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<b>CLERK-AT-TABLE:</b> .....	J. LEMERELLE

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**BOMAS OF KENYA LIMITED**

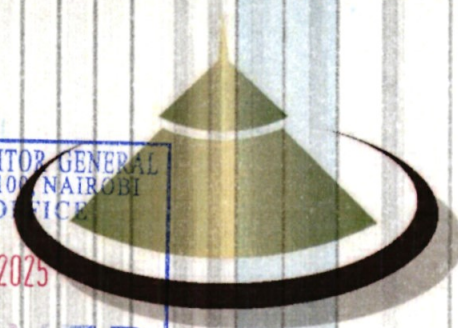
**FOR THE YEAR ENDED  
30 JUNE, 2025**



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**BOMAS**  
OF KENYA LTD

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**BOMAS OF KENYA LTD**

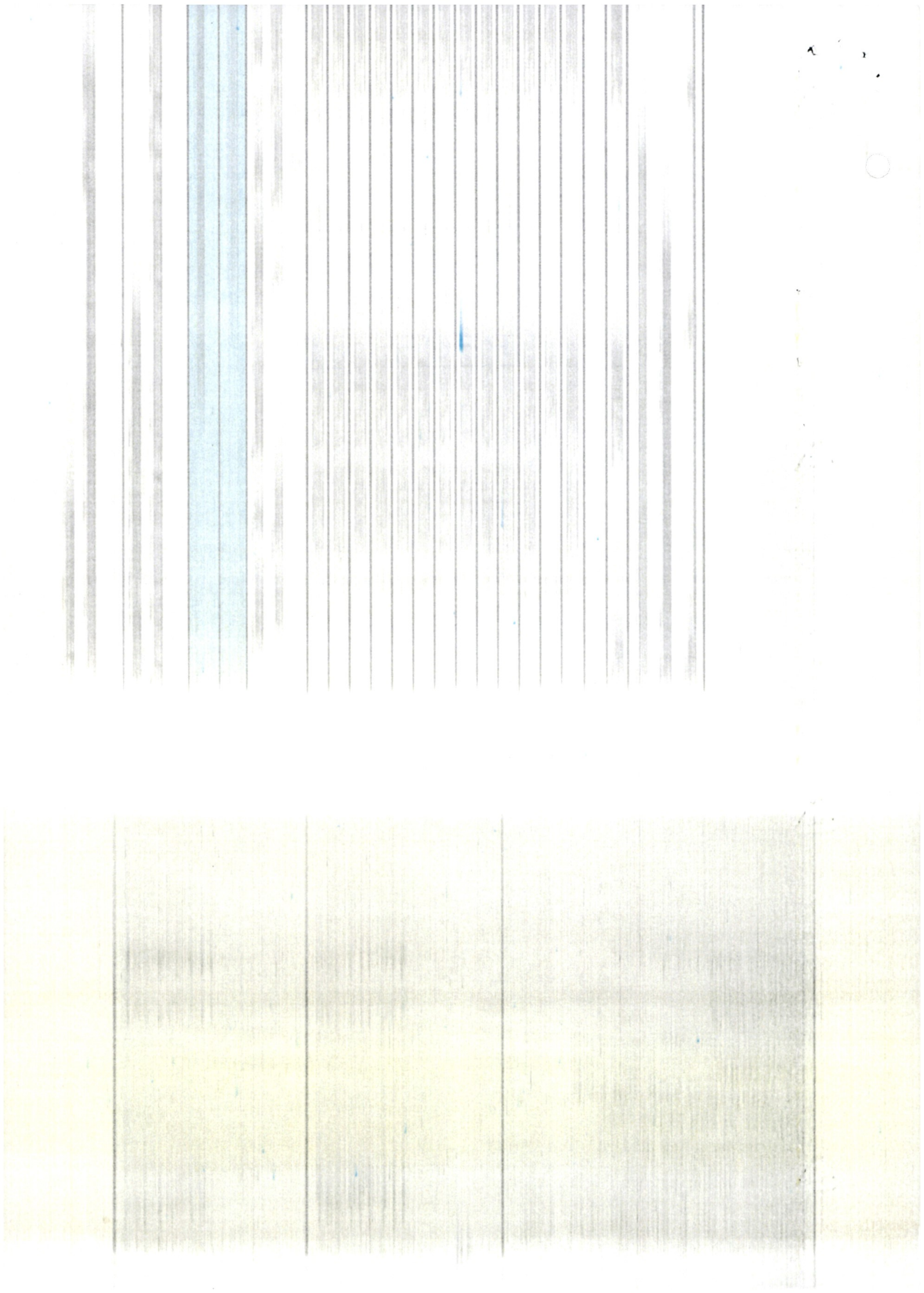
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2025**

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*Prepared in accordance with the International Financial Reporting Standards (IFRS)*



**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

<b>Table of Contents</b>	<b>Page</b>
1. Acronyms and Glossary of Terms .....	ii
2. Key Entity Information.....	iii
3. The Board of Directors .....	vi
4. Key Management Team.....	x
5. Chairman’s Statement.....	xiv
6. Report of the Chief Executive Officer.....	xv
7. Statement of Performance against Predetermined Objectives for FY 2024-2025.....	xvii
8. Corporate Governance Statement .....	xix
9. Management Discussion and Analysis .....	xxi
10. Environmental and Sustainability Reporting.....	xxiii
11. Report of the Directors .....	xxvii
12. Statement of Directors’ Responsibilities .....	xxix
13. Report of the Independent Auditors on the financial statements for Bomas of Kenya Ltd. .....	xxxii
14. Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 <sup>th</sup> June 2025 .....	1
15. Statement of Financial Position as at 30 June 2025 .....	2
16. Statement of Changes in Equity for the year ended 30 June 2025 .....	3
17. Statement of Cash Flows for the year ended 30 June 2025 .....	5
18. Statement of Comparison of Budget and Actual amounts for the period ended 30 June 2026...5	
19. Notes to the Financial Statements.....	8
20. Appendices .....	38

**1. Acronyms and Glossary of Terms**

<b>AIA</b>	<i>Appropriations in Aid</i>
<b>BETA</b>	<i>Bottom Up Economic Transformation Agenda</i>
<b>BICC</b>	<i>Bomas International Convention Centre</i>
<b>BOK</b>	<i>Bomas of Kenya</i>
<b>CPA</b>	<i>Certified Public Accountant</i>
<b>CS</b>	<i>Cabinet Secretary</i>
<b>FY</b>	<i>Financial Year</i>
<b>IAS</b>	<i>International Accounting Standards</i>
<b>ICDC</b>	<i>Industrial and Commercial Development Corporation</i>
<b>ICT</b>	<i>Information Communication and Technology</i>
<b>IFRS</b>	<i>International Financial Reporting Standards</i>
<b>ISO</b>	<i>International Standards Organisation</i>
<b>KDC</b>	<i>Kenya Development Corporation</i>
<b>KSH</b>	<i>Kenya Shillings</i>
<b>LLP</b>	<i>Limited Liability Partnership</i>
<b>SHIF</b>	<i>Social Health Insurance Fund</i>
<b>NSSF</b>	<i>National Social Security Fund</i>
<b>PAYE</b>	<i>Pay As You Earn</i>
<b>PFM</b>	<i>Public Finance Management</i>
<b>QMS</b>	<i>Quality Management System</i>
<b>UNHCR</b>	<i>United Nations High Commissioner for Refugees</i>
<b>VAT</b>	<i>Value Added Tax</i>

## **2. Key Entity Information**

### **a) Background information**

Bomas of Kenya Limited was established, under the Kenya Companies Acts Cap 486 of the laws of Kenya, on 11th September 1970. At cabinet level, the Cabinet Secretary, Ministry of Tourism and Wildlife represents the entity and, are responsible for the entity's general policy and strategic direction. Bomas of Kenya Limited is domiciled in Kenya.

### **b) Principal Activities**

The principal activity of Bomas of Kenya Limited is to preserve, promote, and maintain the diverse cultures of Kenya for tourism development.

### **Our Mission**

To preserve, maintain, educate and promote the diverse cultures of various ethnic groups in Kenya

### **Our Vision**

To be the leading custodian of Kenya's diverse cultures as a national heritage for prosperity and posterity.

### **Our Core Values**

Professionalism and Authenticity

Customer Orientation

Result Driven

Humility and Respect for Other People

Team Spirit among staff

Corporate Citizenship and Social Responsibility

Transparency and Accountability

Efficiency

Creativity and Innovativeness

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

**c) Directors**

The Directors who served the entity during the year/period were as follows:

1. Hon. Jane J. K. Chebaibai	- Chairperson	-Appointed on 10 <sup>th</sup> February 2023
2. Mr. Jimmy Okidiang'i	-Ag. GM/Chief Executive Officer	-Appointed on 28 <sup>th</sup> October 2024
3. Dr. CPA. Nixon Mugilwa, PhD	-Ag. GM/Chief Executive Officer	-Served Upto October 2024
4. Hon. John Lekakeny Ololtuaa, CBS	- PS - State Department for Tourism	-Appointed in September 2022
5. Ms. Umami M. Bashir	- PS - State Department for Culture and Heritage	- Appointed on 3 <sup>rd</sup> December 2022
6. Mr. Fares Oguda Odira	-Director	-Appointed on 29 <sup>th</sup> June 2023
7. Ms. Jacqueline Njahira Muturi	-Director	-Appointed on 29 <sup>th</sup> June 2023
8. Ms. Purity Moraa Kirera	-Director	-Appointed on 23 <sup>rd</sup> June 2023
9. Mr. Shauri Kahinid Gona	-Director	-Appointed on 23 <sup>rd</sup> June 2023
10. Mrs. Sarah Juma Odunga	-Director	-Appointed on 23 <sup>rd</sup> June 2023
11. Mr. John Saitoti Karia	-Alternate, Director General-Kenya Development Corporation (KDC)	-Appointed on 1 <sup>st</sup> January 2023
12. Mr. James Mungai Warui	-Rep-Inspectorate of state corporations	- Appointed in May 2024
13. Mr. Joseph Kimemia	-Alternate, Cabinet Secretary, The National Treasury and Economic Planning	- Appointed on 8 <sup>th</sup> May 2024
14. Mr. Gerald Alwanga	-Alternate, Principal Secretary, State Department for Culture and Heritage	-Appointed on 20 <sup>th</sup> January 2025

**d) Registered Office**

Bomas of Kenya Ltd  
P.O. Box 40689 – 00100  
Langata Highway / Forest Edge Road  
Nairobi, Kenya.

**e) Corporate Headquarters**

Bomas of Kenya Ltd  
P.O. Box 40689 – 00100  
Langata Highway / Forest Edge Road  
Nairobi, Kenya

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**f) Corporate Contacts**

Telephone: (254)-20-8891801/2, 8890793/5/8

Fax: (254)-20-310223

E-mail : [info@bomasofkenya.co.ke](mailto:info@bomasofkenya.co.ke)

Website: [www.bomasofkenya.co.ke](http://www.bomasofkenya.co.ke)

**g) Corporate Bankers**

KCB Bank Kenya Ltd

Langata Branch

P.O. Box 30081-00100

Nairobi, Kenya.

Standard Chartered Bank Kenya Ltd

Galleria Mall Branch

P.O. Box 30003 - 00100

Nairobi, Kenya.

Co-operative Bank of Kenya

Kimathi Street

P.O Box 7512-00200

Nairobi, Kenya

**h) Independent Auditors**

Auditor-General

The Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084-00100

Nairobi, Kenya

**i) Principal Legal Advisers**

1. The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya.

2. Sharpley Barret & Company Advocates



Prudential Assurance Building,

2<sup>nd</sup> Floor - Wabera Street

P.O. Box 40286-00100

Nairobi, Kenya.




**3. The Board of Directors**

S.No	Directors	Details
1.	 <p data-bbox="363 878 726 987"><b>Hon. Jane Jepkorir Kiptoo Chebaibai Chairperson</b></p>	<p data-bbox="810 430 1517 786">Hon. Jane Chebaibai was appointed Chairperson of the Bomas of Kenya Board on February 10, 2023. A former Women Representative for Elgeyo Marakwet, she brings valuable experience in governance, policy formulation, and public sector oversight. She holds a Bachelor’s Degree in Counselling Psychology from Africa International University. Her strong leadership, regulatory insight, and strategic acumen continue to guide the Board in upholding high standards of performance and governance.</p>
2.	 <p data-bbox="352 1341 735 1451"><b>Mr. Jimmy Okidiang’i Ag. Chief Executive Officer/ General Manager</b></p>	<p data-bbox="810 1039 1517 1238">Mr. Jimmy Okidiang’i was appointed the Acting Chief Executive Officer on 28<sup>th</sup> October 2024. He stands as a seasoned leader in the field of Human Capital Management with a career spanning over 15 years.</p> <p data-bbox="810 1285 1517 1357">Mr. Okidiang’i holds a Master of Science in Human Resource Management</p>


**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

<p>4.</p>	 <p><b>Hon. John Ololtuaa, CBS</b>  <b>Principal Secretary-</b>  <b>State Department for Tourism</b></p>	<p>Hon. John Lekakeny Ololtuaa is the Principal Secretary in the State Department of Tourism, Ministry of Tourism and Wildlife, Kenya. He is responsible for tourism promotion, policy formulation, and industry development.</p> <p>He holds a Bachelor of Education (Arts) and a Master’s in Education Administration from Kenyatta University. He has served as County Director of Education in Bomet and Kajiado, Regional Director of Education, and County Transition Coordinator in Narok under the Transition Authority.</p> <p>He supports several youth development initiatives and participated in the Global Schools Partnership Program, organised by the British Council, in 2020.</p> <p>Hon. Ololtuaa is a transformative leader committed to strategic management, professionalism, transparency, and accountability.</p>
<p>3.</p>	 <p><b>Ms. Umami Mohammed Bashir</b>  <b>Principal Secretary-</b>  <b>State Department for Culture and Heritage</b></p>	<p>PS Bashir is an Advocate of the High Court of Kenya with over a decade of post-admission experience. She is also a Commissioner for Oaths and a Notary Public. Her legal expertise spans several key areas, including corporate governance, public and constitutional law, election petitions, commercial transactions and litigation, as well as intellectual property law.</p> <p>She holds a Master of Arts in Armed Conflict and Peace Studies from Zanzibar University (2018). She is currently pursuing a Ph.D. in International Relations and Foreign Policy at the United States International University (USIU).</p> <p>She was appointed Principal Secretary in December 2022, bringing her wealth of legal and governance experience to public service.</p>
<p>4.</p>	 <p><b>Mr. Fares Oguda Odira</b>  <b>Director</b></p>	<p>Mr. Oguda is a purpose-driven director with over 20 years of experience in public service across various institutions. He was appointed to his current position on 30th June 2023.</p> <p>He holds several certifications in operations Management, reflecting his commitment to efficiency and strategic leadership in public administration.</p> <p>Previously, Mr. Oguda served as a member of the County Budget and Economic Forum in Migori County.</p>




**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

		This role allowed him to actively contribute to shaping the region's economic development.
5.	 <p><b>Ms. Jacqueline Njahira Muturi</b>  <b>Director</b></p>	<p>Ms. Muturi joined the Board on 30th June 2023. She has over 20 years of experience in business management and entrepreneurship, and brings valuable skills in strategic thinking and resource management.</p> <p>She also holds certifications in business operations and management.</p>
6.	 <p><b>Mr. Shauri Kahindi Gona</b>  <b>Director</b></p>	<p>Mr. Shauri Gona joined the Board on 23rd June 2023. He is a Community Development and Counselling specialist with experience in clinical research and community development in both the public and private sectors.</p> <p>He currently serves as a researcher at Moi University Clinical Research Centre (MUCRC) in Eldoret.</p>
7.	 <p><b>Ms. Purity Moraa Kirera</b>  <b>Director</b></p>	<p>Ms. Kirera was appointed to the Board of Directors of Bomas of Kenya on 23rd June 2023. She has over 15 years of experience in the financial services sector, with strong skills in sales, management, and leadership.</p> <p>She holds a Diploma in Business Management and currently serves as the Group Scheme Manager at Old Mutual Life Assurance Company, a role she has held since 2010.</p>




**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

8.	 <p><b>Mrs. Sarah Juma Odunga</b> <b>Director</b></p>	<p>Mrs. Odunga joined the Board of Directors of Bomas of Kenya on 23rd June 2023. She has a background in psychology and counselling, with experience that supports ethical decision-making.</p> <p>She holds a Bachelor's Degree in Counselling Psychology from Tangaza University.</p>
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**4. Key Management Team**

Ref	Management	Details
1.	 <p><b>Mr. Jimmy Okidiang'i</b>  <b>Ag. Chief Executive Officer/                      General Manager</b></p>	<p>Mr. Jimmy Okidiang'i was appointed the Acting Chief Executive Officer on 28<sup>th</sup> October 2024. He stands as a seasoned leader in the field of Human Capital Management with a career spanning over 15 years.</p> <p>Mr. Okidiang'i holds a Master of Science in Human Resource Management.</p>
2.	 <p><b>CPA. Felix Korir</b>  <b>Ag. Head of Finance &amp;                      Administration</b></p>	<p>CPA Korir is a finance expert with over 30 years in the field, focusing on accounting and internal audit.</p> <p>Mr. Korir holds a Master of Business Administration Degree from the University of Nairobi and a Bachelor of Business Administration (Finance and Banking) from Moi University. He also holds a professional certification as a Public-Private Partnership Specialist from the Institute for Public-Private Partnership (USA).</p>
3.	 <p><b>Dr. Kahithe Kiiru</b>  <b>Production Manager</b></p>	<p>Dr. Kahithe Kiiru is an anthropologist, choreographer, producer, and dance educator. She is a skilled researcher with extensive experience in ethnomusicological research in East Africa, with a special focus on Kenya's dance traditions.</p> <p>She holds a PhD in Anthropology and a Master's degree (MPhil) in Ethnomusicology and Dance Anthropology from the University of Paris X Nanterre (France).</p>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

<p>4.</p>	 <p><b>Mr. Joseph W. Njoroge</b>  <b>Property Manager</b></p>	<p>Mr. Njoroge has over 15 years of experience in Property Management and Construction. He brings valuable skills and knowledge to the Board.</p> <p>He holds a Bachelor of Arts degree in Quantity Surveying from the Technical University of Kenya.</p>
<p>5.</p>	 <p><b>Mr. John Ekal</b>  <b>Ag. Food and Beverage Manager</b></p>	<p>Mr. Ekahl has over 25 years of experience in the hospitality industry, having worked in various hotels and restaurants both locally and internationally.</p> <p>He holds a Bachelor's Degree in Hotel and Hospitality Management from Moi University.</p>
<p>6.</p>	 <p><b>Ms. Gladys Kangethe</b>  <b>Ag. Marketing Manager</b></p>	<p>Ms. Gladys Kang'ethe has over 20 years of experience in marketing. She is a member of the Marketing Society of Kenya, an Associate of the Chartered Institute of Marketing (UK), and also affiliated with the Kenya Association of Women in Tourism and Women on Boards Kenya.</p> <p>She holds an MBA in Strategic Management from the Catholic University of Eastern Africa.</p>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

7.	 <p><b>Mr. Alphonse Akondo</b> <b>Ag. Corporate Communication Manager</b></p>	<p>Mr. Akondo joined Bomas of Kenya in 2004 and is currently the Head of Corporate Communication. He has over 15 years of experience in media relations, crisis communication, and promotional campaigns.</p> <p>He holds a Bachelor of Science in Communication and Public Relations, a Diploma in Film/Video Production, and a Diploma in TV Video Production. He is currently pursuing a Master's degree in Corporate Communications.</p>
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## **5. Chairperson's Statement**

### **A. Introduction**

The Board of Bomas of Kenya is pleased to share our Annual Reports and Financial Statements for the year ended 30th June 2025. The year has been marked by significant achievements, and a commitment to the Bomas of Kenya Strategic Plan. Together with my fellow Board members, we worked with management to ensure the effective delivery of the organization's mandate.

At Bomas of Kenya, we stood at the forefront of promoting economic growth and contributing to the expansion of Kenya's tourism sector. Guided by the principles of the Bottom-Up Economic Transformation Agenda (BETA), we have remained dedicated to empowering local artisans, performers, and entrepreneurs. Our role in developing BETA continues to grow, as we involve local talent in our operations and provide platforms that highlight their skills and products. Our engagement with communities has not only strengthened our social impact but also supported the national agenda of shared prosperity.

During the financial year, our commitment to preserving and promoting Kenya's rich cultural heritage remained steadfast. A key milestone was the commencement of the Bomas International Convention Centre (BICC) project, a transformative initiative aimed at positioning Bomas of Kenya as a premier destination for Meetings, Incentives, Conferences, and Exhibitions (MICE) in the tourism sector. The BICC will elevate our capacity to host global events while creating new economic opportunities for communities across the country.

### **B. Financial Results**

The 2024-2025 financial results reflect the strategic growth of Bomas of Kenya. Our efforts to diversify revenue through more cultural events and entertainment offerings attracted a wider audience and strengthened our financial base. This strategy supports the long-term sustainability of the institution

### **C. Governance Oversight**

During the year, the Board underwent significant leadership changes. We were pleased to welcome Mr. Jimmy Okidiang'i to the Board as the Acting Chief Executive Officer, who took over from Dr. CPA Nixon Mugilwa, PhD. Dr. Mugilwa's tenure was marked by transformative leadership, during which he spearheaded critical institutional reforms including the development Bomas Strategic Plan

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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2023-2027, which has set a clear direction for growth and sustainability. Together with the board, I wish to extend our gratitude to Dr. Mugilwa for his dedication and the impactful strides made under his leadership. Furthermore, as part of the government's restructuring efforts, Bomas of Kenya transitioned from the Ministry of Gender, Culture, the Arts and Heritage to the Ministry of Tourism and Wildlife. This transition brought on board new leadership, the Principal Secretary for Tourism, Hon. John Oloituaa, CBS, whose support and vision we warmly welcome. I also take this opportunity to extend our sincere gratitude to Ms. Umami Bashir, Principal Secretary for Culture and Gender, for her dedicated service to the Board.

**D. Future Outlook**

As we start the new financial year, Bomas of Kenya will continue laying the groundwork for the BICC project with an emphasis on infrastructure, partnerships, and investment attraction. This next phase will be key in aligning the project with national tourism and economic priorities. We also plan to broaden our cultural products offering, digitize service delivery, and increase our role in promoting Kenya as a centre for both heritage and business tourism. Our commitment to preserving and promoting Kenyan rich, diverse culture remains firm even in the next financial year.

**E. Appreciation**

I wish to sincerely thank the Board of Directors for their support and wise counsel throughout the year. I also extend my appreciation to the management and staff of Bomas of Kenya for their resilience and dedication, especially during the transition into the BICC project. I also thank the Government of Kenya for their continued guidance. To our partners, stakeholders, and the public, we thank you for your continued support. Together, we look forward to building a better future rooted in our cultural heritage



**JANE JEPKORIR KIPTOO CHEBAIBAI**  
**CHAIRPERSON OF THE BOARD**

**6. Report of the Chief Executive Officer**

**A. Introduction**

Bomas of Kenya Limited exists to preserve, maintain, and promote the diverse cultures of Kenyan Communities. Together with the Board and management, we made significant strides towards actualising BICC, a flagship project under the MICE strategy that positions Bomas as a key partner in business tourism. Despite internal and external transitions, we stayed committed to our goals and laid a solid foundation for future success.

The financial year 2024-2025 was one of exceptional progress and transformation. It marked a period of historic milestones, including the successful hosting of the Borana Cultural festival, Kapkugo festival, Minorities Rights Day in December 2024, and the 97th Edition of Kenya Music and Cultural Festivals. These significant events, held in collaboration with the State Department for Gender, Culture, Heritage and Arts, and the State Department for Tourism and Wildlife, highlight our commitment to inclusivity and cultural development.

**B. Financial Results**

During the financial year that ended 30th June 2025, the institution realized Kshs. 190 million internally generated revenues, including cultural dances, conferencing, and facility hire. The institution also fully absorbed the recurrent grant of Kshs. 274.6 million from the government, which supported operational needs, staff compensation, and key service delivery initiatives. These resources enabled us to maintain key functions and invest in staff development. Our financial accountability remains central to sustaining institutional growth and delivering value to the public.

**C. Employee Retention and Motivation**

Our 214 permanent and temporary staff members remain the backbone of our success. Their dedication, resilience, and passion have driven our achievements. We continue to invest in staff motivation and organizational culture through continuous staff training. These efforts ensure our team remains skilled, engaged, and aligned with our mission. During the year, we bid farewell to Mr. Mathias Malingi, a long-serving and dedicated staff member in the Food and Beverage Department. His commitment, professionalism, and warmth left a lasting impact on the Bomas of Kenya family. We extend our heartfelt condolences to his family, friends, and colleagues.

#### **D. Strategic Alignment and Future Prospects**

At Bomas of Kenya, we recognize that preserving culture goes hand in hand with building a sustainable future. This year, our efforts were guided by the United Nations Sustainable Development Goals (SDGs) 17 on Partnerships for the Goals and SDG 8, which focuses on decent work and economic Growth.

In line with SDG 17, we partnered with government ministries, counties, Non-Governmental Organizations and communities to hold joint cultural festivals, and promote Kenya's rich heritage both locally and internationally. In support of SDG 8, we continued to create jobs and support decent work through our cultural performances, traditional arts, and hospitality services. Bomas of Kenya remains a key employer of local artists and dancers. We also offer a platform for community-based cultural groups and artisans to showcase their talents and earn income. Our efforts contribute not only to the economy but also to preserving Kenya's rich cultural heritage.

As we look ahead, Bomas of Kenya will continue to implement its Strategic Plan 2023-2027, which aligns our institutional objectives with national development priorities. This roadmap will guide our efforts to promote cultural preservation, support local talent, and contribute to the Bottom-Up Economic Transformation Agenda (BETA). In collaboration with the Ministry of Wildlife and Tourism, our objective is to advance our impact while supporting our mandate. Through this plan, we reaffirm our commitment to delivering value to the public and strengthening Kenya's cultural and creative economy.

#### **E. Appreciation**

Finally, I extend my sincere appreciation to our dedicated members of staff, Board of Directors, government partners, and all stakeholders, especially during the ongoing transition as a result of the BICC project. Your commitment has been instrumental in ensuring service continuity and embracing change with purpose. We will continue to grow Bomas of Kenya into a leading cultural institution that shapes and promotes the identity of our nation.



**MR. JIMMY OKIDIANG'I**  
**AG. GENERAL MANAGER/CHIEF EXECUTIVE OFFICER**

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

**7. Statement of Performance against Predetermined Objectives for FY 2024/2025**

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

Bomas of Kenya Ltd has four strategic pillars and objectives within the current Strategic Plan for the FY 2024- FY 2025. These strategic pillars are as follows:

Strategic Pillar 1: Preservation of Kenyan Culture

Strategic Pillar 2: Promotion of the Rich and Diverse Kenyan Culture

Strategic Pillar 3: Financing and Investment

Strategic Pillar 4: Human Resource Development, Governance and Support Services

Bomas of Kenya Ltd develops its annual work plans based on the above four pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The entity achieved its performance targets set for the FY 2024-2025 period for its four strategic pillars, as indicated in the diagram below:

Strategic Pillars	Objective	Key Performance Indicators	Activities	Achievements
Preservation of Kenyan Culture	<ul style="list-style-type: none"> <li>To undertake research on cultural values, practices and customs of Kenya's ethnic communities;</li> <li>To document and package research findings on ethnic cultural values, practices and customs;</li> <li>To educate Kenyans and tourists on the rich and diverse Kenya's cultural heritage;</li> <li>To diversify and modernize the existing cultural products offer in line with contemporary tourism trends;</li> <li>To increase partnership programs with county governments and tourism stakeholders on culture preservation</li> </ul>	<ul style="list-style-type: none"> <li>Number of MOUs and research reports</li> <li>Number of new products developed</li> <li>Number of published articles</li> <li>Certificate of copyright</li> <li>Number of re-choreographed dances</li> <li>Cultural artefacts gallery in place</li> <li>Number of themed nights</li> </ul>	<ul style="list-style-type: none"> <li>Seek and form research partnerships with other government agencies</li> <li>Identify cultural product gaps</li> <li>Publish research findings in renowned journals</li> <li>Publication of patent on BoK choreographed cultural dances and designed cultural costumes</li> <li>Re-choreograph existing cultural dances of the BOK repertoire</li> <li>Establish a cultural artefacts gallery</li> <li>Organize cultural fashion shows</li> </ul>	<ul style="list-style-type: none"> <li>BOK identified the need to digitize Kenyan music a project which is ongoing</li> <li>The entity is currently re-choreographing the existing dances and redesigning its cultural costumes</li> <li>Re-imaging of the entities cultural gallery is in process</li> <li>BOK features traditional homesteads from different communities, showcasing the architectural styles that are unique to each group.</li> <li>Bomas of Kenya features traditional Kenyan cuisine in its restaurants.</li> </ul>
Promotion of the rich and diverse Kenyan culture	<ul style="list-style-type: none"> <li>To increase awareness of BoK products &amp; services;</li> </ul>	<ul style="list-style-type: none"> <li>Report Revenue generated</li> </ul>	<ul style="list-style-type: none"> <li>Conceptualization, message</li> </ul>	<ul style="list-style-type: none"> <li>Various targeted messages and artworks are being developed</li> </ul>

**Bomas of Kenya Ltd**

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

	<ul style="list-style-type: none"> <li>To increase BoK's patronage and consumption of BoK's products;</li> <li>To maintain positive corporate image &amp; relations</li> </ul>	<ul style="list-style-type: none"> <li>Market intelligence reports</li> <li>Approved communication policy</li> </ul>	<p>development &amp; design</p> <ul style="list-style-type: none"> <li>Marketing influencers, event management</li> <li>Participation in trade and tourism expos, fairs and exhibitions both locally and internationally</li> <li>Undertake market intelligence surveys</li> <li>Develop BoK's Communication policy</li> </ul>	<ul style="list-style-type: none"> <li>BOK engages social media consultants</li> <li>An approved communication policy is being developed</li> <li>BOK hosts daily cultural performances that showcase traditional music and dance from various ethnic groups in Kenya.</li> </ul>
Financing and investment	<ul style="list-style-type: none"> <li>To ensure expanded resource mobilization mechanism</li> <li>To ensure sustainable funding of BoK products and services</li> </ul>	<ul style="list-style-type: none"> <li>Revenue reports</li> <li>Assigned targets</li> <li>% completion rate</li> <li>RFQs evaluation reports</li> </ul>	<ul style="list-style-type: none"> <li>Identify revenue collection streams</li> <li>Assign targets to revenue collection streams</li> <li>Provide basic infrastructure</li> <li>Market engagement – publish &amp; evaluate RFQS</li> </ul>	<ul style="list-style-type: none"> <li>A review of revenue streams is ongoing with intention of adding more.</li> <li>Targets are assigned at the start of financial year</li> <li>The required basic infrastructure is at place</li> </ul>
Human Resources, Development Governance and Support Services	<ul style="list-style-type: none"> <li>To ensure optimal organizational capacity for improved service delivery;</li> <li>To improve work environment that fosters staff morale;</li> <li>To strengthen internal controls and processes;</li> <li>To improve BoK physical infrastructural capacity;</li> <li>To improve BoK's ICT Infrastructure, Systems and Governance</li> <li>To ensure efficient utilization of revenue.</li> <li>To strengthen internal processes.</li> </ul>	<ul style="list-style-type: none"> <li>Number and reports</li> <li>Environmental sustainability report</li> <li>Preliminary and quarterly reports.</li> <li>Number of staff trained</li> <li>Reports on comprehensive audits</li> <li>Reports on documentation conformity</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment, upgrading &amp; compensation of staff</li> <li>Conduct an annual environmental sustainability audit</li> <li>Undertake repairs and maintenance in line with audit report and as per repair and maintenance schedule</li> <li>Develop ICT training Programmes for end-users</li> <li>Carry out a comprehensive audit of systems, procedures, and equipment's in use</li> <li>Review QMS documentation in conformity with ISO 9001:2015</li> </ul>	<ul style="list-style-type: none"> <li>Various staff members were recruited and others promoted</li> <li>Necessary repairs have been undertaken to improve physical infrastructure</li> <li>ICT training programmes have been developed</li> <li>Plans are under way to under comprehensive audit of systems, procedures, and equipment's in use</li> <li>QMS documentation has been revised</li> </ul>

## **8. Corporate Governance Statement**

### **a) Introduction**

At Bomas of Kenya, the Board of Directors holds a steadfast commitment to upholding high standards of performance, legal compliance, ethical conduct, and governance across all areas of the institution. This commitment echoes throughout the institution's interactions with shareholders, customers, employees, communities, and the nation at large. It therefore endeavours to design policy thrusts that bring agreement in its inter-relations with them. Recognizing its responsibility to various stakeholders, the Board appreciates the trust vested in it by shareholders, the loyalty of customers, and the dedication of employees. It also values the synergetic relationship with the communities within which it operates. This appreciation drives the Board's determination to design policies that harmoniously align the institution's interactions with these stakeholders. As part of its efforts to manage and mitigate risks, the Board constantly reviews the institution's internal control framework. It precisely assesses the processes put in place by Management to actualize these controls, constantly refining them to optimize effectiveness.

To this end, the Board has embraced various policies, procedures, and regulations to guide Management's operational decisions. Various committees have also been established to strengthen the efficacy of its duties while concurrently fostering the institution's sustainability.

### **b) Committees of the Board of Directors**

The Board of Directors of Bomas of Kenya Limited has established four committees to help it in processing of issues before their ultimate submission to the full board.

The committees are: -

- a) The Finance and Human Resource Committee;
- b) The Audit Committee;
- c) The Development and Investments Committee; and
- d) The Operations Committee

### **c) Risk Management**

At Bomas of Kenya, risk management stands as an essential pillar within our internal control framework. The Board ensures that measures are put in place to manage risks associated with the operations and functions of the institution, so as to guarantee the institution's sustainability. Guided by a comprehensive risk management strategy, we ensure a resilient organizational structure. This

approach involves thorough monitoring our internal systems, evaluation of projects by external experts, and the establishment of codes of practice that support corporate accountability. We also promote independent and objective oversight, and review information presented by the management to identify potential risk areas and developing policies and strategies to mitigate the risks.

**d) Operational Risks**

Operational risks are risks associated with losses arising from the failure of systems, human error, fraud, or external events. Although complete prevention of operational risks is an impractical endeavour, Bomas of Kenya Limited remains confident to proficiently manage and mitigate them. This is achieved through the careful application of control frameworks, vigilant monitoring, and proactive risk mitigation strategies. The controls that the institution has put in place to minimize possible operational risks include: -

- a) Segregation of duties - by outlining roles and responsibilities, we ensure a system of checks and balances that mitigates the risk of errors and unnecessary influence;
- b) Training of staff - we equip our staffs with the knowledge required to navigate potential downsides, thereby reinforcing our defences against operational risks;
- c) Definition of authorization levels - control over authorization levels ensures that actions are carried out within approved boundaries, limiting the risk of unauthorized actions;
- d) Internal auditing - an independent internal audit function provides critical insights into our operational landscape, validating the efficiency of our risk mitigation strategies and;
- e) Implementation of access controls - by strictly regulating access to sensitive information and systems, we safeguard ourselves from unauthorized activities.

**e) Credit Risk**

Credit risk is a risk that arises from trade and other receivables where debtors are not able to meet their obligation as expected. Bomas of Kenya Limited does not have a significant concentration of credit risk. This is because the finance department assesses the credit worthiness of each client that the institution deals with, including his or her financial position, experience, and other related factors. To further enhance our safeguarding measures, we institute a credit period of 30 days for our debtors. This prudent timeframe not only provides a reasonable span for obligations to be met

**9. Management Discussion and Analysis**

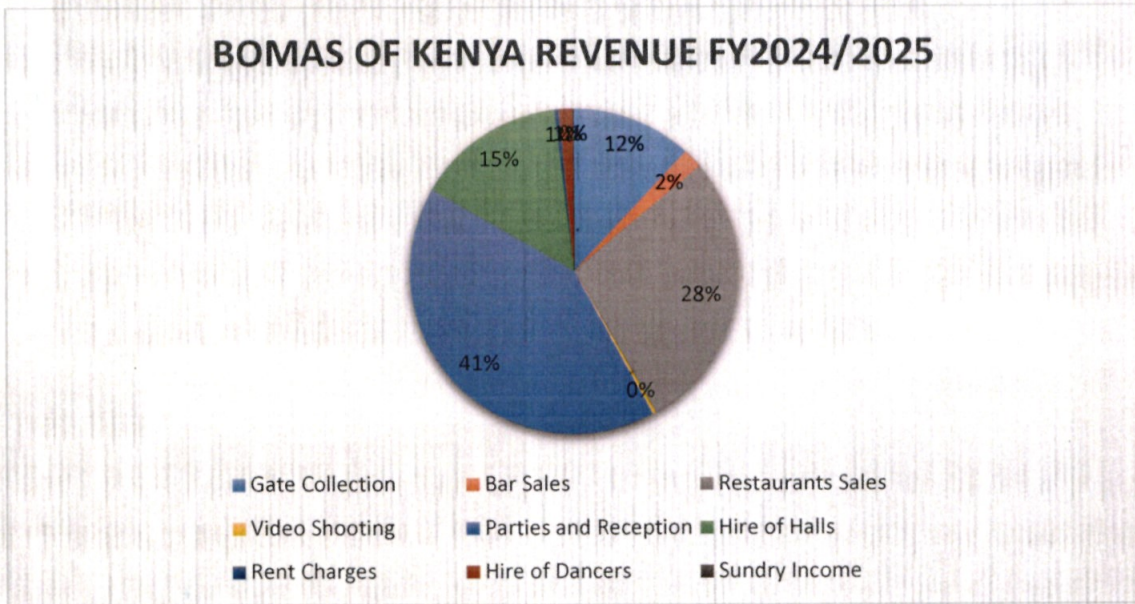
Bomas of Kenya play an important role in preserving and promoting the diverse cultural heritage of Kenya, serving as a significant tourist attraction.

As part of its long-term growth strategy and national development agenda, Bomas of Kenya has embarked on a transformative project, the BICC. A project that is envisioned to position Kenya as a premier destination for global conferences and exhibitions, complementing the institution's cultural mandate with world-class conferencing facilities. The project broke ground during the year and has since made commendable progress in stakeholder engagement and the initial phases of construction. Once completed, BICC will enhance BOK's revenue generation capacity and significantly boost the country's MICE sector.

In line with government digital transformation efforts, Bomas of Kenya successfully onboarded onto the E-Citizen platform, offering a seamless, efficient, and transparent booking system for its services. Visitors can now conveniently access cultural show bookings and event reservations online. This integration has not only improved customer experience but also enhanced accountability, and revenue tracking. It aligns with the government's directive to digitize service delivery across all public institutions.

Over the years, Bomas of Kenya has remained fully compliant with statutory requirements. The institution met its obligations to the Kenya Revenue Authority (KRA) for P.A.Y.E. and VAT, as well as to other key agencies, including the National Social Security Fund (NSSF), Social Health Insurance Fund (SHIF), and the Higher Education Loans Board (HELB). This commitment to compliance highlights the institution's adherence to good governance and financial discipline.

In FY2024/2025, revenue was driven mainly by hosting parties and receptions, accounting for 41% of total revenue. This was attributed to providing catering services for various events. Restaurant sales contributed 28% of the revenue, while gate collections and hire of halls accounted for 12 % and 15% respectively. These can be represented graphically as shown below.



In line with the Government of Kenya’s emphasis on transparency, accountability, and sound financial governance, Bomas of Kenya has prioritized achieving a zero-fault audit status. This commitment reflects our dedication to the prudent use of public resources, compliance with statutory requirements, and the strengthening of internal control systems. The management made targeted investments in staff capacity through continuous Training on IFRS and IPSAS. This ensured our finance team is well-versed in the evolving standards for financial disclosures and public sector reporting. Regular Internal Control and Compliance sessions have also been institutionalized to address recent audit observations and update them on evolving compliance requirements. These sessions are instrumental in closing knowledge gaps and preventing the recurrence of audit issues.

Through the leadership and direction of the Board of Directors, the management has continued to implement the staff pension scheme during the last financial year. This marks a significant milestone in aligning with the National Treasury’s directives regarding the operationalization of pension schemes in government institutions.

These achievements highlight Bomas of Kenya’s commitment to staff welfare, institutional sustainability, and statutory compliance.

## **10. Environmental and Sustainability Reporting**

Bomas of Kenya Limited exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

### **i). Sustainability Strategy and Profile -**

Since its inception in 1971, Bomas of Kenya (BoK) has been showcasing the diversity of Kenya's cultures, practices, and values. This vibrant portrayal of diversity has found expression through various forms, supporting our core mandate. A notable stride in our journey is the proposed Bomas International Convention Centre (BICC), a collaborative endeavour through a public-private partnership. This transformative project holds the promise of enhancing our revenue generation capabilities, which, in turn, will cross-subsidize the preservation and celebration of Kenya's diverse cultural heritage.

### **ii). Environmental, Social and Governance (ESG) Performance**

BOK being under the tourism sector is a key entity in cultural heritage preservation, wildlife and bio-diversity resources preservation. The organisation in its commitment to environmental protection and performance started a botanical garden and nursery to preserve various indigenous and medicinal herbs that face environmental threat and extinction. In addition, due to the organisation's proximity to the Nairobi National Park, waste management measures and initiatives have been put in place to ensure that wild animals are protected. We are also in the process of establishing a water purification system aimed at water recycling, which adheres to the various environmental protection guidelines set by the National Environment Management Authority.

In terms of social impact, Bomas of Kenya continues to play an important role in community empowerment, cultural preservation, and the well-being of its employees. During the year, over 100 traditional performers and artisans were engaged, supporting livelihoods and safeguarding Kenya's intangible cultural heritage. Additionally, we hosted educational visits for more than 20,000 students from across the country, promoting cultural appreciation and intergenerational knowledge transfer. Our commitment to diversity and inclusion was reflected in fair and inclusive

staff recruitment and training practices. To enhance employee well-being, Bomas held regular health awareness talks and capacity-building workshops.

On the front of governance and compliance, Bomas of Kenya has strengthened internal systems to promote accountability and transparency. Internal audits and risk assessments were conducted under the Public Finance Management Act to ensure compliance with regulatory standards. Furthermore, consistent stakeholder engagements and transparent reporting processes underscored our commitment to inclusive decision-making and operational openness.

Bomas of Kenya remains steadfast in embedding ESG principles into its strategy and operations. We recognize that environmental responsibility, social inclusion, and good governance are not just compliance requirements but essential pillars for creating long-term value, building institutional resilience, and contributing meaningfully to national and global sustainable development.

### **iii). Employee Welfare**

Bomas of Kenya holds her employees in highly value and esteem and will continue to do so. This will ensure its employees are highly charged, motivated and committed thereby enabling BOK to gain sustainable competitive edge over competitors. BOK is an equal opportunity employer and does not in its recruitment discriminate based on gender, age, race and ethnicity. All appointments are made with the approval of the Board and are made in accordance with the existing job descriptions and specifications for various cadres of staff in respective fields of employment. BOK also recognizes the need for training and development of all its employees and offer training opportunities to all its employees in order to improve their work performance and personal development. All employees of BOK are subject to relevant provisions of other regulations, rules and instructions issued by other authorities who are authorized to do so.

At Bomas of Kenya, we also committed to the safety and well-being of our employees. Our safety policy is fully compliant with the Occupational Safety and Health Act of 2007 (OSHA). BOK maintains thorough safety protocols, conduct regular safety audits, and ensure all employees are well-versed in safety procedures. This commitment extends to creating a conducive environment where everyone feels empowered to raise safety concerns without hesitation. Through these policies, Bomas of Kenya strives to create a workplace where talent thrives, diversity flourishes, and safety is important. Our commitment to gender equality, stakeholder collaboration, skills

enhancement, and safety highlights our belief that a motivated, diverse, and safe workforce is essential to our continued success.

**iv). Market Place Practices-**

**a) Responsible Competition Practice**

BOK has been at the forefront to ensure responsible competition practice. These practices have enabled BOK to experience a fair, transparent, and ethical competition in the context of cultural and tourism activities. Over the years, BOK has been committed to setting fair and transparent prices for its cultural events, tours, and services. The prices for cultural events are clearly communicated to the clients in advance, ensuring that customers are provided with accurate pricing information. In addition to setting fair prices, BOK also maintains ethical relationships with customers which has been an important practice that has ensured transparency, fairness, and the protection of customers' rights when providing cultural events and services. By incorporating these elements into our marketing practices, BOK has been able to show a commitment to responsible business practices within the cultural and tourism industry.

**b) Responsible Supply Chain and Supplier Relations**

Bomas of Kenya commitment to ethical conduct extends to every aspect of our business, including our interactions with suppliers. We recognize that treating suppliers fairly, transparently, and respectfully is essential to building trust and promoting sustainable business practices. BoK has strategies in place to ensure an open supplier prequalification process as well as an open tendering process. All prequalification documentation, including requirements, guidelines, and evaluation criteria, are made available to potential suppliers. This transparency ensures that suppliers understand what is expected and how they will be assessed. In addition to having an open prequalification process, BoK takes a strategic approach to supplier selection, taking into consideration factors such as quality, value, and ethical considerations. Suppliers are engaged through a competitive evaluation process that ensures alignment with our values and objectives. This approach allows us to work with suppliers who share our commitment to responsible business practices.

BOK also prioritizes clear and transparent contractual agreements with suppliers. These agreements detail the terms and conditions of our engagements, including pricing, deliverables, and payment

schedules. We recognize that honouring our payment obligations ensures the financial stability and trustworthiness of our organization. As we continue with our engagement with suppliers, our objective is to remain firm to our commitment to ethical business practices and responsible supplier relationships. We recognize that our suppliers are integral to our success, and we strive to cultivate lasting partnerships built on trust, transparency, and mutual benefit.

**c) Responsible Marketing and Advertisement**

BOK has continued to maintain responsible marketing and advertising through adopting marketing strategies that meet customer's needs and also impact the community positively. The organisation has ensured transparency by clearly disclosing all charges associated with visiting the Bomas of Kenya on the website. In the effort to ensure responsible advertising of BoK products, the company uses advertising channels that have a reputation for promoting content that aligns with BoK's values and responsible marketing principles. This includes the use of print media, TV/Radio and newspapers which are in accordance with the existing laws and regulations. BoK has also been committed to providing regular training to marketing and advertising teams on responsible marketing practices, ethics, and compliance with relevant regulations. This practice has ensured that the organization's marketing efforts are conducted in an ethical manner.

**d) Product Stewardship**

BOK has taken significant efforts to ensure product stewardship in its operations, particularly in the context of preserving cultural heritage and promoting responsible tourism. During the year, the institution collaborated with local artisans and craftsmen, supporting safe working conditions, and ethical practices in the creation of cultural products. This engagement has ensured responsible production and preserves traditional craftsmanship. Bomas of Kenya has also taken an initiative in taking great care in the creation and sale of cultural artefacts and souvenirs. These products are crafted using sustainable materials such as natural fibres, ensuring the artefacts are culturally authentic. BOK's commitment to product stewardship aligns with its mission of cultural preservation and responsible tourism. By implementing these practices, Bomas of Kenya contributes not only to the preservation of Kenya's rich cultural heritage but also to sustainable and responsible tourism practices, benefiting both the community and the environment.

**v). Corporate Social Responsibility/Community Engagements**

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

BOK is committed to making a positive impact on society through its Corporate Social Responsibility initiatives. In alignment with its CSR values, the company took part in celebrating Kiswahili Day, an event that showcased Swahili traditions, music, dance, art and cuisine. Celebrating Swahili Day as part of our CSR activity was a meaningful way of promoting cultural awareness, and inclusivity while engaging with the community. Further, the organization recognizes the immense potential of sports, particularly football. As a result, BOK remained steadfast in its commitment to supporting the Bomas of Kenya Football Club. An endeavour that encourages the growth of football talent within the community, providing opportunities for aspiring young players. As we move forward, we aspire to further enhance our CSR activities through various initiatives that will strengthen our engagement with the community around us.

**11. Report of the Directors**

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Bomas of Kenya Limited affairs.

**i) Principal activities**

The principal activities of Bomas of Kenya Ltd continue to be to preserve, promote, and maintain the diverse cultures of Kenya for tourism development.

**ii) Results**

The results of Bomas of Kenya Ltd for the year ended June 30, 2025, are set out on page 1 and 2. Below is summary of the profit or loss made during the year.

	2024-2025	2023-2024
	Kshs.	Kshs.
<b>Profit/(Loss) Before Taxation</b>	<b>4,324,722,195</b>	<b>(11,793,094)</b>
<b>Income Tax Expense/(Credit)</b>		-
<b>Profit/(Loss) After Taxation</b>	<b>4,324,722,195</b>	<b>(11,793,094)</b>

**iii) Directors**

The members of the Board of Directors who served during the year are shown on page vii to ix.

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**iv) Auditors**

The Auditor-General is responsible for the statutory audit of Bomas of Kenya Ltd in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year/period ended June 30, 2025.

By Order of the Board



.....  
**MR. JIMMY OKIDIANG'I**  
**SECRETARY TO THE BOARD**  
**DATE:**

**12. Statement of Directors' Responsibilities**

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

The Directors are responsible for the preparation and presentation of Bomas of Kenya Ltd financial statements, which give a true and fair view of the state of affairs of Bomas of Kenya Ltd 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 Bomas of Kenya Ltd.
- (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 Bomas of Kenya Ltd, (v). selecting and applying appropriate accounting policies.
- (vi). Making accounting estimates that are reasonable in the circumstances.

The Directors responsibility for Bomas of Kenya Ltd financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards (IFRS), and in the manner required by the PFM Act, 2012, Companies Act and the State Corporations Act.

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**Statement of Directors' Responsibilities (Continued)**

The Directors are of the opinion that the Bomas of Kenya Ltd's financial statements give a true and fair view of the state of Bomas of Kenya Ltd's transactions during the financial year ended June 30, 2025, and of Bomas of Kenya Ltd's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for Bomas of Kenya Ltd, which have been relied upon in the preparation of the Bomas of Kenya Ltd's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that Bomas of Kenya Ltd will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

Bomas of Kenya financial statements were approved by the Board on 22<sup>ND</sup> AUGUST 2025 and signed on its behalf by:



.....  
**HON. JANE JEPKORIR KIPTOO**  
**CHAIRPERSON OF THE BOARD**



.....  
**MR. JIMMY OKIDIANG'I**  
**ACCOUNTING OFFICER**

# REPUBLIC OF KENYA

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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON BOMAS OF KENYA LIMITED FOR THE YEAR ENDED 30 JUNE, 2025

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Bomas of Kenya Limited set out on pages 1 to 38 which comprise of the statement of financial position as at

30 June, 2025 and the statement of profit or loss and other comprehensive income, statement of changes in equity, 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Bomas of Kenya Limited as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) and comply with the Companies Act, 2015 laws of Kenya.

### **Basis for Qualified Opinion**

#### **Long Outstanding Trade and Other Payables**

The statement of financial position and Note 23 to the financial statements reflects balance of Kshs.296,149,635 in respect to trade and other payables. The balance includes amount totaling Kshs.4,332,285 which has been outstanding for more than three (3) years.

In the circumstances, the accuracy and completeness of the trade and other payables balance of Kshs.Kshs.4,332,285 could not be confirmed

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

### **Key Audit Matters**

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

### **Other Information**

The Management is responsible for the Other Information set out on page ii to xxx which comprise of Key Entity Information and Overall Performance, Statement of Governance, Statement of the Chairperson, Statement of the Chief Executive Officer, Management

Discussion and Analysis, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

### **Conclusion**

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

### **Basis for Conclusion**

#### **Failure to Implement Integrated Personnel Payroll Database (IPPD) System**

The statement of profit or loss and other comprehensive income and as disclosed in Note 11 to the financial statements reflects administration costs amount of Kshs.611,914,940. Review of the Human Resource payroll and records revealed that the organization was not using the Integrated Personnel Payroll Data (IPPD) in managing its payroll. This was contrary to the National Treasury Circular No.13/2019 which provides that allocation for personnel emoluments must be supported by Integrated Personnel Payroll Data (IPPD). Explanation as to why Bomas of Kenya Limited has not implemented IPPD was not provided for audit review.

In the circumstances, Management was in breach of the National Treasury Circular.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Failure to Tag the Assets**

The statement of financial position reflects property, plant and equipment amounting to Kshs.8,536,330,412 as disclosed under Note 14 to the financial statements. However, the assets were not tagged for ease of monitoring and control on their usage.

In the circumstances, the existence of effective internal control system on management of fixed assets could not be confirmed.

#### **2. Irregular Composition of Board Member**

Documents provided for audit review revealed that Bomas Limited has eight (8) members serving as Board of Director. However, all Committees of the Board had five (5) members which is more than a third of members of the full Board or three (3) members. This was contrary to paragraph 4 of Office of the President Circular No. OP/CAB.9/1A of 11 March, 2020 stipulates that the number of members to any Committees should be no more than one third (1/3) of the full Board to obviate the risk of a Committee conducting its business within the framework of a full Board structure.

In the circumstances, the effectiveness of the governance system could not be confirmed.

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

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual

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

In preparing the financial statements, Management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

Nairobi

19 December, 2025

**Bomas of Kenya Ltd****Annual Report and Financial Statements for the year ended June 30, 2025****14. Statement of Profit or Loss and Other Comprehensive Income for the year ended 30<sup>th</sup> June 2025**


	Note	2024-2025	2023-2024
		KShs.	KShs.
<b>REVENUES</b>			
Revenue from Contract with Customers	6	190,257,773	248,534,414
Cost of sales	7	(47,908,043)	(66,193,098)
Gross profit		<b>142,349,731</b>	<b>182,341,316</b>
<b>Other Income</b>			
Grants from the National Government	8	296,649,517	312,315,363
Other Income (Grants from Other Partners)	9	123,066,299	122,368,810
Other gains/(losses)	10	-	509,232
<b>TOTAL REVENUES</b>		<b>562,065,547</b>	<b>617,534,722</b>
<b>OPERATING EXPENSES</b>			
Administration Costs	11	611,914,940	627,468,866
Selling and Distribution Costs	12	4,885,161	1,858,950
<b>TOTAL OPERATING EXPENSES</b>		<b>616,800,101</b>	<b>629,327,816</b>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		<b>(54,734,554)</b>	<b>(11,793,094)</b>
Income Tax Expense/(Credit)		-	
<b>PROFIT/(LOSS) AFTER TAXATION</b>		<b>(54,734,554)</b>	<b>(11,793,094)</b>
Net gain on asset revaluation	14	<b>6,323,050,000</b>	-
Net loss on asset derecognition	14c	<b>(1,943,593,251)</b>	-
			-
<b>NET PROFIT</b>		<b>4,324,722,195</b>	<b>(11,793,094)</b>

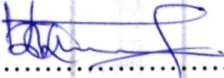
**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended June 30, 2025**


**15. Statement of Financial Position as at 30 June 2025**

	NOTE	2024-2025	2023-2024
		KShs.	KShs.
<b>ASSETS</b>			
<b>Non –current assets</b>			
Property plant & equipment	14	8,536,330,412	2,445,355,593
Total Non-Current Assets		8,536,330,412	2,445,355,593
<b>CURRENT ASSETS</b>			
Inventories	15	297,053	2,837,614
Trade and other Receivables	16	145,540,622	121,607,050
Bank and Cash balance	17	226,413,356	114,432,581
<b>TOTAL CURRENT ASSETS</b>		<b>373,251,031</b>	<b>238,877,245</b>
<b>TOTAL ASSETS</b>		<b>8,908,581,444</b>	<b>2,684,232,838</b>
<b>EQUITY AND LIABILITIES:</b>			
Share Capital	18	5,080,000	5,080,000
Revaluation Reserve	19	4,544,285,916	164,829,167
Retained Earnings	21	121,975,431	192,203,031
Deferred capital grant	22	3,941,090,462	2,033,102,176
<b>CAPITAL AND RESERVES</b>		<b>8,612,431,809</b>	<b>2,395,214,373</b>
<b>Current Liabilities</b>			
Trade and other payables	23	296,149,635	289,018,465
<b>TOTAL CURRENT LIABILITIES</b>		<b>296,149,635</b>	<b>289,018,465</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>8,908,581,444</b>	<b>2,684,232,838</b>

The financial statements were approved by the Board on 22<sup>ND</sup> August 2025 and signed on its behalf

  
 Name: JIMMY OMBAKA  
 Director  
 General/C.E.O/M.D

  
 Name: FELIX KOIR  
 Head of Finance  
 ICPAK M/NO: 12959

  
 Name: JAMES J. CHEBARAI  
 Chairman of the Board

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**16. Statement of Changes in Equity for the year ended 30 June 2025**

	Ordinary share capital	Revaluation reserve	Retained earnings	Capital/ Development Grants/Fund	Total
<b>At July 1, 2023</b>	<b>5,080,000</b>	<b>164,829,167</b>	<b>203,996,125</b>	<b>1,977,742,890</b>	<b>2,351,648,181</b>
Net surplus/(Deficit) for the year 30th June, 2024	-	-	(11,793,094)		<b>(11,793,094)</b>
Transfer of Depreciation from capital funds to retained earnings	-			(62,775,363)	<b>(62,775,363)</b>
<b>Capital Grant</b>	-	-	-	118,134,650	118,134,650
<b>At June 30, 2024</b>	<b>5,080,000</b>	<b>164,829,167</b>	<b>192,203,031</b>	<b>2,033,102,176</b>	<b>2,395,214,374</b>
<b>At July 1, 2024</b>	<b>5,080,000</b>	<b>164,829,167</b>	<b>192,203,031</b>	<b>2,033,102,176</b>	<b>2,395,214,374</b>
Prior Year adjustment			(15,493,046)		
Net surplus/(Deficit) for the year 30th June, 2025	-	-	(54,734,554)		<b>(70,227,600)</b>
Transfer of Depreciation from capital funds to retained earnings	-	-	-	(22,011,714)	<b>(22,011,714)</b>
Revaluation surplus	-	6,323,050,000	-	-	<b>6,323,050,000</b>
<b>Net Loss on asset derecognitions</b>	-	(1,943,593,251)	-	-	<b>(1,943,593,251)</b>
<b>Capital Grant</b>	-	-	-	1,930,000,000	<b>1,930,000,000</b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

<b>At June 30, 2025</b>	<b>5,080,000</b>	<b>4,544,285,916</b>	<b>121,975,431</b>	<b>3,941,090,463</b>	<b>8,612,431,809</b>
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**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**17. Statement of Cash Flows for the year ended 30 June 2025**

	NOTE	2024-2025	2023-2024
		KShs.	KShs.
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from Operations	25	(84,849,441)	109,903,516
<b>Net Cash from Operating Activities</b>		<b>(84,849,441)</b>	<b>109,903,516</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets/Work in progress/BICC		(1,733,529,784)	(198,976,274)
Proceeds from disposal of property, plant, and equipment		-	509,232
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Development Grants		1,930,000,000	118,134,650
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>111,980,775</b>	<b>29,571,124</b>
<b>Add:</b> Beginning Balance of Cash and Cash Equivalents		<b>114,432,581</b>	<b>84,861,457</b>
<b>ENDING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	25(c)	<b>226,413,356</b>	<b>114,432,581</b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**18. Statement of Comparison of Budget and Actual amounts for the period ended 30 June 2025**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Variance in Percentage	Remarks
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025
Revenue	KShs.	KShs.	KShs.	KShs.	KShs.		
Sale of goods							
Sale of services	103,000,000	25,000,000	128,000,000	190,257,773	62,257,773	49%	(i)
Transfers from the Government	330,377,803	(55,740,000)	274,637,803	274,637,803	-	-%	
CAPITAL grant realized	-	-	-	-	-		
Grant from other Partners	-	-	-	123,066,299	(123,066,299)		
<b>Total income</b>	<b>433,377,803</b>	<b>(30,740,000)</b>	<b>333,877,803</b>	<b>588,117,875</b>	<b>254,240,071</b>	<b>-</b>	
<b>Expenses</b>	<b>0</b>	<b>-</b>					
Compensation of employees	291,452,741	(40,213,604)	251,239,137	256,688,488	(5,449,351)	-2%	(ii)
Boards Emoluments	16,294,530	(1,294,530)	15,000,000	23,018,364	(8,098,364)	-54%	(iii)
Administration expenses	108,741,779	17,656,887	126,398,666	168,991,120	(42,592,454)	-46%	(iv)
Use of Goods and Services	11,615,254	(6,615,254)	5,000,000	47,908,043	(42,908,043)	-858%	(v)
Legal & Professionals costs	5,273,500	(273,500)	5,000,000	22,944,116	(17,944,116)	-359%	(vi)
<b>Total expenditure</b>	<b>433,377,804</b>	<b>(22,556,717)</b>	<b>402,637,803</b>	<b>519,630,130</b>	<b>(116,992,327)</b>	<b>-29%</b>	
Surplus / Deficit for the period	-	-	-	(54,734,554)			
Capital Expenditure							

### **Budget Variances**

The over-expenditure / under expenditure (negative variances) reflected in recurrent budget vote-lines were due to the following as referenced under notes:

#### **i) Sale of services**

Bomas of Kenya Ltd hosted major events such as the Borana Cultural festival, Kapkugo festival, and the inaugural Minorities Rights Day in December 2024, thus the increase in AIA. The organisation also hosted several other events, which boosted its revenues.

#### **ii) Compensation of employees**

This is due to the fact that there is an increase in the number of casual employees during the year to cater for events during the year. Further, the management implemented the final phase of the 2017/2018 collective bargaining agreement, which saw an increase in personnel emoluments.

#### **iii) Board of Directors, Councils, Commissions Expenses**

The organization encountered several pertinent issues during the financial year, notably the Bomas International Convention Centre (BICC) project and court matters involving Standard Investment Bank (SIB). These matters required extensive deliberations, thus an increase in the number of board meetings as well as Ad hoc board meetings to streamline operations.

#### **iv) Use of Goods and Services**

This was occasioned by an increase in restaurant purchases in order to meet the needs of various clients during the year, as explained in note (i) above.

#### **v) Administration Expenses**

The organisation recorded an increase in events during the financial year. The organisation hosted the Borana Cultural festival, Kapkugo festival, and the inaugural Minorities Rights Day, which led to an increase in utilities and other hiring charges, thus the unfavourable variance in the expenditure item.

**19. Notes to the Financial Statements**

**1. General Information**

Bomas of Kenya Ltd entity is established by and derives its authority and accountability from Company Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to preserve, promote, and maintain the diverse cultures of Kenya for tourism development.

For Kenyan Companies Act reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by the statement of profit or loss and other comprehensive income in these financial statements.

**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 Financial Reporting Standards (IFRS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying Bomas of Kenya accounting policies. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Bomas of Kenya Ltd. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Financial Reporting Standards (IFRS). The accounting policies adopted have been consistently applied to all the years present.

**Notes to the Financial Statements (Continued)**

**3. Application of New and Revised International Financial Reporting Standards (IFRS)**

*i. Early adoption of standards*

Bomas of Kenya Ltd did not early-adopts any new or amended standards in year 2024-2025.

**Notes to the Financial Statements (Continued)**

**4. Summary of Accounting Policies**

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

**a) Revenue recognition**

Revenue is measured based on the consideration to which the entity expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The entity recognizes revenue when it transfers control of a product or service to a customer.

- i) Revenue from the sale of goods and services** is recognized in the year in which Bomas of Kenya Limited delivers products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.
- ii) Grants from National Government** are recognized in the year in which Bomas of Kenya Limited actually receives such grants. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.
- iii) Finance income** comprises interest receivable from bank deposits and investment in securities, and is recognized in profit or loss on a time proportion basis using the effective interest rate method.
- iv) Dividend income** is recognized in the income statement in the year in which the right to receive the payment is established.

v) **Rental income** is recognized in the income statement as it accrues using the effective interest implicit in lease agreements.

vi) **Other income** is recognized as it accrues.

**b) In-kind contributions**

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

**c) Property, plant and equipment**

All categories of property, plant and equipment are initially recorded at cost less accumulated depreciation and impairment losses.

Certain categories of property, plant and equipment are subsequently carried at re-valued amounts, being their fair value at the date of re-valuation less any subsequent accumulated depreciation and impairment losses.

Increases in the carrying amounts of assets arising from re-valuation are credited to other comprehensive income. Decreases that offset previous increases in the carrying amount of the same asset are charged against the revaluation reserve account; all other decreases are charged to profit or loss in the income statement. Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from the disposal with the net carrying amount of the items, and are recognised in profit or loss in the income statement.

**Notes to the Financial Statements (Continued)**

**Summary of Accounting Policies**

**d) Depreciation and impairment of property, plant and equipment**

Freehold land and capital work in progress are not depreciated. Capital work in progress relates mainly to the cost of ongoing but incomplete works on buildings and other civil works and installations.

Depreciation on buildings and civil works is recognized in the income statement on a straight-line basis to write down the cost of each asset or the re-valued amount to its residual value over its estimated useful life while depreciation of other classes of assets is recognized on a reducing balance basis . The annual rates in use, as guided by National Treasury policy on assets depreciation are:

Freehold Land	Nil
Buildings and civil works	40 years or the unexpired lease period
Motor vehicles, including motor cycles	4 years
Computers and related equipment	3 years
Office equipment, furniture and fittings	8 years
Loose Tools	2 years
Pumps and Pipes	5 years

A full year's depreciation charge is recognised both in the year of asset purchase and in the year of asset disposal.

Items of property, plant and equipment are reviewed annually for impairment. Where the carrying amount of an asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognised so that the asset is written down immediately to its estimated recoverable amount.

**Notes to the Financial Statements (Continued)**

**Summary of Accounting Policies**

**e) Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

**f) Amortisation and impairment of intangible assets**

Amortisation is calculated on the straight-line basis over the estimated useful life of the intangible asset. All intangible assets are reviewed annually for impairment. Where the carrying amount of an intangible asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognised so that the asset is written down immediately to its estimated recoverable amount.

**g) Investment property**

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise. An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

**Notes to the Financial Statements (Continued)**

**Summary of Accounting Policies**

**h) Right of Use Asset**

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

**i) Fixed interest investments (bonds)**

Fixed interest investments refer to investment funds placed under Central Bank of Kenya (CBK) long-term infrastructure bonds and other corporate bonds with the intention of earning interest income upon the bond's disposal or maturity. Fixed interest investments are freely traded at the Nairobi Securities Exchange. These bonds are measured at amortized cost/ at fair value through other comprehensive income (FVTOCI) or at fair value through profit or loss (FVTPL).

**j) Quoted investments**

Quoted investments are classified as non-current assets and comprise marketable securities traded freely at the Nairobi Securities Exchange or other regional and international securities exchanges. Quoted investments are stated at fair value through profit or loss (FVTPL).

**Notes to the Financial Statements (Continued)**

**Summary of Accounting Policies**

**k) Unquoted investments**

Unquoted investments are measured at fair value through profit or loss (FVTPL).

**l) Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method or First In First Out (FIFO). Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**m) Trade and other receivables**

Trade and other receivables are recognized at amortized cost less allowances for any uncollectible amounts. These 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. Bad debts are written off after all efforts at recovery have been exhausted.

**Notes to the Financial Statements (Continued)**

**Summary of Accounting Policies**

**n) Taxation**

**i) Current income tax**

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Entity operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Entity operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**o) Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**Notes to the Financial Statements (Continued)**

**Summary of Accounting Policies**

**Deferred Tax**

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**Notes to the Financial Statements (Continued)**

**Summary of Accounting Policies**

**p) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognized in other comprehensive income and reclassified to profit or loss when the qualifying asset impacts profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalized borrowing costs reflect the hedged interest rate. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

**q) Cash and cash equivalents**

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

**r) Borrowings**

Interest bearing loans and overdrafts are initially recorded at fair value being received, net of issue costs associated with the borrowing. Subsequently, these are measured at amortized cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue cost and any discount or premium on settlement. Finance charges, including premiums payable of settlement or redemption are accounted for on accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the

period in which they arise. Loan interest accruing during the construction of a project is capitalised as part of the cost of the project.

**s) Trade and other payables**

Trade and other payables are non-interest bearing and are carried at amortized cost, which is measured at the fair value of contractual value of the consideration to be paid in future in respect of goods and services supplied, whether billed to the entity or not, less any payments made to the suppliers.

**t) Retirement benefit obligations**

The entity operates a defined contribution scheme for all full-time employees from January 1, 2022. The scheme is administered by an in-house team and is funded by contributions from both the company and its employees. The company also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's obligation under the scheme is limited to specific contributions legislated from time to time and is currently as per The National Social Security Fund (NSSF) Act No. 45 of 2013.

**u) Provision for staff leave pay**

Employees' entitlements to annual leave are recognized as they accrue at the employees. Provision is made for the estimated liability for annual leave at the reporting date.

**v) Exchange rate differences**

The accounting records are maintained in the functional currency of the primary economic environment in which the entity operates, Kenya Shillings. Transactions in foreign currencies during the year/period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

**Notes to the Financial Statements (Continued)**

**Summary of Accounting Policies**

**w) Budget information**

The original budget for FY 2024/2025 was approved by the National Assembly on June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the entity did record additional appropriations of Kshs. 43,800,000 on the FY 2024/2025 budget following the governing body's approval.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 18 of these financial statements.

**Notes to the Financial Statements (Continues)**

**a) Service concession arrangements**

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

**b) Comparative figures**

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

**c) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

**5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Entity's financial statements in conformity with IFRS 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.

**Notes to the Financial Statements (Continues)**

**a) Estimates and assumptions**

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

**b) Useful lives and residual values**

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

- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the assets

**c) Provisions**

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

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

(include provisions applicable for your organization e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions)

*(NB: An entity is required to disclose its material accounting policies following amendment of IAS 1 where an entity is supposed to disclose its material accounting policies instead of significant accounting policies.)*

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Notes to the Financial Statements (Continues)**

**6. Revenue from contract with customers**

	2024-2025	2023-2024
Description	KShs.	KShs.
Restaurant sales	52,865,467.86	64,983,337
Parties and Reception	78,666,369.14	107,178,903
Bar Sales	3,797,127.87	4,500,003
Gate collection	22,826,490.00	36,930,920
Hire of Halls/Hire of Dancers	30,594,474.99	32,402,531
Rent Income	873,119.15	892,249
Sundry Income	634,724	1,646,471
<b>Total sales</b>	<b>190,257,773.01</b>	<b>248,534,414</b>

**7. Cost of Sales**

	2024-2025	2023-2024
Description	KShs.	KShs.
Purchase -Main Bar	4,457,675	9,143,770
Purchases - Parties/ Reception	28,689,691	33,073,978
Purchase - Main Restaurant	14,760,677	23,975,350
<b>Total</b>	<b>47,908,043</b>	<b>66,193,098</b>

**8. Grants from National Government**

	2024-2025	2023-2024
	KShs.	KShs.
Recurrent grants received	274,637,803	249,540,000
Capital grants realized	22,011,714	62,775,363
<b>Total</b>	<b>296,649,517</b>	<b>312,315,363</b>

(Note: For capital/development grants the amount recognized in the statement of comprehensive income should be the depreciation/amortisation equivalents for assets that have been acquired using such capital/development grant as per IAS 20).

Name of the Entity sending the grant	Amount recognized in the Statement of Comprehensive Income KShs.	Amount deferred under deferred income KShs.	Amount recognized in capital fund. KShs.	Total grant income during the year KShs.
Ministry of Gender, Culture, the Arts and Heritage	274,637,803	22,011,714	296,649,517	296,649,517
<b>Total</b>	<b>274,637,803</b>	<b>22,011,714</b>	<b>296,649,517</b>	<b>296,649,517</b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Notes to the Financial Statements (Continued)**

**9. Other Income**

	2024-2025	2023-2024
	KShs.	KShs.
State Department for Foreign Affairs	13,764,135	
Ignite Culture(HEVA Fund LLP)	-	7,868,810
KCB Bank Kenya Ltd	-	2,500,000
Tourism Promotion Fund	55,000,000	112,000,000
State department of Wildlife	24,197,090	-
State department of culture and Heritage	30,105,074	-
<b>Total</b>	<b>123,066,299</b>	<b>122,368,810</b>

**10. Other Gains and Losses**

	2024-2025	2023-2024
	KShs.	KShs.
Gain on sale of fixed assets	-	509,232
<b>Total</b>	<b>-</b>	<b>509,232</b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Notes to the Financial Statements (Continued)**

**11. Administration Costs**

	2024-2025	2023-2024
Description	KShs.	KShs.
Staff Costs(11b)	256,528,488	252,722,585
Directors' Emoluments (11c)	23,098,364	24,410,805
Motor Vehicle Running & transport	14,794,049	9,354,798
Traveling & Entertainment	3,461,013	3,458,300
Medical Expenses	4,459,090	16,617,631
Dancers Expenses	2,750,102	1,946,316
Food & Accommodation	25,062,235	20,252,580
Uniforms for Staff	867,418	835,400
Printing & Stationery	2,743,203	3,514,337
Telephone & Postage	1,824,431	1,681,314
Cleaning & laundry	4,029,270	2,849,515
Security Charges	3,244,068	4,762,945
Hiring Charges	27,154,372	28,113,480
Staff Training	2,560,298	677,040
Sundry Expenses	1,751,084	2,581,113
Interest & Bank Charges	703,455	593,774
Subscriptions & Donations	1,099,240	2,035,540
Insurance & Licenses	1,251,879	3,974,000
Legal & professional	22,944,116	8,923,420
Audit fee	-	232,000
Land Rates	-	-
Electricity & Water charges	14,724,031	19,356,055
Repairs & Maintenance	30,354,377	76,562,819
Diverse Cultural Project	42,484,929	39,296,049
Bad and Doubtful Debts	-	-
Provisions for bad & doubtful debts	7,966,986	4,811,495
Depreciation Charge	22,011,714	62,775,363
Paid VAT	6,530,885	35,037,643

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

Other Expenses	87,515,845	92,547
<b>Total</b>	<b>611,914,940</b>	<b>627,468,866</b>

**Notes to the Financial Statements (Continued)**

**11(a) Staff Costs**

	2024-2025	2023-2024
Description	KShs.	Kshs
Salaries and allowances of permanent employees	178,945,681	188,519,124
Wages of temporary employees, Attachment and internships	51,968,739	37,240,307
General Managers salary	2,174,058	4,528,960
Compulsory Social health insurance schemes	4,829,723	2,528,000
Compulsory national social security schemes	10,471,849	5,783,520
Terminal Benefits / Gratuity	8,138,438	14,122,675
<b>Total</b>	<b>256,528,488</b>	<b>252,722,585</b>
<b>The average number of employees at the end of the year was:</b>	<b>2024-2025</b>	<b>2023-2024</b>
Permanent employees – Management	6	6
Permanent employees – Unionsable	99	99
Temporary and contracted employees	103	104
<b>Total</b>	<b>214</b>	<b>215</b>

**11 (b). Directors Emoluments**

	2024-2025	2023-2024
Description	KShs.	KShs.
Chairman Honorarium	960,000	960,000
Sitting Allowance	6,140,000	6,760,000
Travel & Subsistence	15,998,364	16,690,805
<b>Total</b>	<b>23,098,364</b>	<b>24,410,805</b>

**12. Selling and Distribution Costs**

	2024-2025	2023-2024
Description	KShs.	KShs.
Selling and Distribution Costs	4,885,161	1,858,950

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Notes to the Financial Statements (Continued)**

**13. Other Comprehensive Income**

	2024/2025	2023/2024
Description	KShs.	KShs.
Gain on revaluation of land	6,323,050,000	-
Loss on the derecognition of the building	(1,943,593,251)	-
<b>TOTAL</b>	<b>4,379,456,749</b>	<b>-</b>

**13b. Operating Profit/ (Loss)**

	2024-2025	2023-2024
Description	KShs.	KShs.
The operating profit/(loss) is arrived at after charging/(crediting)		
Staff Costs (11b)	256,528,488	252,722,585
Depreciation of PPE	22,011,714	62,775,363
Provision for bad and doubtful assets	7,966,986	4,811,495
Directors emoluments - fees	23,098,364	24,410,805
Other	302,309,389	287,328,112
Auditor's remuneration -	-	232,000

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2025**

**Notes to the Financial Statements (Continued)**

**14. Property, Plant and Equipment**

2025	FREEHOLD LAND	CAPITAL WORK IN PROGRESS	BUILDINGS & CIVIL WORKS	MOTOR VEHICLES	FURNITURE FITTINGS & EQUIPMENT	COMPUTERS	LOOSE TOOLS	PUMPS & PIPES	TOTALS
<b>COST OR VALUATION</b>			2.5% on cost	0.25	0.125	0.30	0.50	0.20	
At July 1 <sup>st</sup> , 2024	76,950,000	927,413,920	1,891,179,331	18,656,931	302,649,379	28,867,896	24,561,191	47,021,426	<b>3,317,300,075</b>
Additions	-	1,730,000,000	-	-	3,529,784	-	-	-	<b>1,733,529,784</b>
Revaluations	6,323,050,000								<b>6,323,050,000</b>
Disposals	-	-	-	-	-	-	-	-	-
Transfers (derecognition)	-	(927,413,920)	(1,560,815,107)	-	-	-	-	-	<b>(2,488,229,026)</b>
At June 30, 2025	<b>6,400,000,000</b>	<b>1,730,000,000</b>	<b>330,364,225</b>	<b>18,656,931</b>	<b>306,179,163</b>	<b>28,867,896</b>	<b>24,561,191</b>	<b>47,021,426</b>	<b>8,885,650,832</b>
<b>DEPRECIATION</b>									
At June 30, 2024	-	-	544,635,775	17,327,822	218,826,741	22,494,257	24,545,725	44,114,157	871,944,479
Charge for the year on profit & loss	-	-	8,259,106	332,277	10,919,053	1,912,092	7,733	581,454	22,011,714
Accumulated depreciation derecognition	-	-	(544,635,775)	-	-	-	-	-	(544,635,775)
At June 30, 2025	-	-	8,259,106	17,660,100	229,745,794	24,406,349	24,553,458	44,695,611	349,320,417
<b>NET BOOK VALUE AT 30 JUNE 2025</b>	<b>6,400,000,000</b>	<b>1,730,000,000</b>	<b>322,105,119</b>	<b>996,831</b>	<b>76,433,369</b>	<b>4,461,547</b>	<b>7,733</b>	<b>2,325,815</b>	<b>8,536,330,412</b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

**Notes To The Financial Statements (Continued)**

**Property, Plant and Equipment (Continued)**

	<b>FREEHOLD LAND</b>	<b>CAPITAL WORK IN PROGRESS</b>	<b>BUILDINGS &amp; CIVIL WORKS</b>	<b>MOTOR VEHICLES</b>	<b>FURNITURE FITTINGS &amp; EQUIPMENT</b>	<b>COMPUTERS</b>	<b>LOOSE TOOLS</b>	<b>PUMPS &amp; PIPES</b>	<b>TOTALS</b>
<b>COST OR VALUATION</b>			2.5% on cost	0.25	0.125	0.30	0.50	0.20	
At July 1st, 2023	76,950,000	864,244,409	1,891,179,331	19,843,914	299,818,699	23,819,564	24,561,191	47,021,426	3,247,438,534
Additions		63,169,511		-	2,830,680	5,048,332	-	-	71,048,523
Disposals	-	-	-	(1,186,983)	-	-	-	-	(1,186,983)
At June 30th 2024	<b>76,950,000</b>	<b>927,413,920</b>	<b>1,891,179,331</b>	<b>18,656,931</b>	<b>302,649,379</b>	<b>28,867,896</b>	<b>24,561,191</b>	<b>47,021,426</b>	<b>3,317,300,075</b>
<b>DEPRECIATION</b>									
At July 1st, 2023	-	-	497,356,292	18,467,430	206,852,078	19,762,698	24,530,260	43,387,340	810,356,098
Charge for the year on profit & loss	-	-	47,279,483	47,375	11,974,663	2,731,560	15,466	726,817	62,775,363
	-	-	1,393,823,039	189,501	95,797,301	9,105,199	30,931	3,634,085	1,502,580,056
Elimination on disposal	-	-	-	(1,186,983)	-	-	-	-	(1,186,983)
At June 30th 2024	-	-	544,635,775	17,327,822	218,826,741	22,494,257	24,545,725	44,114,157	871,944,479
<b>NET BOOK VALUE AT JUNE 2024</b>	<b>76,950,000</b>	<b>927,413,920</b>	<b>1,346,543,556</b>	<b>1,329,109</b>	<b>83,822,638</b>	<b>6,373,639</b>	<b>15,466</b>	<b>2,907,268</b>	<b>2,445,355,596</b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Notes To The Financial Statements (Continued)**

**Valuation**

The revaluation of the assets was done in June 2025 by Ministry of Lands, Public Works and Housing . The total value of the valued assets was Kshs 7,275,000,000 as below: -

Description	Kshs
1. Land	6,400,000,000
2. Buildings and site works	875,000

**WORK IN PROGRESS**

This refers to the amount spent in putting up the Perimeter wall, NAICEC Project, the cultural / Conference centre within the organization and rehabilitation of the auditorium.

	2024-2025	2023-2024
	Kshs	Kshs
Work-in-progress analysis		
Balance brought forward	927,413,920	736,316,658
Prior year adjustment (JV)	(927,413,920)	127,927,751
Additions for the year	1,730,000,000	63,169,511
<b>Total balance carried forward</b>	<b>1,730,000,000</b>	<b>927,413,920</b>

**14 (b). Property, Plant and Equipment at Cost**

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

Description	Cost	Accumulated Depreciation	NBV
	KShs.	KShs.	KShs.
Land	6,400,000,000	-	6,400,000,000
Buildings	330,364,225	8,259,106	322,105,119
Motor Vehicles Including Motor Cycles	18,656,931	17,660,100	996,831
Computer and Related Equipment	28,867,896	24,406,349	4,461,547
Office Equipment, Furniture and Fittings	306,179,163	229,745,794	76,433,369
Pumps and Pipes	47,021,426	44,695,611	2,325,815
Loose Tools	24,561,191	24,553,458	7,733
Work in Progress	1,730,000,000	-	1,730,000,000
	<b>8,885,650,832</b>	<b>349,320,417</b>	<b>8,536,330,412</b>

**Bomas of Kenya Ltd****Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025****Notes To The Financial Statements (Continued)**

Property plant and Equipment includes the following assets that are fully depreciated:

	<b>Cost Valuation</b>	<b>Normal Annual Depreciation charge</b>
Buildings and Civil Works	330,364,225	8,259,106
Motor Vehicles, Including Motorcycles	18,656,931	332,277
Computer and Related Equipment	28,867,896	1,912,092
Office Equipment, Furniture and Fittings	306,179,163	10,919,053
Pumps and Pipes	47,021,426	581,454
Loose Tools	24,561,191	7,733
	<b>755,650,832</b>	<b>22,011,714</b>

**14 (c). Derecognition of Property, Plant and Equipment (PPE)**

<b>Description</b>	<b>Kshs</b>
Cost of derecognized buildings	1,560,815,106
Less: Accumulated Depreciation	544,635,775
Net Book Value Derecognized	1,016,179,331
WIP Derecognized	927,413,920.00
Net Loss on Derecognition	<b>1,943,593,251</b>

**15. Inventories**

	<b>2024-2025</b>	<b>2023-2024</b>
<b>Description</b>	<b>KShs.</b>	<b>KShs.</b>
Finished Goods	297,053	2,837,614
<b>Total</b>	<b>297,053</b>	<b>2,837,614</b>

**16. Trade and Other Receivables**

<b>Description</b>	<b>2024-2025</b>	<b>2023-2024</b>
	<b>KShs.</b>	<b>Kshs</b>
Trade Receivables (Note 16 (a))	151,281,185	63,419,755
Advance Grant from the Government	-	55,000,000
Deposits and prepayments	1,183,500	1,183,500
Staff receivables (Note 16 (c))	566,934	1,208,649
Other receivables	7,637,122	7,137,122

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

<b>Gross Trade and Other Receivables</b>	<b>160,668,740</b>	<b>127,949,025</b>
Provision for Bad and Doubtful Receivables	(15,128,118)	(6,341,975)
<b>Net Trade and Other Receivables</b>	<b>145,540,622</b>	<b>121,607,050</b>

**16 (a) Trade Receivables**

	<b>2024-2025</b>	<b>2023-2024</b>
	<b>KShs.</b>	<b>KShs.</b>
Trade Debtors	151,281,185	63,419,755
Prepaid Grant from the National Government	-	55,000,000
Staff Debtors	566,934	1,208,649
Deposits Paid	1,183,500	1,183,500
Little Theatre & Ushanga Kenya Receivables	7,137,122	7,137,122
<b>Total</b>	<b>160,668,740</b>	<b>127,949,025</b>
Provision for bad & Doubtful Debts- (10% of trade debtors)	(15,128,118)	(6,341,975)
<b>Total</b>	<b>145,540,622</b>	<b>121,607,050</b>
<b>Provision for bad &amp; Doubtful Debts</b>		
Opening balance	6,341,975	1,530,481
Closing balance	15,128,118	6,341,975
Gain / Loss on Provisions	<b>(8,786,143)</b>	<b>(4,811,495)</b>
Gross trade receivables	151,281,185	<b>63,419,755</b>
Provision for doubtful receivables	(15,128,118)	<b>(6,341,975)</b>
	<b>136,153,066</b>	<b>57,077,779</b>

**Bomas of Kenya Ltd****Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025****Notes To The Financial Statements (Continued)****16 (b) Reconciliation of Impairment Allowance for Trade Receivables**

<b>Description</b>	<b>2024-2025</b>	<b>2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>
At the beginning of the year	63,419,755	15,304,806
Additional provisions during the year	87,861,430	48,114,949
Recovered during the year	-	-
<b>At the end of the year</b>	<b>151,281,185</b>	<b>63,419,755</b>

**16 (c) Staff Receivables**

<b>Description</b>	<b>2024-2025</b>	<b>2023-2024</b>
	<b>KShs.</b>	<b>KShs.</b>
Gross staff loans and advances	566,934	1,208,649
Provision for impairment loss	-	-
<b>Amounts due within one year</b>	<b>566,934</b>	<b>1,208,649</b>

**16 (d) Reconciliation of Impairment Allowance for Staff Receivables**

	<b>2024-2025</b>	<b>2023-2024</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
At the beginning of the year	1,208,649	771,749
Additional provisions during the year		1,980,400
Recovered during the year	(641,715)	(1,723,500)
<b>At the end of the year</b>	<b>566,934</b>	<b>1,208,649</b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Notes To The Financial Statements (Continued)**

**17. Bank and Cash Balances**

	2024-2025	2023-2024
Description	KShs.	KShs.
Cash at bank – KCB Current - A/c No (1108986668)	19,383	614,064
Cash at bank – KCB Current - A/c (1108985580)	28,875	299,705
Cash at bank – Standard Chartered - Current A/c No (0102489053700)	29,742,925	113,518,812
Cash at bank - Standard Chartered - Current A/c No-(08202489053700)	156,000	-
Cash at bank-Co-operative Bank-Current A/c No (01101903877001)	196,466,173	-
<b>Total</b>	<b>226,413,356</b>	<b>114,432,581</b>

**Detailed analysis of the cash and cash equivalents**

Description		2024-2025	2023-2024
Financial institution	Account number	KShs.	KShs.
<b>a) Current account</b>			
KCB Bank Kenya Ltd	1108986668	19,383	614,064
KCB Bank Kenya Ltd	1108985580	28,875	299,705
Standard Chartered Bank Kenya Ltd	0102489053700	29,742,925	113,518,812
Standard Chartered Bank Kenya Ltd	08202489053700	156,000	-
Co-operative Bank of Kenya	01101903877001	196,466,173	-
<b>Grand total</b>		<b>226,413,356</b>	<b>114,432,581</b>

**18. Ordinary Share Capital**

	2024-2025	2023-2024
Description	KShs.	KShs.
<b>Authorized:</b>		
254,000 ordinary shares of KShs. 20 par value each	<b>5,080,000</b>	<b>5,080,000</b>
<b>Issued and fully paid:</b>		
254,000 ordinary shares of KShs. 20 par value each	<b>5,080,000</b>	<b>5,080,000</b>

**Notes To The Financial Statements (Continued)**

**19. Revaluation Reserve**

The revaluation reserve relates to the revaluation of property, plant, and equipment in line with IAS 16. Under IAS 16.39, any increase in the carrying amount of an asset as a result of revaluation is credited to other comprehensive income and accumulated in equity under the revaluation surplus. As indicated in the Statement of Changes in Equity, this is stated after transfer of excess depreciation net of related deferred tax to retained earnings. Revaluation surpluses are not distributable.

	2024-2025	2023-2024
Description	KShs.	KShs.
Balance brought forward	164,829,167	164,829,167
<i>Revaluation surplus (valuation done in 2025)</i>	6,323,050,000	-
Loss on derecognition of Buildings	(1,943,593,251)	-
Balance carried forward	<b><u>4,544,285,916</u></b>	<b><u>164,829,167</u></b>

**20. Fair Value Adjustment Reserve**

According to IFRS 9, the fair value adjustment reserve arises from the revaluation of available-for-sale financial assets, primarily marketable securities. When a financial asset is sold, the portion of the reserve that relates to that asset is reduced from the fair value adjustment reserve and is recognised in profit or loss. Where a financial asset is impaired, the portion of the reserve that relates to that asset is recognised in profit or loss.

**21. Retained Earnings**

The retained earnings represent amounts available for distribution to the Bomas of Kenya Ltd shareholders. Undistributed retained earnings are utilised to finance the Bomas of Kenya Ltd business activities.

	2024-2025	2023-2024
	KShs.	KShs.
Balance brought forward	192,203,031	203,996,125
Adjustment to Retained Earnings b/f	(15,493,046)	-
Net Surplus / Deficit for the year	(54,734,554)	(11,793,094)
Total	<b>121,975,431</b>	<b>192,203,031</b>
<b>Balance carried forward</b>	<b><u>121,975,431</u></b>	<b><u>192,203,031</u></b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Notes to the Financial Statements (Continued)**

**22. Deferred Capital Grant**

	2024-2025	2023-2024
	KShs.	KShs.
Balance for the year 2023/2024	2,033,102,176	1,977,742,889
Capital Grant for the year	1,930,000,000	118,134,650
Deferred Grant for the year 2024/2025	(22,011,714)	(62,775,363)
Balance Carried Forward	<b><u>3,941,090,462</u></b>	<b><u>2,033,102,176</u></b>

**23. Trade and Other Payables**

	2024-2025	2023-2024
	KShs.	KShs.
Trade Creditors	<b>142,272,309</b>	<b>134,140,705</b>
Other payables	42,575,626	26,022,009
Advance Grant	-	55,000,000
NAICEC Long Outstanding	110,373,700	127,927,751
Auditor General	928,000	928,000
Total Payable	296,149,635	289,018,465
<b>Total Payable</b>	<b>296,149,635</b>	<b>289,018,465</b>

**24. Retirement Benefit Obligations**

Bomas of Kenya Ltd contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. Bomas of Kenya Ltd's obligation under the scheme is limited to specific contributions legislated from time to time and is currently as per The National Social Security Fund (NSSF) Act No. 45 of 2013. Other than NSSF, Bomas of Kenya Ltd also has a defined contribution scheme operated by Kenindia Pension Fund. Employees contribute 7.5% while employers contribute 15% of basic salary. Employer contributions are recognized as expenses in the statement of financial performance within the period they are incurred.

**Bomas of Kenya Ltd****Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025****Notes to the Financial Statements (Continued)****25. Notes to the Statement of Cash Flows**

	2024-2025	2023-2024
	KShs.	Kshs
<b>(a) Reconciliation of operating profit/(loss) to cash generated from/(used in) operations</b>		
Profit or loss before tax	( 1,998,327,806)	(11,793,094)
Depreciation		
Capital Grants Realized		
Loss on Building Derecognition	1,943,593,251	
Gain on Sale of Fixed Assets	-	(509,232)
Taxation Paid		
Operating profit/(loss) before working capital changes	(54,734,554)	(12,302,326)
(Increase)/decrease in inventories	2,540,561	81,822
(Increase)/decrease in trade and other receivables	(23,933,572)	(50,740,354)
Increase/(decrease) in trade and other payables	7,131,170	172,864,375
Cash generated from/(used in) operations	(84,489,441)	109,903,516
<b>Balance at the beginning of the year</b>	<b>114,432,581</b>	<b>84,861,457</b>
Receipts during the year	<b>111,980,775</b>	-
Repayments during the year	-	-
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>
<b>(c) Analysis of cash and cash equivalents</b>		
Short term deposits	-	
Cash at bank	226,413,356	114,432,581
Cash in hand	-	-
<b>Balance at end of the year</b>	<b>226,413,356</b>	<b>114,432,581</b>

**Notes to the Financial Statements (Continued)**

**26. Incorporation**

Bomas of Kenya Ltd is incorporated in Kenya under the Kenyan Companies Act and is domiciled in Kenya.

**27. Events after the Reporting Period**

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

**20. Appendices**

**Appendix 1: Implementation Status of Auditor-General prior year recommendations**

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

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1.	Revaluation of Property, Plant and Equipment	Ministry of Tourism & Wildlife is working on a model to carry out valuation of State Corporation under it	Resolved	One year
2.	Trade and Other Receivables	Management has requested the Board of Directors to get approval from the National Treasury to write off the long outstanding debts.	Not Resolved	One year
3.	Long Outstanding Trade Payables	Management embarked on clearing the long outstanding payables and this is an ongoing exercise.	Not Resolved	One year

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**Mr. Jimmy Okidiang'i**  
 Accounting Officer  
 Date 22/08/2025

**Appendix II: Projects implemented by Bomas of Kenya Limited**

**Projects**

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1. Rehabilitation of Auditorium Hall		GOK	1 Year	69,700,000	No	Yes
2. Sample Bar Kenya	IGC/11/2022	HEVA FUND LLP	2 Years	22,811,025	Yes	Yes
3. Digitization of Cultural Products		TPF	1 Year	48,434,650	Yes	Yes
4. Development of the SANAA App Project		TPF	1 Year	50,000,000	No	Yes
5. Development of Marsabit Cultural Centre		TPF	1 Year	50,000,000	No	Yes

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Appendix IV: Transfers from Other Government Entities**

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount - Kshs	Where Recorded/Recognized			
				Statement of Financial Performance	Capital Fund	Deferred Income	Total Transfers during the Year
Ministry of Gender, Culture, the Arts and Heritage	08/12/2024	Recurrent	19,236,483.65	19,236,483.65	-	-	19,236,483.65
Ministry of Gender, Culture, the Arts and Heritage	09/11/2024	Recurrent	19,236,483.65	19,236,483.65	-	-	19,236,483.65
Ministry of Gender, Culture, the Arts and Heritage	10/09/2024	Recurrent	19,236,483.65	19,236,483.65	-	-	19,236,483.65
Ministry of Gender, Culture, the Arts and Heritage	11/06/2024	Recurrent	19,236,483.65	19,236,483.65	-	-	19,236,483.65
Ministry of Gender, Culture, the Arts and Heritage	12/03/2024	Recurrent	19,236,483.65	19,236,483.65	-	-	19,236,483.65
Ministry of Gender, Culture, the Arts and Heritage	01/02/2025	Recurrent	19,236,483.65	19,236,483.65	-	-	19,236,483.65
Ministry of Gender, Culture, the Arts and Heritage	02/10/2025	Recurrent	19,236,483.70	19,236,483.70	-	-	19,236,483.70
Ministry of Gender, Culture, the Arts and Heritage	03/12/2025	Recurrent	19,236,483.70	19,236,483.70	-	-	19,236,483.70
Ministry of Gender, Culture, the Arts and Heritage	04/08/2025	Recurrent	19,236,483.70	19,236,483.70	-	-	19,236,483.70
Ministry of Gender, Culture, the Arts and Heritage	05/21/2025	Recurrent	19,236,483.50	19,236,483.50	-	-	19,236,483.50
Ministry of Gender, Culture, the Arts and Heritage	06/10/2025	Recurrent	19,236,483.50	19,236,483.50	-	-	19,236,483.50
Ministry of Gender, Culture, the Arts and Heritage	05/21/2025	Recurrent	43,800,000.00	43,800,000.00	-	-	43,800,000.00
<b>Total</b>			<b>255,401,320.00</b>	<b>255,401,320.00</b>	-	-	<b>255,401,320.00</b>

**Bomas of Kenya Ltd**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025**

**Appendix V- Inter-Entity Confirmation Letter**

Bomas of Kenya Ltd wishes to confirm the amounts disbursed to as at 30<sup>th</sup> June 2025 as indicated in the table below.

Confirmation of amounts received by Bomas of Kenya as at 30 <sup>th</sup> June 2024							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (KShs) as at 30th June 2025				Amount Received by Bomas of Kenya (Kshs) as at 30th June 2025 E	Differences (Kshs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total D= (A+B+C)		
1	08/12/2024	19,236,483.67	-	-	19,236,483.67	19,236,483.65	-0.02
2	09/11/2024	19,236,483.67	-	-	19,236,483.67	19,236,483.65	-0.02
3	10/09/2024	19,236,483.67	-	-	19,236,483.67	19,236,483.65	-0.02
4	11/06/2024	19,236,483.67	-	-	19,236,483.67	19,236,483.65	-0.02
5	12/03/2024	19,236,483.67	-	-	19,236,483.67	19,236,483.65	-0.02
6	01/02/2025	19,236,483.67	-	-	19,236,483.67	19,236,483.65	-0.02
7	02/10/2025	19,236,483.67	-	-	19,236,483.67	19,236,483.70	+0.03
8	03/12/2025	19,236,483.67	-	-	19,236,483.67	19,236,483.70	+0.03
9	04/08/2025	19,236,483.67	-	-	19,236,483.67	19,236,483.70	+0.03
10	05/21/2025	19,236,483.67	-	-	19,236,483.67	19,236,483.50	-0.17
11	06/10/2025	19,236,483.67	-	-	19,236,483.67	19,236,483.50	-0.17
12		19,236,483.67	-	-	19,236,483.67	-	19,236,483.67
13	05/21/2025	43,800,000.00	-	-	43,800,000.00	43,800,000.00	-
							-
<b>Total</b>		<b>274,637,804.00</b>	-	-	<b>274,637,804.00</b>	<b>255,401,320.00</b>	<b>19,236,483.30</b>

In confirm that the amounts shown above are correct as of the date indicated.

**Head of Accountants department of the beneficiary entity:**  
Name ..... Sign .....Date .....