gives equal opportunity to all, without discriminating in terms or gender or tribe. The Bomet municipal is compliant with policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

4. Market place practices

The Bomet Municipality outline its efforts to:

a) Responsible competition practice.

Every tender is advertised for competitive bidding as per Procurement and disposal act 2015 and other guidelines issued by PPRA.

b) Responsible Supply chain and supplier relations

All bids are evaluated based on merit and reasons for bidders' success or unsuccessful are communicated to the bidders as per Procurement act 2015

5. Community Engagements

There were no CSR activities carried out during the year under review

11. Report of the Municipality Board Members

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

Principal activities

The principal activity/mission/ mandate of the Municipality is to facilitate urbanization process in Kenya through integrated urban and regional planning management framework of Kenya urban centres and towns

Performance

The performance of the Municipality for the year ended June 30, 2025 are set out on page 1-36

Board Members

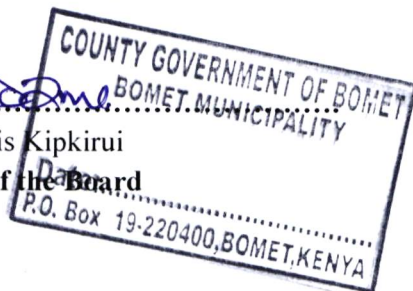
The members of the Board who served during the year are shown on page vii to ix. There were no changes in the Board during the financial year.

Auditors

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

By Order of the Board

.....
Name: Davis Kipkirui
Secretary of the Board



12. Statement of Management's Responsibilities

Section 180 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of the Municipality established by Urban Areas and Cities Act No. 13 of 2011 shall prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Municipality manager is responsible for the preparation and presentation of the Municipality financial statements, which give a true and fair view of the state of affairs of the Municipality for and as at the end of the financial year ended on June 30, 2025. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Municipality,
- (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 Bomet Municipality,
- (v) Selecting and applying appropriate accounting policies, and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Municipality Manager accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *Urban Areas and Cities Act No. 13 of 2011*. The Municipality Manager is of the opinion that the financial statements give a true and fair view of the state of Municipality's transactions during the financial year ended June 30, 2025, and the financial position as at that date.


The Municipality Manager further confirms the completeness of the accounting records which have been relied upon in the preparation of financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Municipality Manager has assessed the Municipality's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements.

Nothing has come to the attention of the Municipality Manager to indicate that the Municipality 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 Municipal financial statements were approved by the Board on 13/10/2025 and signed on its behalf by:

by: 
.....

Name: Rev Philex Korir
Chairperson of the Board


.....

Name: Davis Kipkirui
Accounting officer of the Board



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 MUNICIPALITY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the 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 Municipality set out on pages 1 to 43, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets,

statement of cash flows and statement of comparison of budget and actual 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 Municipality as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with the Urban Areas and Cities Act, 2011 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents

The statement of financial position and as disclosed in Note 19 to the financial statements reflects cash and cash equivalents totalling Kshs.12,458. However, the bank reconciliation statements, cash books and bank confirmation certificates for two (2) special purpose accounts in respect of Urban Development Grant (UDG) and Urban Institutional Grant (UIG) held in Central Bank of Kenya, and three (3) bank accounts maintained at Diamond Trust Bank were not provided for audit review.

In the circumstances, the accuracy and completeness of the cash and cash equivalents totalling Kshs.12,458 could not be confirmed.

2. Inaccuracy of Capital Fund and Development Grants

The statement of financial position reflects Nil capital fund and development grants. However, the Nil amount differs with the capital and development grants fund totalling Kshs.84,923,401 reflected in the statement of changes in net assets resulting in unexplained variance of Kshs.84,923,401.

Further, the statement of changes in net assets reflects opening capital fund and development grants balance of Kshs.58,208,269 as at 01 July, 2024. However, the opening balance of Kshs.58,208,269 differs with the previous year audited negative balance of Kshs.35,342,201 resulting to an unexplained variance of Kshs.93,550,470.

In the circumstance, the accuracy and completeness of the Nil balance in respect of capital fund and development grants could not be confirmed.

3. Inaccuracy of Reserves

The statement of financial position reflects reserves totalling Kshs.32,309,300. However, the amount differs with the Nil reserves reflected in the statement of changes in net assets resulting in unexplained variance of Kshs.32,309,300. Further, the nature, purpose and revaluation report in support of the reserves were also not provided for audit review.

In the circumstance, the accuracy and completeness of the reserves totalling Kshs.32,309,300 could not be confirmed.

4. Inaccuracy of Accumulated Surplus

The statement of financial position reflects accumulated surplus totalling Kshs.52,614,101. However, the amount differs with the 86,656,533 accumulated surplus reflected in the statement of changes in net assets resulting in unexplained variance of Kshs.34,052,432.

In the circumstance, the accuracy and completeness of the accumulated surplus totalling of Kshs.52,614,101 could not be confirmed.

5. Inaccuracies in Comparative Figures

The statement of financial position reflects comparative balances in respect of property, plant and equipment and accumulated surplus of Kshs.58,196,011 and Kshs.58,208,269, respectively, both of which vary with the corresponding balances of Kshs.56,896,368 and Kshs.92,250,701 respectively reflected in the audited financial statements for 2023/2024 financial year.

In the circumstances, the accuracy of the comparative balances reported in the statement of financial position could not be confirmed.

6. Inaccuracy of Property, Plant and Equipment

The statement of financial position and as disclosed in Note 24 to the financial statements reflects property, plant and equipment totalling Kshs.55,597,243. However, the amount does not include roads, Bomet fire station, market stalls, solid waste handling equipment, cabro works, sewer line extension and storm water drainage all valued at Kshs.365,982,856 recorded in the assets register.

Further, the ownership documents for the assets were not provided for audit review. The assets were also not tagged as property of the Municipality to prevent theft of the assets.

In the circumstances, accuracy, valuation and ownership of property, plant and equipment totalling Kshs.55,597,243 could not be confirmed.

7. Unsupported Trade and Other Payables

The statement of financial position and as disclosed in Note 27 to the financial statements reflects trade payables totalling Kshs.2,995,600. However, the detailed schedule indicating particulars of the creditors, invoice numbers, delivery notes, local service or local purchase order numbers, interim or completion certificates for the works and services done, counter receipt vouchers, counter requisition, issue vouchers and amount due were not provided for audit review.

In the circumstances, the accuracy and completeness of the trade payables of Kshs.2,995,600 could not be confirmed.

8. Undisclosed In-Kind Contributions from the County Government

The statement of financial performance reflects Nil transfers from the County Government. Records available indicate that during the year, all the expenses of the Municipality were paid by the County Government of Bomet on behalf of the Municipality.

In addition, the Municipality had thirty-two (32) staff members who were paid salaries and emoluments amounting to Kshs.26,648,400 through the County Government's payroll. However, these expenses were not disclosed in the financial statements nor recognized as in-kind contributions in the statement of financial performance.

Further, a separate legal identity should prepare its own financial statements.

In the circumstances, the accuracy and completeness of the Nil amounts in respect of transfers from the county government, staff costs and use of goods and services could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Bomet Municipality 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.83,037,589 and Kshs.200 respectively resulting to an under-funding of Kshs.83,037,389 or one hundred percent (100%) of the budget. Further, the statement reflects final expenditure budget of Kshs.83,037,589 and Nil actual expenditure on comparable basis resulting to under-expenditure of Kshs.83,037,589 or hundred percent (100%) of the budget.

The under-funding and under-utilization were as a result of failure by the County Government of Bomet to transfer the budgeted funds to the Municipality thus affecting the planned activities and may have impacted negatively on service delivery to the residents of Bomet Municipality.

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 effects of the matter

described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Matters

In the audit reports of the previous year, twenty (20) issues were raised under the Report on Financial Statements, Emphasis of Matter, Other Matter, Report on Lawfulness and Effectiveness in use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance as shown below:

Financial Year	Audit Issue
2023-2024	Unsupported transfers from the County Government
2023-2024	Unsupported use of goods and services
2023-2024	Inaccuracy of depreciation and amortization
2023-2024	Unsupported cash and cash equivalents
2023-2024	Unsupported property, plant and equipment
2023-2024	Unsupported capital/development grants/fund
2023-2024	Inaccuracy of cash flows from operating activities
2023-2024	Inaccuracies in the statement of comparison of budget and actual amounts
2023-2024	Unsupported prior adjustments
2023-2024	Budgetary control and performance
2023-2024	Unresolved prior year matters
2023-2024	Lack of approved annual budget
2023-2024	Lack of independence of the Municipality
2023-2024	Lack of approved staff establishment
2023-2024	Lack of training needs assessments
2023-2024	Failure to review the Municipality's integrated development plan
2023-2024	Lack of policies and by laws
2023-2024	Unconfirmed recruitment and meetings of the Municipality Board
2023-2024	Lack of a fixed asset register and ownership documents
2023-2024	Lack of internal audit review and audit committee
2023-2024	Lack of risk management strategies

However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

Other Information

Management is responsible for the Other Information set out on page iii to xxiv which comprise of Key Entity Information and Management, Municipality Board, Key Management Team, Municipality Board Chairperson's Report, Report of the Municipality Manager, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Municipality Board Members, and Statement of

Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Municipality'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 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 the Lawfulness and Effectiveness in 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

1. Lack of Independence of the Municipality

The Municipality was granted Municipal Charter on 26 May, 2018 which was supposed to grant operational independence from the County Government of Bomet. However, review of the operations of the Municipality revealed lack of autonomy as the Municipality's budget was prepared and controlled by the County Executive and there was no budget approval by the Municipality Board. During the year under review, all the payments were made on behalf of the Municipality by the County Treasury.

Further, the County Government continued to perform functions which had been transferred to the Municipality as provided for under Paragraph 2.3.1 of the Bomet Municipal Charter. This was contrary to Section 12(1) of the Urban Areas and Cities Act, 2011, which states that Management of a municipality shall be vested in the County Government and administered on its behalf by a Board, a Manager and staff constituted and appointed in accordance with the Act.

In the circumstances, Management was in breach of law.

2. Lack of an Approved Staff Establishment

Review of the employee records revealed that the Municipality had thirty-two (32) employees who had been deployed from the County Executive without specific terms of

engagement and conditions of service. This was contrary to Section 8.1.1 of the Bomet Municipal Charter, 2023 which mandates the Board of the Municipality, subject to the approval by the County Public Service Board, to employ such officers and employees as it deems necessary to execute the powers and duties provided by the Charter or other any other law.

Further, the Municipality did not have an approved staff establishment. This was contrary to Policy B.2 (1) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 which requires every public entity to prepare Human Resource Plans based on comprehensive job analysis to support achievement of goals and objectives in their Strategic Plans. It was therefore not possible to determine whether the Municipality operated with an optimal number of staff.

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

3. Failure to Review the Municipality's Integrated Development Plan

The Municipal Board had not designed a Performance Management Plan to evaluate performance of the Municipality and review its Integrated Development Plan. This was contrary to Section 42 of the Urban Areas and Cities Act, 2011 which states that a City or Municipal Board shall review its integrated development plan annually to assess its performance in accordance with performance management tools set by it and may amend the plan where it considers it necessary.

Further, the Board did not conduct any citizen forum during the year under review to invite petitions and representations from the residents with regard to the administration and management of the affairs within the Municipality. This was contrary to Section 22(2) of the Urban Areas and Cities Act, 2011 which states that A board shall invite petitions and representations from the Citizen Fora with regard to the administration and management of the affairs within an Urban Area or City under its jurisdiction.

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

4. Lack of Policies and By-laws

During the year under review, the Municipal Board operated without by laws passed by the Board of the Municipality. This was contrary to Paragraph 4.1 of Bomet Municipal Charter which requires the Board to exercise its legislative authority by passing Municipality By-laws.

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

5. Unconfirmed Meetings of the Municipality Board

The Municipal Board was composed of nine (9) members. However, Management did not provide recruitment documents for six (6) Board Members to confirm that the members were recruited through a competitive process. Further, Management did not provide work plans and minutes as proof that the Board met and executed its mandate. This was

contrary to Section 23(1) of the Urban Areas and Cities Act, 2011 which requires the Board to meet at least once in every three months.

In the circumstance, 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Internal Audit Review and Audit Committee

The Municipality did not have an internal audit function. This was contrary to Regulation 153(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires Internal Auditor to review and evaluate budgetary performance, financial management, transparency and accountability mechanisms and processes in County Government entities, and review the effectiveness of the financial and non-financial performance management systems of the entities.

Further, the Board had not constituted an audit committee since its establishment. This was contrary to Regulation 167(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires each County Government entity to establish an audit committee.

In the circumstances, internal control mechanisms that could have an impact on achievement of the strategic objectives of the Municipality may be undetected and hence not rectified in good time.

2. Lack of Risk Management Strategies

The Municipality did not have a risk management policy or strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks. This was contrary to Regulation 158 of the Public Finance Management (County Government Regulations) 2015 which requires the Accounting Officer to ensure

that the County Government entity develops risk management strategies, which include fraud prevention mechanism.

Further, Management had not instituted its own policies and procedures to guide key financial processes and controls for the management of personnel and related expenditure and a risk register which is a central repository of identified risks and their associated management actions had not been developed.

In the circumstances, Management's ability to identify and evaluate the risks and allocate resources to mitigate them could not be confirmed.

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

Responsibilities of Management and the Municipality Board

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gatundu, CBS
AUDITOR-GENERAL

Nairobi

25 November, 2025

County Government of Bomet

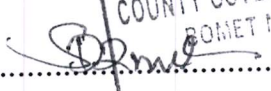
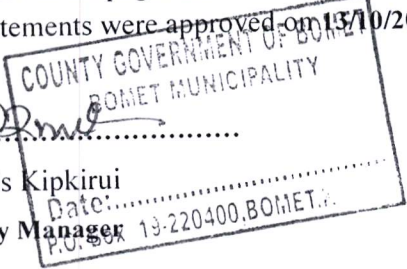
Bomet Municipality


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

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

Description	Note	2024/2025	2023/2024
		Kshs.	Kshs.
Revenue from non-exchange transactions			
Transfers from the County Government	6	-	5,528,806
Public contributions and donations	7	200	
Levies Fines and Penalties	8		-
Other revenues			-
Revenue from exchange transactions			
Interest income	10	-	-
Miscellaneous Income	11	-	-
			-
Total revenue		200	5,528,806
Expenditure			
Use of goods and services	12	-	5,212,806
Staff costs	13	-	-
Board expenses	14	-	316,000
Finance costs	15	-	-
Depreciation and amortization	16	5,594,368	-
Repairs and maintenance	17	-	
Total expenses		5,594,368	5,528,806
Other gains/losses			
Gain/loss on disposal of assets	18	-	-
Surplus/(deficit) for the period		(5,594,168)	-

The notes set out on pages 22 to 36 form an integral part of these Financial Statements. The entity financial statements were approved on 13/10/2025 and signed by:


 Name: Davis Kipkirui
 Municipality Manager



 Name: : Kibet Christopher
 Head of Finance
 ICPAK M/No 11543

15. Statement of Financial Position As At 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	19	12,458	12,258
Receivables from exchange transactions	20		-
Receivables from non-exchange transactions	21	32,309,300	-
Prepayments	22		-
Inventories	23		-
Total current assets		32,321,758	12,258
Non-current assets			
Property, plant, and equipment	24	55,597,243	58,196,011
Intangible assets	25		-
Biological Assets	26		-
Total Non-current Assets		55,597,243	58,208,269
Total assets (A)		87,919,001	58,208,269
Liabilities			
Current liabilities			
Trade and other payables	27	2,995,600	-
Refundable deposits from customers	28	-	-
Provisions	29	-	-
Borrowings	30	-	-
Employee benefit obligations	31	-	-
Deferred Income	32	-	-
Social Benefits	33	-	-
Total current liabilities		2,995,600	-
Non-current liabilities			
Provisions	29	-	-
Borrowings	30	-	-
Non-current employee benefit obligation	31	-	-
Deferred Income	32	-	-
Social Benefits	33	-	-
Total liabilities (B)		2,995,600	-
Net Assets (A-B)		84,923,401	58,208,269

County Government of Bomet
 Bomet Municipality
 Annual Report and Financial Statements for the year ended June 30, 2025

Description	Note	2024/2025	2023/2024
		Kshs.	Kshs.
Represented by:			
Capital/Development Grants/Fund			
Reserves		32,309,300	-
Accumulated surplus		52,614,101	58,208,269
Net Assets/Equity		84,923,401	58,208,269

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 13/10/2025 and signed by:

.....
 Name: Davis Kipkirui
 Municipality Manager
 Date: 14/10/2025



.....
 Name: Kibet Christopher
 Head of Finance
 ICPAK M/No 11543
 Date: 14/10/2025

16. Statement of Changes in Net Assets For the Year Ended 30 June 2025

Description	Capital/ Development Grants/Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs.	Kshs.	Kshs.
Bal as at 1 July 2023 (previous year)	58,208,269	-	-	58,208,269
Surplus/(deficit) for the year		-	-	
Funds received during the year		-	-	
Revaluation gain/loss		-	-	
Bal as at 30 Jun 2024	58,208,269	-	92,250,701	150,458,970
Bal as at 1 July 2024 (current year)	58,208,269	-	-	58,208,269
Surplus/(deficit) for the year	(5,594,168)		(5,594,168)	(5,594,168)
Funds received during the year	32,309,300			32,309,300
Revaluation gain/loss				
Balance as at 30 June 2025	84,923,401		86,656,533	84,923,401

County Government of Bomet
Bomet Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

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

Description	Note	2024/2025	2023/2024
		Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Transfers from the County Government		-	5,528,806
Public contributions and donations		200	-
Interest received			-
Miscellaneous receipts			-
Total Receipts		200	5,528,806
Payments			
Use of goods and services		-	5,212,806
Staff costs		-	
Board expenses		-	316,000
Finance costs		-	
Total Payments		-	5,528,806
Net cash flows from operating activities	34	200	-
Cash flows from investing activities			
Purchase of PPE & intangible assets		-	-
Proceeds from sale of PPE		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
Receipts from Capital grants		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash & cash equivalents			-
Cash And Cash Equivalents At 1 July 2024	19	12,258	4,786,458
Cash And Cash Equivalents At 30 June 2025	19	12,458	12,258

18. Statement of Comparison of Budget & Actual Amounts for the Year ended 30 June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c
Budget carryovers from the previous year*	-	-	-	-	-	-
Receipts						
Transfers from the County Government	73,898,289	-23,170,000	50,728,289		50,728,289	0%
Public contributions and donations	0	-	0	200	-200	0%
Interest income	-	-	-	-	0	-
Miscellaneous income (specify)	-	-	-	-	0	-
KUSP 11	34,800,000	-2,490,700	32,309,300		32,309,300	0%
Total Receipts	108,698,289	(25,660,700)	83,037,589	200	83,037,389	0%
Payments						
Use of goods and services	5,600,000	300,000	5,900,000	0	5,900,000	0%
Board expenses	1,000,000	-500,000	500,000	0	500,000	0%
Staff Costs	40,000,000	-19,730,000	20,270,000	0	20,270,000	0%
Finance costs	20,000	0	20,000	0	20,000	0%
Total expenditure Payments	46,620,000	-19,930,000	26,690,000	0	26,690,000	0%
Capital Expenditure Payments	62,078,289	(5,730,700)	56,347,589	0	56,347,589	0%
Surplus for the period	0	0	0	200	-200	

Budget notes

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	200
1	Reason for differences	-
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	200

19. Notes to the Financial Statements

1. General Information

Bomet Municipality is established by and derives its authority and accountability from PFM Act. The Municipality is under the Bomet County Government and is domiciled in Kenya.

The principal activity of the Municipality is to facilitate urbanization process in Bomet County through integrated urban and regional planning management framework of Kenya urban centres and towns

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 judgment in the process of applying the entity's accounting policies. The areas involving a higher degree of judgment 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, Municipality charter and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Application of New and revised standards (IPSAS)

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

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 2025.*

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across

	<p>IPSAS by:</p> <ol 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>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and

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	<p>measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p>
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iii. Early adoption of standards

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

4. Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Interest income

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

b) Budget information

The Municipality'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. A statement to reconcile the actual amounts on a

comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cash flows has been presented under section xxx of these financial statements.

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Municipality 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.

d) 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.

e) Biological Assets

The Municipality recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

f) 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 Municipality does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

The Municipality 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.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where

the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through a surplus or deficit model.

Trade and other receivables

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

Impairment

The 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.

Financial liabilities

Classification

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

g) Inventories

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

Raw materials: purchase cost using the weighted average cost method

Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

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 City/Municipality.

h) Provisions

Provisions are recognized when the Municipality 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 Municipality 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.

i) 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 needs of society as a whole. The entity recognises a social benefit as an expense for the social benefits 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.

j) Contingent liabilities

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

k) Contingent assets

The Municipality 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 Municipality in the notes to the

financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured

reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs

l) Nature and purpose of reserves

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

m) Changes in accounting policies and estimates

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

n) Employee benefits – Retirement benefit plans

The Municipality provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which the Municipality pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the Municipality does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to scheme 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 benefits 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.

o) Foreign currency transactions

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

p) 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.

q) Related parties

The Municipality 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 Municipality, or vice versa. Members of key management are regarded as related parties and comprise the Board members, the Municipality Managers and Municipality Accountant.

r) 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 various commercial banks at the end of the financial year.

s) Comparative figures

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

t) Events after the reporting period

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorized for issue. Two types of events can be identified:

(a) Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

(b) Those that are indicative of conditions that arose after the reporting date.

The Municipality should indicate whether there are material adjusting and non- adjusting events after the reporting period.

u) Currency

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

5. Significant judgments and sources of estimation uncertainty

The preparation of the Municipality'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 Municipality 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 Municipality. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

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

- i) The condition of the asset based on the assessment of experts employed by the Municipality.
- ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- iii) The nature of the processes in which the asset is deployed.
- iv) Availability of funds to replace the asset.
- v) Changes in the market in relation to the asset.

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Notes to the Financial Statements

6. Transfers from the County Government

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Transfers from County Govt. – Recurrent		
Payments by County on behalf of the entity	-	5,528,806
Unconditional development /Recurrent grants	-	-
Total	-	5,528,806

7. Public Contributions and Donations

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Donation from development partners KUSP11	-	-
Contributions from the public	200	-
Total	200	-

8. Levies, Fines and penalties

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Levies	-	-
Fines	-	-
Penalties	-	-
Others	-	-
Total	-	-

9. Other Revenues

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Transfers from other government entities	-	-
Others	-	-
Total	-	-

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10. Interest income

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Interest income from investments	-	-
Interest income on bank deposits	-	-
Others	-	-
Total interest income	-	-

11. Miscellaneous income

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Income from sale of tender documents	-	-
Others	-	-
Total other income	-	-

12. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Utilities, supplies and services	-	-
Communication, supplies and services	-	-
Domestic travel and subsistence	-	3,682,700
Foreign travel and subsistence	-	-
Printing, advertising, supplies & services	-	-
Rent and rates	-	-
Training expenses	-	1,432,800
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	-	-
Fuel, oil and lubricants	-	-
Other operating expenses	-	97,306
Routine maintenance – vehicles and other equipment	-	-
Routine maintenance – other assets	-	-
Contracted Professional Services	-	-
Bank Charges	-	-
Social Benefit expenses*	-	-
Total	-	5,212,806

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13. Staff costs

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Salaries and wages	-	-
Staff gratuity	-	-
Social security contribution	-	-
Other staff costs	-	-
Total	-	-

14. Board expenses

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Chairman/Members' Honoraria	-	-
Sitting allowances	-	-
Medical Insurance	-	-
Induction and Training	-	-
Travel and accommodation	-	316,000
Conference Costs	-	-
Other allowances Z	-	-
Total	-	316,000

15. Finance costs

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Interest on Bank overdrafts	-	-
Interest on loans from banks	-	-
Total	-	-

16. Depreciation and amortization

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Property, plant and equipment	5,594,368	-
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	5,594,368	-

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17. Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Property- Buildings	-	-
Office equipment	-	-
Furniture and fittings	-	-
Motor vehicle expenses	-	-
Maintenance of civil works	-	-
Total repairs and maintenance	-	-

18. Gain/(loss) on disposal of assets

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Property, plant and equipment	-	-
Intangible assets	-	-
Total	-	-

19. Cash and cash equivalents

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Fixed deposits account	-	-
On – call deposits	-	-
Current accounts	12,458	12,258
Others (UIG)	-	-
Total cash and cash equivalents	12,458	12,258

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

Financial institution	Account number	2024/2025	2023/2024
		Kshs.	Kshs.
a) Fixed deposits account			
Equity Bank -UDG RETENTION ACCOUNT	1220284039609	126	126
Sub- total		126	126
b) Current account			
Equity Bank	1220278947148	12085	12085
Equity Bank	220278947204	47	47
CBK UDG Account	1000385758	-	-
CBK UIG Account	1000385747	-	-
Diamond Trust Bank	0242595001	-	-
Diamond Trust Bank	0242595002	-	-
Diamond Trust Bank	0278931002	200	-
Sub- total		12,132	12,132
Grand total		12,458	12,258

20. Receivables from exchange transactions

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Current Receivables		
Service, water and electricity debtors	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total Current receivables (a)	-	-
Non-Current receivables		
Service, water and electricity debtors	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total Non- current receivables (b)	-	-
Total	-	-

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Ageing analysis for Receivables from exchange transactions

Description	2024/2025		2023/2024	
	Kshs.		Kshs.	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	-	-	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	-	-	-	-

21. Receivables from Non-Exchange transaction

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Transfer from County Executive	32,309,300	-
Transfer from the Fund	-	-
Total	32,309,300	-

Ageing analysis for Receivables from non-exchange transactions

Description	2024/2025		2023/2024	
	Kshs.		Kshs.	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	-	-	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	-	-	-

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22. Prepayments

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Insurance	-	-
Rent	-	-
Water	-	-
Internet	-	-
Other	-	-
Total	-	-

23. Inventories

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Consumable stores	-	-
Medical supplies	-	-
Spare parts and meters	-	-
Water for distribution	-	-
Other goods held for resale	-	-
Catering	-	-
Less: allowance for impairment	-	-
Total inventories at the lower of cost and net realizable value	-	-

Detailed Disclosure on Inventories

	2024/2025	2023/2024
Opening balance	-	-
Additional Inventory in the year	-	-
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Others	-	-
Closing balance	-	-

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24. Property, Plant and Equipment

Description	Land	Building	Motor vehicles	Furniture and fittings	Computers	Other Assets	Capital Work in progress	Total
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Depreciation Rate								
As at 1 July 2024		11,196,011	9,500,000	2,339,915	-	35,160,085	-	58,196,011
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-	-
Revaluation Adjustment	-	-	-	-	-	-	-	-
As at 30th June 2024	-	11,196,011	9,500,000	2,339,915	-	35,160,085	-	58,196,011
Additions for the year	-	-	-	2,995,600	-	-	-	2,995,600
Disposals for the year	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-
Revaluation Adjustment	-	-	-	-	-	-	-	-
As at 30th June 2025	-	11,196,011	9,500,000	5,335,515	-	35,160,085	-	61,191,611
Depreciation and impairment								
At 1 July 2024		-	-	-	-	-	-	-
Depreciation		-	-	-	-	-	-	-
Impairment		-	-	-	-	-	-	-

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Description	Land	Building	Motor vehicles	Furniture and fittings	Computers	Other Assets	Capital Work in progress	Total
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Depreciation Rate								
Depreciation rate		2%	12.5%	12.5%	33.3%	10%	-	-
Transfers/ Adjustments								
As at 30 June 2024		11,196,011	9,500,000	5,335,515	-	35,160,085	-	61,191,611
Depreciation for the year		223,920	1,187,500	666,939	-	3,516,009	-	5,594,368
Disposals for the year		-	-	-	-	-	-	-
Impairment for the year		-	-	-	-	-	-	-
Transfer/adjustment		-	-	-	-	-	-	-
As at 30th June 2025 (current year)		223,920	1,187,500	666,939	-	3,516,009	-	5,594,368
NBV as at 30 th Jun 2024 (previous year)		11,196,011	9,500,000	5,335,515	-	35,160,085	-	61,191,611
NBV as at 30 th Jun 2025 (current year)		10,972,091	8,312,500	4,668,576	-	31,644,076	-	55,597,243

25. Intangible Assets

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Cost		
At beginning of the year	-	-
Additions	-	-
At end of the year	-	-
Amortization and impairment		
At beginning of the year	-	-
Amortization	-	-
At end of the year	-	-
Impairment loss	-	-
At end of the year	-	-
NBV	-	-

26. Biological Assets

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Trees in a plantation forest	-	-
Animals: Dairy Cattle, Pigs, Sheep	-	-
Others	-	-
Total	-	-

27. Trade and Other Payables

Description	2024/2025		2023/2024	
	Kshs.		Kshs.	
Trade payables	2,995,600		-	
Retentions	-		-	
Accrued expenses	-		-	
Other payables	-		-	
Total trade and other payables	2,995,600		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	2,995,600	100%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	2,995,600	100%	-	%

28. Refundable deposits and prepayments from customers

Description	2023/2024		2024/2025	
	Kshs.		Kshs.	
Rent deposits	-		-	
Prepayments	-		-	
Others	-		-	
Total	-		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

29. Provisions

Description	2024/2025		2023/2024	
	Kshs.		Kshs.	
Balance at the beginning of the year	-		-	
Additional Provisions	-		-	
Provision utilised	-		-	
Balance at the end of the year	-		-	
Current Portion of provision	-		-	
Long term portion of provision	-		-	
Total Provisions	-		-	

30. Borrowings

The table below shows the classification of borrowings long-term and current borrowings:

Description	2024/2025		2023/2024	
	Kshs.		Kshs.	
Short term borrowings (current portion)	-		-	
Long term borrowings	-		-	
Total	-		-	

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Description	2024/2025	2023/2024
	Kshs.	Kshs.
Balance at beginning of the period	-	-
Borrowings during the year	-	-
Repayments of borrowings during the period	-	-
Balance at end of the period	-	-

The table below shows the Distribution of borrowings:

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Borrowings		-
Kenya Shilling loan from KCB	-	-
Kenya Shilling loan from Barclays Bank	-	-
Kenya Shilling loan from Consolidated Bank	-	-
Borrowings from other government institutions	-	-
Total balance at end of the year	-	-

31. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	Total
	Kshs.	Kshs.	Kshs.	Kshs.
Current benefit obligation	-		-	
Non-current benefit obligation	-		-	
Total	-		-	

32. Deferred Income

Description	2024/2025	2023/2024
	Kshs.	Kshs.
National/County Government	-	-
International Funding Bodies	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

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The deferred income movement is as follows:

Description	County government	International funders/ donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	-	-	-	-
Additions during the year	-	-	-	-
Transfers to capital fund	-	-	-	-
Transfers to income statement	-	-	-	-
Other transfers	-	-	-	-
Balance carried forward	-	-	-	-

Analysed as:

Description	Amount
	Kshs
Non- Current	-
Total	-

33. Social Benefit Liabilities

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
PWD benefit scheme	-	-
Elderly social benefit scheme	-	-
Total	-	-
Current social benefits	-	-
Non- current social benefits	-	-
Total (tie to totals above)	-	-

34. Cash Generated from Operations

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Surplus/ (deficit) for the year before tax	(5,594,168)	-
Adjusted for:		
Depreciation	5,594,368	-
Amortisation	-	-
Gains/ losses on disposal of assets	-	-
Working Capital adjustments	200	-
Increase in inventory	-	-
Increase in receivables	-	-
Increase in payables	-	-
Net cash flow from operating activities	200	-

35. Related party balances

a) Nature of related party relationships

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

- a) The County Government.
- b) The Parent County Government Ministry.
- c) County Assembly.
- d) Key management.
- e) Municipality Board.

b) Related party transactions

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Transfers from related parties'	-	-
Transfers to related parties	-	-

c) Key management remuneration

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Board Members	-	-
Key Management Compensation	-	-
Total	-	-

d) Due from related parties

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Due from parent Ministry	-	-
Due from County Government	-	-
Due from County Assembly	-	-
Total	-	-

36. Contingent liabilities

Contingent liabilities	2024/2025	2023/2024
	Kshs.	Kshs.
Court case - against the entity	-	-
Bank guarantees	-	-
Total	-	-

37. Contingent Assets

Contingent liabilities	2024/2025	2023/2024
	Kshs.	Kshs.
Court case - against the entity	-	-
Others	-	-
Total	-	-

38. Financial risk management

The Municipality's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Municipality's overall risk management programme focuses on the 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 Municipality does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

39. Appendices

Appendix 1. Progress on Follow up of Auditors Recommendations.

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Unsupported Transfers from the County Government	The payments made by county on behalf of the municipality as indicated under note 6 is well supported by payment vouchers and expenditure returns and confirmation letter of inter entity transfers from the head of accounts confirming the payments on behalf of the Municipality	<i>Not Resolved</i>	
2	Unsupported Use of Goods and Services	The relevant payment vouchers together with supporting documents properly attached have been availed for audit verification. The supporting schedules and copies of payment vouchers for Kshs.5,113,306	<i>Resolved</i>	
3	Inaccuracy of depreciation and amortisation	its indeed been noted that an amount of depreciation had been indicated under note 33 which ought to have been removed since the entity had neither received formal ownership documents to determine the costs of some of the assets inherited from the defunct authorities	<i>Not Resolved</i>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		nor done valuation to determine the carrying amounts of assets. We have since initiated the process of verification, identification and recording of our assets as well as customizing own policy on assets upon getting full autonomy of the municipality.		
4	Unsupported Cash and Cash Equivalents	The management has noted and provided , certificates of bank balances, cash books, bank statements and bank reconciliations for your verification	<i>Resolved</i>	
5	Unsupported Property, Plant and Equipment	The Municipality has not defined the policy of valuation/depreciation and disposal nor the assets have been subjected to any form of valuation and therefore the figures may not give a fair realistic figure. This is because the assets of the municipality were still being disclosed in the county executives report on cash basis since most assets had not yet been formally handed over to the municipality.	<i>Not Resolved</i>	
6	Unsupported Capital/Development Grants/ fund	The anomaly in statement of changes in net assets has been noted and resulted in restated figures of Kshs.34,747,000 which had been reconciled by passing the necessary journal entries	<i>Not Resolved</i>	
7	Inaccuracy of cash flows from operating activities	Its true that there was an omission of a figure of Kshs.4,774,200 which was due to oversight while transferring data from the work sheets to the template but has been well indicated in note 33 comprising of	<i>Resolved</i>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		settlement of trade payables in the retention account. The necessary journal entries have been passed to correct the anomaly		
8	Inaccuracies in the Statement of Comparison of Budget and Actual Amounts	The management has noted the anomaly and corrected accordingly	Resolved	
9	Unsupported prior Adjustments	Its indeed true that there were restated figures in the previous financial year to correct errors that had been noted in the financial statement. The journal entries were passed	Resolved	
	<u>Unresolved Prior Year Matters</u>			
1	Lack of an Approved Annual Budget	Bomet Municipality operated on an annual approved budget for the financial year 2023/2024, which is proposed by the Municipal Board. The evidence are attached Bomet Municipal annual investment plan and budget, board approval minutes and Assembly Approved budget The budget being part of the county budget is eventually approved by the county assembly	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2	Lack of Independence of the Municipality	the county Government of Bomet has continuously made progress to ensure that Bomet municipality is independent. Functions have been transferred to Bomet Municipality vide Kenya gazette notice No. 1280 of 2024. The Bomet county public service Board has seconded key staff to perform the transferred functions effective on 1 st July 2024. The county government has set up administrative offices for the municipality. Enhancement of the municipal budget has also been carried through the county Fiscal strategy paper (CFSP) for the financial year 2025/2026, this increased the budget ceiling for Bomet Municipality.	<i>Not Resolved</i>	
3	Lack of an Approved Staff Establishment	Bomet Municipality has got a staff establishment approved by the Bomet county assembly on 19 th October 2020. Further Bomet County Public service board deployed staff to Bomet Municipality. Evidence of minutes approving the staff establishment and secondment letters of staff by Bomet County public service board are hereby attached	<i>Not Resolved</i>	
4	Lack of Training Needs Assessment	The municipality has an approved training need assessment copy attached	<i>Not Resolved</i>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
5	Failure to Review the Municipality's Integrated Development Plan	Bomet Municipality Reviewed its Integrated Development Plan (IDEP) during the financial under year under review, IDEP and the board's approval minutes	Not Resolved	
6.	Lack of Policies and By-laws	Bomet municipality has commenced on the instruments that will be the basis of most of the by-laws, for example Bomet county assembly approved Bomet Municipal Intergrated Strategic Urban Development Plan (ISUDP) on 6 th February,2025. This will guide on the by laws regarding land and zoning regulations	Not Resolved	
7	Unconfirmed Recruitment and Meetings of the Municipality Board	Bomet municipal board was constituted as per the provisions of Urban Areas and Cities Act 2011 (Amendment 2019) Evidence attached is the newspaper advertisement, vetting, and approval by the Bomet County Assembly. The board has been meeting at least once every quarter as evidenced by the highlights of the board meeting minutes. work plans and minutes	Resolved	
	REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	MANAGEMENT AND GOVERNANCE			
1	Lack of a Fixed Asset Register and Ownership Documents	The management has noted this anomaly and steps have been made to address this. A committee was appointed by the County Governor to carry out the transfer of functions, Assets and Human resource to Bomet Municipality. During the time of the audit, the committee was yet to give a report on assets transferred to Bomet Municipality. One the process is complete; all assets will be tagged to curb pilferages	Not Resolved	
2	Lack of Internal Audit Review and Audit Committee	The management has taken note of the need to have its own Audit Committee, however the operations of the municipality has always been audited by the county executive's internal audit and deliberated by the County executive Audit committee. Furthermore, an internal auditor was seconded to Bomet Municipality from 1 st July 2024 to provide control on internal mechanisms.	Not Resolved	
3	Lack of Risk Management Strategies	Bomet Municipality is fairly a new entity, so far it does not have many policies. However, there is a number of policy and strategies in draft form. The management has taken note of this anomaly and would abide by the recommendations given by your team	Not Resolved	

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Appendix 2: Inter-Entity Transfers

CITY/MUNICIPALITY NAME:				
Breakdown of Transfers from the County Executive of bomet County				
	FY 2024/2025			
a.	Recurrent Grants	<u>Bank Statement Date</u>	<u>Amount (Kshs.)</u>	<u>Indicate the FY to which the amounts relate</u>
		Total		
b.	Development Grants	<u>Bank Statement Date</u>	<u>Amount (Kshs.)</u>	<u>Indicate the FY to which the amounts relate</u>
			-	
			-	
			-	
		Total	-	
c.	Direct Payments	<u>Bank Statement Date</u>	<u>Amount (Kshs.)</u>	<u>Indicate the FY to which the amounts relate</u>
	Payment Made by the Treasury on Behalf of the Entity		26,648,400	2024/2025
		Total	26,648,400	

(The above amounts have been communicated to and reconciled with the parent Department in the County.)

Benard Kosgei

[Signature]

Signed by the Head of Accounts of the Entity and the transferring Entity.