

REPUBLIC OF KENYA



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REPORT

PAPERS LAID	
DATE	16/04/2024
TABLED BY	Majority leader
COMMITTEE	finance & Budget
CLERK AT THE TABLE	C. Cherop

OF

THE AUDITOR-GENERAL

ON

**ELGEYO MARAKWET COUNTY ASSEMBLY
CATERING SERVICES REVOLVING FUND**

**FOR THE YEAR ENDED
30 JUNE, 2023**



**ELGEYO MARAKWET COUNTY (COUNTY ASSEMBLY)
CATERING SERVICES REVOLVING FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2023**

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



Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

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Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

1. Acronyms and Glossary of Terms

a) Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings

b) Glossary of Terms

Fiduciary Management	The key management personnel who had financial responsibility
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**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

2. Key Entity Information and Management

a) Background information

The Elgeyo/Marakwet County (County Assembly) Cafeteria Services Revolving Fund Act, 2021, establishes the Cafeteria Services Fund thereof for the Members and staff of the County Assembly. The Fund is wholly owned by the County Assembly of Elgeyo/Marakwet and is domiciled in Kenya.

The principal purpose and object of the fund is to provide for the purchase of catering equipment, managing and administration of the restaurant activities and for matters related or incidental thereto.

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to provide for the purchase of catering equipment, managing and administration of the restaurant activities and for matters related or incidental thereto.

c) County Assembly Service Board Members

1	Hon. Philemon Sabulei	Chairperson
2	Hon. Hillary Kiplagat	Vice Chair
3	Hon. Lawi Kibire	Member
4	Livingstone Talel	Member
5	Elizabeth Keitany	Member
8	Jane Kiptum - Mutai	Clerk to the County Assembly/Secretary

d) Key Management

1	Jane Kiptum-Mutai	Clerk to the County Assembly
2	Joseph Kalessi Rutto	Principal Finance Officer
3	David Barngetuny	Senior Procurement Officer
4	Rael Rotich	Principal Human Resource Office
5	Philip Cheon	Chief Sergeant at Arms
6	Judith Chebet Komen	Hospitality Manager

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

e) Fiduciary Oversight Arrangements

- The Auditor General is responsible for the Audit of the County Assembly's Catering Services Revolving Fund financial Statement
- The Audit Committee supports the Accounting Officer with regard to their responsibilities for issues of risk, control and governance. They also follow up on the implementation of internal and external auditors recommendations.
- The County Assembly Members' Welfare, Catering and Library Committee is vested with the oversight role of all activities relating to the fund.
- The Public Accounts and Investment Committee provides an oversight role on examination of all accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the committee may think fit.

f) Registered Offices

P.O. Box 53-30700
County Assembly Building
Along Iten/Kapsowar Road
Iten, KENYA

g) Fund Contacts

Telephone: (254) 718028028
E-mail: info@emcassembly.go.ke
Website: www.emcassembly.go.ke

h) Fund Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
Iten Branch
P.O. Box 456-30700
Iten

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Key Entity and Management (Continued)

i) Independent Auditors

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








j) Principal Legal Adviser

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

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

3. Members' Welfare, Catering and Library Committee







For the overall oversight of the fund, the Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund Act, 2021 established the Members' Welfare, Catering and Library Committee.

	Name	Designation	Passport Photo
1	Hon. Tabitha Kimoning	Chairperson and Nominated Gender	
2	Hon. Evans Kosgei	Vice Chairperson and MCA Cherangany/Chebororwo	
3	Hon. Jeremiah Kibiwott	Member and MCA Endo ward	
4	Hon. Mathew Cheruiyot	Member and MCA Kaptarakwa ward	
5	Hon. Salina Kimitto	Member and MCA Nominated Gender	
6	Hon. Stella Bowen	Member and Nominated MCA Representing youth	
7	Hon. Victoria Lai	Member and Nominated MCA Representing PWD	

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

4. Management Team

The key management personnel who held office during the period ended 30th June, 2023 and who had direct fiduciary responsibility were:

	Name and Designation	Details of qualifications and experience	Area of Responsibility	Passport Photo
1.	Jane Kiptum Mutai Clerk to the County Assembly.	Bachelor of Laws (LLB). 17years' experience.	Overall management of the fund as the CEO and fund administrator	
2.	David Barngetuny Senior Procurement Officer	MA in Supply Chain Management 25years' experience	Overall procurement of goods and services	
3.	Joseph Kalessi Rutto Principal Finance Officer	Bachelor of Commerce / CPA (K). 18years' experience.	Financial accountability and reporting	
4.	Rael Rotich Principal Human Resource Office	Bachelor of Business Management. 18years' experience.	Overall HR management	
5.	Philip Cheon Chief Sergeant at Arms	Bachelor in Criminology and Disaster Management. 21years' experience.	Overall security	
6.	Judith Komen Chebet Hospitality Manager	Diploma in HR and Hospitality Management. 20years' experience.	In charge of hospitality services	

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

5. County Assembly Service Board Chairperson's Report

Clause 6 of The Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund Act, 2021, establishes the Members' Welfare Catering and Library Committee which consists of Eleven (11) members. Seven of the members are members of county assembly; four are members of staff including Clerk to the County Assembly all of whom are *ex-officio* members of the fund.

The functions of the Committee are as set out in clause 8 of the said Act and shall include among others: Ensuring that all expenditure incurred and surplus realized therein shall be used in purchasing food, drinks or other goods for supply to the restaurant, purchasing equipment for improvement of the catering facility and that monies accrued from the restaurant are used in such a manner as is deemed just and fit.

The Members' Welfare, Catering and Library committee did not have any sitting during the entire period of operations. However, they will endeavour to meet during the subsequent period.

There were no changes in the fund during the year in terms of committee. The performance of the fund is impressive. Despite the challenge of limited financing, the fund has been able to benefit both staff and MCA's.

However, the assembly will continuously review its operations in view of offering quality, affordable and diverse catering services for the benefit of both Members and staff of the county assembly

Name: Philemon Sabulei. Signature..........Date: 24th August, 2023.

Chairperson of the Board

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

6. Report of the Fund Administrator

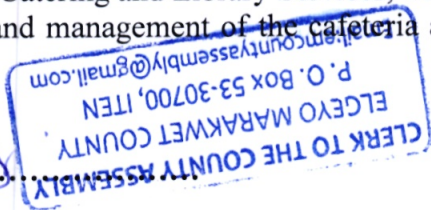
The financial statements for the Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund for the period ended 30 June, 2023 have been prepared to comply with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

The County Assembly Cafeteria began operations on September 2020 after ratification by the County Assembly Service Board. Since this was a new facility, the County Assembly Cafeteria revolving fund had to be set up. The fund as set up is for purposes of the purchase of catering equipment, management and administration of the cafeteria.

The county assembly provided the initial capital for the equipment and purchase of food stuffs to run the cafeteria.

Pursuant to the standing order 194 3(c), the County Assembly established the Committee on Member's welfare, Catering and Library Services, whose mandate among others is to oversee the operationalization and management of the cafeteria and ensuring catering services are provided accordingly.

Signed



Name: Jane Kiptum-Mutai

Clerk to the County Assembly

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

7. Statement of Performance against the County Fund’s Predetermined Objectives

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity’s performance against predetermined objectives.

The Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund principal purpose and object is to provide for purchase of catering equipment, managing and administration of the restaurant activities and for matters related or incidental thereto.

Progress on attainment of Strategic objectives for Elgeyo/Marakwet (County Assembly) Cafeteria Services Revolving Fund,

Below we provide the progress on attaining the stated objectives:

EMCA Catering Services Revolving Fund	To provide for purchase of catering equipment, managing and administration of the restaurant activities and for matters related or incidental thereto	Increased access to quality catering services	% of members and staff accessing catering services	In FY 22/23 all members and staff received the services
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**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

8. Corporate Governance Statement

For the overall management of the fund, the Act established the Members' Welfare, Catering and Library Committee which consists of Eleven (11) members. Seven of the members are members of county assembly; four are members of staff including Clerk to the County Assembly all of whom are *ex-officio* members of the fund.

Clause 6 of The Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund Act, 2021 establishes the Members' Welfare, Catering and Library Committee. The Committee performs the following functions among others: Ensuring that all expenditure incurred and surplus realized therein shall be used in purchasing food, drinks or other goods for supply to the restaurant, purchasing equipment for improvement of the catering facility and that money accrued from the restaurant are used in such a manner as is deemed just and fit.

The Act, prescribes the membership of the committee which includes, the Chairperson, Vice-Chairperson, and five other members constituted pursuant to the County Assembly Standing orders. In addition, the clerk, the catering manager and heads of departments of procurement and sergeant at arms all of whom shall be ex-official members to the committee. In executing its mandate, the committee liaises and consults with the County Assembly Service Board (CASB).

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

9. Management Discussion and Analysis

The Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund became operational following the enactment of The Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund Act, 2021.

The fund is managed internally having the Welfare, Catering and Library Committee. The Committee takes stock on whether the Cafeteria addresses the general welfare of Honourable Members and staff and by this, the Committee considers various matters and issues raised by the Members and staff concerning the day to day running and operations of the Cafeteria with a view of addressing them in order to ensure that the Cafeteria serves its intended purpose.

In consultation with the County Assembly Service Board, the Committee deliberates on various matters relating to the sustainability of the Cafeteria and in turn guides on expenditure incurred and surplus realized from the operations of the Cafeteria. It also ensures that the monies accrued from the Cafeteria are used in a manner deemed just and fit.

The fund is managed in compliance with the Public Finance Management Act, 2012 as well as Public Procurement and Asset Disposal Regulations, 2020. Supplies for goods are sourced competitively and sometimes due to fluctuations of food items, prices tend to be high.

Daily sales are banked and there exists adequate internal control system governing the fund operations.

10. Environmental and Sustainability Reporting

There were no corporate Social Responsibility (CSR) activities undertaken during the period related to the fund.

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

11. Report of the Trustees

The board submits their report together with the unaudited financial statements for the year ended June 30, 2023 which show the state of the Fund affairs.

Principal activities

The principal activities of the Fund are to provide for the purchase of catering equipment, managing and administration of the restaurant activities and for matters related or incidental thereto.

Results

The results of the Fund for the year ended June 30, 2023 are set out on page 1 to 6

Trustees

The members of the Board who served during the year are shown on page iv. There were no changes in the Board during the period.

Auditors

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

By Order of the Board

CLERK TO THE COUNTY ASSEMBLY
ELGEYO MARAKWET COUNTY
P. O. Box 53-30700, ITEN
Email: emcountyassembly@gmail.com

Secretary to the Board/Fund Administrator

Date: 24th August, 2023.

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

12. Statement of Management's Responsibilities

Approval of the financial statements


Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by The Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund Act, 2021 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the year ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and The Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund Act, 2021. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the year ended June 30, 2023, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

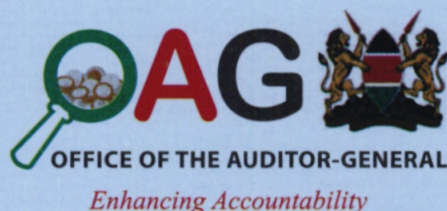
The Fund's financial statements were approved by the Board on 24th August, 2023 and signed on its behalf by:


CLERK TO THE COUNTY ASSEMBLY
ELGEYO MARAKWET COUNTY
P. O. Box 53-30700, ITEN
Email: itkemcountyassembly@gmail.com

Administrator of the County Public Fund

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON ELGEYO MARAKWET COUNTY ASSEMBLY CATERING SERVICES REVOLVING FUND FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 Elgeyo Marakwet County Assembly Catering Services Revolving Fund set out on pages 1 to 40, which comprise of

Report of the Auditor-General on Elgeyo Marakwet County Assembly Catering Services Revolving Fund for the year ended 30 June, 2023

the statement of financial position as at 30 June, 2023, and the statement of financial performance, the statement of changes in net assets, the statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Elgeyo Marakwet County Assembly Catering Services Revolving Fund as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the and comply with the Public Finance Management Act, 2012, and the Elgeyo Marakwet County (County Assembly) Catering Services Revolving Fund Act, 2021.

Basis for Qualified Opinion

Receipts from Other Operating Activities

The statement of financial performance reflects receipts from other operating activities amount of Kshs.1,603,129 as disclosed in Note 5 to the financial statements. However, scrutiny of the receipts extracts from the system operated by the Fund to bill and collect revenue revealed that the system was issuing receipts whose serial numbers did not follow one another. It was therefore difficult to establish the accurate number of bills that were issued by the system.

In the circumstances, the accuracy and completeness of receipts from other operating activities amount of Kshs.1,603,129 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Elgeyo Marakwet County Assembly Catering Services Revolving Fund in accordance with ISSAI 130 on 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 judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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 control, 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 control 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 control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229 (7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may

occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 February, 2024


Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023
14. Statement of Financial Performance for the Year Ended 30th June 2023

Revenue From Non-Exchange Transactions			
Public Contributions and Donations	1	-	-
Transfers From the County Government	2	-	-
Fines, Penalties and Other Levies	3	-	-
		-	-
Revenue From Exchange Transactions			
Interest Income	4	-	-
Other Income (Sale of Goods)	5	1,603,129	1,225,615
Total Revenue		1,603,129	1,225,615
Less:			
Cost of Sales	6	1,669,910	1,092,445
Gross Profit/Loss		(66,781)	133,170
Expenses			
Employee Costs	7	-	-
Use of goods and services	8	6,195	4,959
Depreciation and Amortization Expense	9	-	-
Finance Costs	10	-	-
Total Expenses		6,195	4,959
Other Gains/Losses			
Gain/Loss on Disposal of Assets	11	-	-
Gain /Loss on fair value of investments		-	-
Surplus/(Deficit) for the Period		(72,976)	128,211

The notes set out on pages 7 to 38 form an integral part of these financial statements

.....
Name: Jane Kiptum - Mutai
Administrator of the Fund

CLERK TO THE COUNTY ASSEMBLY
ELGEYO MARAKWET COUNTY
 P. O. Box 53-30700, ITEN
 Email:emcountyassembly@:mail.com

.....

Name: Joseph Kalessi Rutto
Fund Accountant
ICPAK Member Number: 7406

PRINCIPAL FINANCE OFFICER
COUNTY ASSEMBLY OF ELGEYO MARAKWET
 P. O. Box 53 - 30700,
 ITEN

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

15. Statement of Financial Position as at 30th June 2023

		2021-2022	
		Kshs	
Assets			
Current Assets			
Cash and Cash Equivalents	12	56,186	129,162
Current Portion of Long- Term Receivables From Exchange Transactions	13	-	-
Prepayments	14	-	-
Inventories	15	-	-
Investments in financial assets	16	-	-
Total current assets		56,186	129,162
Non-Current Assets			
Property, Plant and Equipment	17	-	-
Intangible Assets	18	-	-
Long Term Receivables from Exchange Transactions	13	-	-
Investment Property	19	-	-
Total non- current assets		-	-
Total Assets			129,162
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	20	-	-
Current Portion of Borrowings	21	-	-
Employee Benefit Obligations	22	-	-
Social benefit liabilities	23	-	-
Total current liabilities			-
Non-Current Liabilities			
Long Term Portion of Borrowings	21	-	-
Non-Current Employee Benefit Obligation	22	-	-
Social benefit liabilities	23		
Total Liabilities		-	-

**Elgeyo Marakwet County (County Assembly)
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Annual Report and Financial Statements for the year ended June 30, 2023**

Net Assets		56,186	129,162
Revolving Fund		-	-
Reserves		-	-
Accumulated Surplus		56,186	129,162
Total Net Assets and Liabilities		56,186	129,162

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 24th August, 2023 and signed by:

.....
Name: Jane Kiptum - Mutai
Administrator of the Fund

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**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

16. Statement of Changes in Net Assets for the year ended 30th June 2023

Balance As At 1 July 2021	-	-	951	951
Surplus/(Deficit) For the Period	-	-	128,211	128,211
Funds Received During the Year	-	-	-	-
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
Balance As At 30 June 2022	-	-	129,162	129,162
Balance As At 1 July 2022	-	-	129,162	129,162
Surplus/(Deficit) For the Period	-	-	(72,976)	(72,976)
Funds Received During the Year	-	-	-	-
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
Balance As At 30 June 2023	-	-	56,186	56,186

.....

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Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
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17. Statement of Cash Flows for the year ended 30th June 2023

Statement of Cash Flows for the year ended 30 th June 2023			
Cash flows from operating activities			
Receipts			
Public contributions and donations	1	-	-
Transfers from the county government	2	-	-
Interest received	4	-	-
Receipts from other operating activities	5	1,603,129	1,225,615
Total receipts		1,603,129	1,225,615
Payments			
Cost of Sales	6	1,669,910	1,092,445
Fund administration expenses		-	-
Use of Goods and Services	8	6,195	4,959
Finance cost	10	-	-
Other payments		-	-
Net cash flows from operating activities	24	(72,976)	128,211
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets		(-)	(-)
Proceeds from sale of property, plant & equipment		-	-
Proceeds from loan principal repayments		-	-
Loan disbursements paid out		(-)	(-)
Net cash flows used in investing activities		(-)	(-)
Cash flows from financing activities			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		(-)	(-)
Net cash flows used in financing activities		(-)	(-)
Net increase/(decrease) in cash & cash Equivalents		(72,976)	128,211
Cash and cash equivalents at 1 July		129,162	951
Cash and cash equivalents at 30 June		56,186	129,162

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**



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18. Statement of Comparison of Budget and Actual Amounts for the Period ended 30th June 2023

	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Public Contributions and Donations	-	-	-	-	(-)	-
Transfers From County Govt.	-	-	-	-	-	-
Interest Income	-	-	-	-	(-)	-
Other Income	-	-	-	1,603,129	(1,603,129)	100%
Total Income	-	(-)	-	1,603,129	(1,603,129)	100%
Less:						
Cost of Sales	-	-	-	1,669,910	(1,669,910)	100%
Gross profit/Loss	-	-	-	(66,781)	66,781	100%
Expenses						
Fund Administration Expenses	-	-	-	-	(-)	
General Expenses	-	(-)	-	6,195	(6,195)	100%
Finance Cost	-	(-)	-	-	(-)	
Total Expenditure	-	(-)	-	6,195	(6,195)	100%
Surplus For the Period	-	-	-	(72,976)	72,976	100%
Capital expenditure	-	-	-	-	-	

Budget notes

The percentage utilization difference is 100% since there was no approved budget for the fund.

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

19. Notes to the Financial Statements

1. General Information

Elgeyo Marakwet County (County Assembly) is established by and derives its authority and accountability from Cafeteria Revolving Fund Act. The entity is wholly owned by the County Assembly of Elgeyo Marakwet and is domiciled in Kenya. The entity’s principal activity is to provide for purchase of catering equipment, managing and administration of restaurant activities and for matters related or incidental thereto.

2. Statement of compliance and basis of preparation

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

3. Adoption of new and revised standards

(i) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023

IPSAS 41: Financial Instruments	
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
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		<p>cash flows and the objective for which the asset is held;</p> <ul style="list-style-type: none"> • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42: Social Benefits		<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments		<p>Applicable: 1st January 2023</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. <p>Amendments to IPSAS 33, to update the guidance on classifying</p>

**Elgeyo Marakwet County (County Assembly)
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	financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	<p><i>Applicable 1st January 2023</i></p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p>

(ii) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.*

IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p>

**Elgeyo Marakwet County (County Assembly)
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	Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

(iii) Early adoption of standards

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

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

1. Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

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

ii. Revenue from exchange transactions

Interest income

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

Dividends

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

Rental income

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

b) Budget information

The fund did not have an approved budget for FY 2022-2023. Further, the fund did not record any additional appropriation of the FY 2022-2023 budget.

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.

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Summary of Significant Accounting Policies (Continued)

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 in these financial statements.

c) Property, plant and equipment

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

d) Intangible Assets

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

The useful life of the intangible assets is assessed as either finite or indefinite.

e) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Summary of Significant Accounting Policies (Continued)

f) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Summary of Significant Accounting Policies (Continued)

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

Elgeyo Marakwet County (County Assembly)
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Significant Accounting Policies (Continued)

Financial liabilities

Classification

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

g) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

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

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

h) Provisions

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

i) Social Benefits

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

Summary of Significant Accounting Policies (Continued)

j) Contingent liabilities

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

Contingent assets

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

k) Nature and purpose of reserves

The Entity does not create and maintain reserves in terms of specific requirements.

l) Changes in accounting policies and estimates

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

m) Employee benefits – Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

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Summary of Significant Accounting Policies (Continued)

n) Foreign currency transactions

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

o) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

p) Related parties

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

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 financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

r) Comparative figures

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

5. Significant judgments and sources of estimation uncertainty

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) Estimates and assumptions –

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

b) Useful lives and residual values

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

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

c) Provisions

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

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

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19. Notes to the Financial Statements

1. Public contributions and donations

Public contributions and donations		
Donation From Development Partners	-	-
Contributions From The Public	-	-
Total	-	-

2. Transfers from County Government

Transfers from County Government		
Transfers From County Govt. –Operations	-	-
Payments By County On Behalf Of The Entity	-	-
Unconditional Development grants	-	-
Total	-	-

3. Fines, penalties and other levies

Fines, penalties and other levies		
Late Payment Penalties	-	-
Fines	-	-
Total	-	-

4. Interest income

Interest income		
Interest Income from Mortgage Loans	-	-
Interest Income From Car Loans	-	-
Interest Income From Investments in financial assets	-	-
Interest Income On Bank Deposits	-	-
Total Interest Income	-	-

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Notes to the Financial Statements Continued

5. Other income

Insurance Recoveries	-	-
Income from Sale of Goods	1,603,129	1,225,615
Bad debts recovered	-	-
Miscellaneous Income	-	-
Total Other Income	1,603,129	1,225,615

6. Cost of Sales

Opening Stock	-	-
Add: Purchases	1,669,910	1,092,445
Less: Closing Stock	-	-
Total Cost of Sales	1,669,910	1,092,445

7. Employee Costs

Salaries And Wages	-	-
Staff Gratuity	-	-
Staff Training Expenses	-	-
Social Security Contribution	-	-
Other (<i>Specify</i>)	-	-
Total	-	-

8. Use of Goods and Services

General Office Expenses	-	-
-------------------------	---	---

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Loan Processing Costs	-	-
Professional Services Costs	-	-
Administration Fees	-	-
Committee Allowances	-	-
Bank Charges	6,195	4,959
Electricity And Water Expenses	-	-
Fuel And Oil Costs	-	-
Insurance Costs	-	-
Postage And Courier	-	-
Printing And Stationery	-	-
Rental Costs	-	-
Security Costs	-	-
Telephone And Communication Expenses	-	-
Bank Charges	-	-
Audit Fees	-	-
Provision For Doubtful Debts	-	-
Other (<i>Specify</i>)	-	-
Social benefit expenses*		
Total	6,195	4,959

9. Depreciation and Amortization Expense

Property Plant and Equipment	-	-
Intangible Assets	-	-
Total	-	-

10. Finance costs

Interest On Bank Overdrafts	-	-
Interest On Loans From Banks	-	-
Total	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements Continued

11. Gain/(loss) on disposal of assets

Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total	-	-

12. Gain/ (loss) on Fair Value Investments

Investments at Fair Value- Equity investments	-	-
Fair value – Investment property	-	-
Fair value- other financial assets (specify)	-	-
Total Gain	-	-

13. Cash and cash equivalents

Car Loan Account	-	-
County Mortgage Account	-	-
Fixed Deposits Account	-	-
On – Call Deposits	-	-
Current Account	56,186	129,162
Others (<i>Specify</i>)	-	-
Total Cash And Cash Equivalents	56,186	129,162

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements Continued

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

a) Fixed Deposits Account			
Kenya Commercial Bank		-	-
Equity Bank, Etc.		-	-
Sub- Total		-	-
b) On - Call Deposits			
Kenya Commercial Bank		-	-
Equity Bank - Etc.		-	-
Sub- Total		-	-
c) Current Account			
Kenya Commercial Bank	1282243527	56,186	129,162
Sub- Total		56,186	129,162
d) Others(Specify)			
Cash In Transit		-	-
Cash In Hand		-	-
Sub- Total		-	-
Grand Total		56,186	129,162

14. Receivables from exchange transactions

Current Receivables		
Interest Receivable	-	-
Current Loan Repayments Due	-	-
Other Exchange Debtors	-	-
Less: Impairment Allowance	(-)	(-)
Total Current Receivables		
Non-Current Receivables		
Long Term Loan Repayments Due	-	-
Total Non- Current Receivables	-	-
Total Receivables From Exchange Transactions	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements Continued

Additional disclosure on interest receivable

Interest Receivable		
Interest Receivable		
Interest receivable from current portion of long-term loans of previous years	-	-
Accrued interest receivable from of long-term loans of previous years	-	-
Interest receivable from current portion of long-term loans issued in the current year	-	-
Current loan repayments due		
Current portion of long-term loans from previous years	-	-
Accrued principal from long-terms loans from previous periods	-	-
Current portion of long-term loans issued in the current year	-	-

15. Prepayments

Prepayments		
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments (<i>Specify</i>)	-	-
Total	-	-

16. Inventories

Inventories		
Consumable Stores	-	-
Spare Parts And Meters	-	-
Catering	-	-
Other Inventories (<i>Specify</i>)	-	-
Total Inventories at The Lower of Cost and Net Realizable Value	-	-

Elgeyo Marakwet County (County Assembly)
 Catering Services Revolving Fund
 Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements Continued

17. Investments in financial assets

a. Investment in Treasury bills and bonds		
Financial institution		
CBK	-	-
CBK	-	-
Sub- total	-	-
b. Investment with Financial Institutions/ Banks		
Bank x	-	-
Bank y	-	-
Sub- total	-	-
c. Equity investments (specify)		
Equity/ shares in Entity	-	-
Sub- total	-	-
Grand total	-	-

Movement of Equity Investments

At the beginning of the year	-	-
Purchase of investments in the year	-	-
Sale of investments during the year	(-)	(-)
Gain/(loss) in fair value of investments through surplus or deficit	-	-
At the end of the year	-	-

e) Shareholding in other entities

	%	%	%	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

Elgeyo Marakwet County (County Assembly)
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 Annual Report and Financial Statements for the year ended June 30, 2023
 Notes to the Financial Statements (Continued)

18. Property, plant and equipment

At 1st July 2021	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	(-)	(-)	-	-	(-)
Transfers/Adjustments	-	(-)	-	(-)	(-)
At 30th June 2021	-	-	-	-	-
At 1st July 2022					
Additions	-	-	-	-	-
Disposals	(-)	-	-	-	(-)
Transfer/Adjustments	(-)	-	-	(-)	(-)
At 30th June 2023	-	-	-	-	-
Depreciation And Impairment					
At 1 st July 2021	(-)	(-)	(-)	(-)	(-)
Depreciation	(-)	(-)	(-)	(-)	(-)
Impairment	(-)	-	-	-	(-)
At 30th June 2022	-	-	-	-	-
At 1st July 2022					
Depreciation	(-)	(-)	(-)	-	(-)
Disposals	-	-	-	-	-
Impairment	(-)	(-)	-	-	(-)
Transfer/Adjustment	-	(-)	(-)	-	-
At 30th June 2023	-	-	-	-	-
Net Book Values					
At 30 th June 2022	-	-	-	-	-
At 30 th June 2023	-	-	-	-	-

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

Notes to the Financial Statements (Continued)

19. Intangible assets

19. Intangible assets		
Cost		
At Beginning of The Year	-	-
Additions	-	-
At End of The Year	-	-
Amortization And Impairment		
At Beginning of The Year	-	-
Amortization	-	-
At End of The Year	-	-
Impairment Loss	-	-
At End of The Year	-	-
NBV	-	-

20. Investment Property

20. Investment Property		
At beginning of the year	-	-
Additions	-	-
Disposal during the year	(-)	(-)
Depreciation	(-)	(-)
Impairment	(-)	(-)
Gain/(loss) in fair value (if fair value is elected)	-	-
At end of the year	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements (Continued)

21. Trade and other payables from exchange transactions

Trade Payables	-		-	
Refundable Deposits	-		-	
Accrued Expenses	-		-	
Other Payables	-		-	
Total Trade and Other Payables	-		-	
Ageing analysis (Trade and other payables)	2022-2023	% of the Total	2021-2022	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

22. Provisions

Balance At the Beginning Of The Year	-	-	-	-
Additional Provisions	-	-	-	-
Provision Utilised	(-)	(-)	(-)	(-)
Change Due To Discount And Time Value For Money	(-)	(-)	(-)	(-)
Transfers From Non -Current Provisions	-	-	-	-
Balance At The End of The Year	-	-	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements (Continued)

23. Borrowings

Balance At Beginning of The Period	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year	-	-
Repayments Of External Borrowings During the Period	(-)	(-)
Repayments Of Domestic Borrowings During the Period	(-)	(-)
Balance At End of The Period	-	-

The table below shows the classification of borrowings into external and domestic borrowings:

External Borrowings		
Dollar Denominated Loan From 'X Organization'	-	-
Sterling Pound Denominated Loan From 'Y Organization'	-	-
Euro Denominated Loan from Z Organization'	-	-
Domestic Borrowings		
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
Total Balance at End of The Year	-	-

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

Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
Total	-	-

Elgeyo Marakwet County (County Assembly)
 Catering Services Revolving Fund
 Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements (Continued)

24. Employee benefit obligations

	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total	-	-	-	-	-

25. Social Benefit Liabilities

Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
Total	-	-
Current social benefits	-	-
Non- current social benefits	-	-
Total (tie to totals above)	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements (Continued)

26. Cash generated from operations

Surplus/ (Deficit) For the Year Before Tax	-	-
Adjusted For:		
Depreciation	-	-
Amortisation	-	-
Gains/ Losses On Disposal Of Assets	(-)	(-)
Other Income/Sale of Goods	(1,603,129)	(1,097,404)
Cost of Sales/Fund Expenses	1,676,105	1,225,615
Working Capital Adjustments		
Increase In Inventory	(-)	(-)
Increase In Receivables	(-)	(-)
Increase In Payables	-	-
Net Cash Flow From Operating Activities	(72,976)	128,211

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023
Notes to the Financial Statements (Continued)

27. Related party balances

a) Nature of related party relationships

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

- a) The County Government;
- b) The Parent County Government Ministry;
- c) Key management;
- d) Board of Trustees; etc.

b) Related party transactions

Related Party Transactions		
Transfers From Related Parties'	-	-
Transfers To Related Parties	-	-

c) Key management remuneration

Key Management Remuneration		
Board Of Trustees	-	-
Key Management Compensation	-	-
Total	-	-

d) Due from related parties

Due from Related Parties		
Due From Parent Ministry	-	-
Due From County Government	-	-
Total	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
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Other Disclosures Continued

e) Due to related parties

Due To Parent Ministry	-	-
Due To County Government	-	-
Due To Key Management Personnel	-	-
Total	-	-

28. Contingent assets and contingent liabilities

Court Case Xxx Against the Fund	-	-
Bank Guarantees	-	-
Total	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023
Notes to the Financial Statements (Continued)

29. Financial risk management

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

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

a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

At 30 June 2023				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-
At 30 June 2022				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Notes to the Financial Statements (Continued)

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

The entity did not have any significant concentration of credit risk.

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

b) Liquidity risk management

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

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

At 30 June 2023				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2022				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023
Notes to the Financial Statements (Continued)

c) Market risk

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

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

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

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

i. Foreign currency risk

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

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

At 30 June 2023			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables			
Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023
Notes to the Financial Statements (Continued)

Foreign currency sensitivity analysis

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

2023			
Euro	10%	-	-
USD	10%	-	-
2022			
Euro	10%	-	-
USD	10%	-	-

ii. Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

Elgeyo Marakwet County (County Assembly)
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Annual Report and Financial Statements for the year ended June 30, 2023
Notes to the Financial Statements (Continued)

d) Capital risk management.

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

Revaluation reserve	-	-
Revolving fund	-	-
Accumulated surplus	-	-
Total funds	-	-
Total borrowings	-	-
Less: cash and bank balances	(-)	(-)
Net debt/(excess cash and cash equivalents)	-	-
Gearing	-%	-%

30. Events after the reporting period

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

31. Ultimate and Holding Entity

The entity is a County Public Fund established by the Elgeyo/Marakwet County (County Assembly) Catering Services Revolving Fund Act. Its ultimate parent is the County Government of Elgeyo Marakwet.

32. Currency

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


**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

20. Annexes

Annex I: Progress on Follow Up Of Prior Year Auditor’s Recommendations

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

Basis for Conclusion					
	Statement of Comparison of Budget and Actual Amounts	of of and	The anomaly is noted and will be corrected in future	Not Resolved	30 th June, 2024

.....


Clerk of the County Assembly

Date: 24th August, 2023

Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Annex II: Inter-Fund Confirmation Letter

[Insert your Letterhead]

[Insert name of beneficiary Fund]

[Insert Address]

The *[insert SC/SAGA/Fund name here]* wishes to confirm the amounts disbursed to you as at 30th June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by <i>[Insert name of beneficiary Fund]</i> as at 30 th June 20xx							
Reference Number	Date Disbursed	Amounts Disbursed by <i>[SC/SAGA/Fund]</i> (Kshs) as at 30 th June 2023				Amount Received by <i>[beneficiary Fund]</i> (KShs) as at 30 th June 2023 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
Total							

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

Head of Accountants department of beneficiary Fund:

Name **Sign** **Date**

NOTE:

The Assembly did not have any inter-fund transfers during the year

**Elgeyo Marakwet County (County Assembly)
 Catering Services Revolving Fund
 Annual Report and Financial Statements for the year ended June 30, 2023**

Annex III: Reporting of Climate Relevant Expenditures

[Redacted Header]									
				Q1	Q2	Q3	Q4		

NOTE:

The Assembly did not incur any expenditure on climate during the year

**Elgeyo Marakwet County (County Assembly)
Catering Services Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

Annex IV: Reporting on Disaster Management Expenditure

[REDACTED]						

NOTE:

The Assembly did not incur any expenditure on disaster during the year.

ACCOUNT STATEMENT

Customer: 1282243527 EMC ASSEMBLY CAFETERIA FUND ACCOUNT

Product Name: Local Government

Statement Period: 01 MAY 2023 - 31 MAY 2023

Balance at Period Start 52,278.55 KES Balance at Period End: 9,696.00 KES

TXN DATE	DESCRIPTION	VALUE DATE	MONEY OUT	MONEY IN	LEDGER BALANCE
01 MAY 2023	BALANCE B/FWD	01 MAY 2023			52,278.55
02 MAY 2023	MPESA RE28IOBSA2 25 4724553850 SAMS / FT2 3122H71	02 MAY 2023		290.00	52,568.55
02 MAY 2023	MPESA RE25IPF5U7 254 716140815 JOSE / FT231 22PH8	02 MAY 2023		70.00	52,638.55
02 MAY 2023	Tax Amount Due CHG23 122PXP3X CHG23122PX P3X	02 MAY 2023	-84		52,554.55
02 MAY 2023	Interim Stmt Charge CHG 23122PXP3X CHG23122 PXP3X	02 MAY 2023	-420		52,134.55
02 MAY 2023	MPESA RE25J8GRH3 25 4724892701 ERIC / FT23 1227RS	02 MAY 2023		250.00	52,384.55
02 MAY 2023	MPESA RE24J8M6C2 25 4724892701 ERIC / FT23 122HGR	02 MAY 2023		120.00	52,504.55
02 MAY 2023	MPESA RE24J9N21U 25 4728432876 HILD / FT23 122D4Z	02 MAY 2023		70.00	52,574.55
02 MAY 2023	MPESA RE21J9MT11 25 4729460464 NICK / FT23 122SD1	02 MAY 2023		70.00	52,644.55
02 MAY 2023	MPESA RE26J9NIHU 25 4722237711 MICH / FT23 1221NX	02 MAY 2023		70.00	52,714.55
02 MAY 2023	MPESA RE24J9Z45W 25 4716765444 CORN / FT2 3122PM1	02 MAY 2023		600.00	53,314.55
02 MAY 2023	MPESA RE26JA5PFC 25 4725622411 BETS / FT23 122KT4	02 MAY 2023		70.00	53,384.55
02 MAY 2023	MPESA RE29JAFJ13 254 720093865 RONA / FT23 122J4T	02 MAY 2023		70.00	53,454.55
02 MAY 2023	Ag Dpst SZL9BSGKJFU9 Depo David Yator 99999 9 FT	02 MAY 2023		1,710.00	55,164.55
02 MAY 2023	Ag Dpst SZ79BSGLLWA T Deposit David Yator 99 9999	02 MAY 2023		100.00	55,264.55
03 MAY 2023	MPESA RE30LDZI26 254 720215779 PATR / FT23 1239N1	03 MAY 2023		140.00	55,404.55
03 MAY 2023	MPESA RE35LFI141 254 723111855 GIDI / FT2312 3TWV	03 MAY 2023		400.00	55,804.55
03 MAY 2023	MPESA RE38LQYGQK 2 54728432876 HILD / FT2 3123SYW	03 MAY 2023		150.00	55,954.55
03 MAY 2023	MPESA RE38M17FKI 25 4723111855 GIDI / FT231 23JM8	03 MAY,2023		110.00	56,064.55
03 MAY 2023	MPESA RE31M4KM8F 2 54722237711 MICH / FT2 3123WD1	03 MAY 2023		180.00	56,244.55
03 MAY 2023	MPESA RE33M4UBXN 2 54720680183 PERI / FT2 31230LF	03 MAY 2023		130.00	56,374.55
03 MAY 2023	MPESA RE30M53NPC 2 54722252090 VICT / FT2 31236YF	03 MAY 2023		70.00	56,444.55
03 MAY 2023	MPESA RE31M5LMZ1 25 4725622411 BETS / FT23 123RN4	03 MAY 2023		130.00	56,574.55
03 MAY 2023	MPESA RE36M6GW00 2 54712726996 DAVI / FT2 3123P6Q	03 MAY 2023		250.00	56,824.55

POST BOX BANK KENYA LTD.



3 July 2023
9:33:6

02 JUN 2023	Tax Amount Due CHG23 153YGVF4 CHG23153Y GVF4	02 JUN 2023	-84	9,612.00
02 JUN 2023	Interim Stmt Charge CHG 23153YGVF4 CHG23153 YGVF4	02 JUN 2023	-420	9,192.00
02 JUN 2023	MPESA RF251OGSKV 2 54726037558 MATH / FT 23153NQZ	02 JUN 2023	280.00	9,472.00
05 JUN 2023	MPESA RF56ADDYLK 25 4723268538 EDWI / FT23 1566WN	05 JUN 2023	120.00	9,592.00
05 JUN 2023	MPESA RF57ADHGMT 2 54723994701 DAVI / FT2 3156ZK1	05 JUN 2023	50.00	9,642.00
05 JUN 2023	MPESA RF57ADL6BV 25 4725622411 BETS / FT23 156Y9S	05 JUN 2023	70.00	9,712.00
05 JUN 2023	MPESA RF52ADMQ9W 2 54728432876 HILD / FT2 31562GN	05 JUN 2023	270.00	9,982.00
05 JUN 2023	MPESA RF54AHIAWC 25 4727145827 NATH / FT2 3156MYB	05 JUN 2023	900.00	10,882.00
05 JUN 2023	Ag Dpst SZM9DPA8JGC D Deposit David Yator 99 9999	05 JUN 2023	3,010.00 ✓	13,892.00
06 JUN 2023	MPESA RF61CMBBFP 2 54726037558 MATH / FT 23157SWQ	06 JUN 2023	320.00	14,212.00
06 JUN 2023	MPESA RF60CU0QFM 2 54711477049 EVAN / FT 23157N17	06 JUN 2023	150.00	14,362.00
06 JUN 2023	MPESA RF66CZZOLY 25 4707191983 Glor / FT231 57S2X	06 JUN 2023	50.00	14,412.00
06 JUN 2023	MPESA RF65D53ALD 25 4723292400 SALL / FT23 1571BL	06 JUN 2023	1,000.00	15,412.00
06 JUN 2023	MPESA RF67D97AS5 25 4718140815 JOSE / FT23 157HVV	06 JUN 2023	500.00	15,912.00
06 JUN 2023	MPESA RF63D98Z8Z 25 4725405241 ALFR / FT23 157ZXR	06 JUN 2023	320.00	16,232.00
06 JUN 2023	MPESA RF66D9XAQU 2 54723915722 ELIU / FT2 3157G32	06 JUN 2023	120.00	16,352.00
06 JUN 2023	MPESA RF63DAXSTZ 25 4725622411 BETS / FT23 157SPW	06 JUN 2023	70.00	16,422.00
06 JUN 2023	MPESA RF60DB79QE 25 4711477049 EVAN / FT2 3157YYK	06 JUN 2023	130.00	16,552.00
06 JUN 2023	MPESA RF68DBAD56 25 4707725265 ELKA / FT23 15747F	06 JUN 2023	130.00	16,682.00
06 JUN 2023	MPESA RF69DBONJT 25 4722252090 VICT / FT23 157NKS	06 JUN 2023	280.00	16,962.00
06 JUN 2023	MPESA RF66DE38SA 25 4723994701 DAVI / FT23 157ML2	06 JUN 2023	150.00	17,112.00
07 JUN 2023	MPESA RF73G6CDGZ 2 54722227704 RAEL / FT2 3158BYO	07 JUN 2023	50.00	17,162.00
07 JUN 2023	MPESA RF72G8WWSQ 254726708948 LORN / F T23158MPF	07 JUN 2023	500.00	17,662.00
07 JUN 2023	MPESA RF73GE7I8P 25 4716140815 JOSE / FT23 1588M1	07 JUN 2023	120.00	17,782.00
07 JUN 2023	Ag Dpst SZF9DS1VYTNR Deposit David Yator 999 999	07 JUN 2023	3,460.00 ✓	21,242.00
08 JUN 2023	MPESA RF88J579K9 254 723764846 HILL / FT231 59S81	08 JUN 2023	150.00	21,392.00



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21 JUN 2023	MPESA RFL1LBGDLJ 25 4723915722 ELIU / FT23 1729S2	21 JUN 2023	340.00	45,882.00
21 JUN 2023	MPESA RFL2LBVSEW 2 54721802399 RAYM / FT 23172KKG	21 JUN 2023	150.00	46,032.00
21 JUN 2023	Ag Dpst SZT9EKL3UPN6 Deposit David Yator 999 999	21 JUN 2023	11,250.00 ✓	57,282.00
22 JUN 2023	MPESA RFM5O1G5RR 2 54704977485 GLAD / FT 23173HSY	22 JUN 2023	130.00	57,412.00
22 JUN 2023	MPESA RFM2O25OLQ 2 54723764846 HILL / FT2 3173ZYZ	22 JUN 2023	130.00	57,542.00
22 JUN 2023	MPESA RFM0O35JKY 25 4707725265 ELKA / FT23 173744	22 JUN 2023	130.00	57,672.00
22 JUN 2023	MPESA RFM2O50QUM 2 54711262855 SUSA / FT 231736TK	22 JUN 2023	100.00	57,772.00
26 JUN 2023	MPESA RFQ8ZK3JA6 25 4711317970 LEAH / FT23 177D67	26 JUN 2023	140.00	57,912.00
26 JUN 2023	MPESA RFQ4ZK3T2 25 4707725265 ELKA / FT23 177322	26 JUN 2023	150.00	58,062.00
26 JUN 2023	MPESA RFQ1ZNP9VD 2 54723904701 DAVI / FT2 3177S3V	26 JUN 2023	1,050.00	59,112.00
26 JUN 2023	Ag Dpst SZS9EU555KKU Deposit David Yator 999 999	26 JUN 2023	3,170.00 ✓	62,282.00
26 JUN 2023	Ag Dpst SZ29EU57K2AM Deposit David Yator 999 999	26 JUN 2023	1,670.00 ✓	63,952.00
27 JUN 2023	MPESA RFR62XJXN6 25 4726037558 MATH / FT2 3178ZBW	27 JUN 2023	140.00	64,092.00
27 JUN 2023	MPESA RFR73JC5JT 25 4721836125 JUST / FT23 1780L7	27 JUN 2023	250.00	64,342.00
27 JUN 2023	MPESA RFR63M4T1W 2 54720659506 Sali / FT23 178WJK	27 JUN 2023	1,969.00	66,311.00
27 JUN 2023	MPESA RFR33MLS8B 25 4722237711 MICH / FT23 178LLB	27 JUN 2023	250.00	66,561.00
27 JUN 2023	MPESA RFR03NMXNQ 2 54726037558 MATH / FT 2317891M	27 JUN 2023	1,150.00	67,711.00
27 JUN 2023	MPESA RFR83O4692 25 4722252090 VICT / FT23 178W4N	27 JUN 2023	320.00	68,031.00
27 JUN 2023	Ag Dpst SZY9EW32WZL U Deposit David Yator 99 9999	27 JUN 2023	49,400.00 ✓	117,431.00 ✓
27 JUN 2023	Ag Dpst SZ59EW34Q0M S Deposit David Yator 99 9999	27 JUN 2023	1,760.00 ✓	119,191.00 ✓
29 JUN 2023	MPESA RFT794SCH7 25 4722237711 MICH / FT23 180XLN	29 JUN 2023	450.00	119,641.00
29 JUN 2023	MPESA RFT596AYCJ 25 4728480615 SALL / FT23 180D1R	29 JUN 2023	70.00	119,711.00
29 JUN 2023	MPESA RFT497NFVY 25 4728117889 LORN / FT2 3180RC3	29 JUN 2023	600.00	120,311.00
29 JUN 2023	MPESA RFT098RLB4 25 4722899061 PETE / FT23 180Q94	29 JUN 2023	250.00	120,561.00
29 JUN 2023	INHouse CHQ000048 AN TYOPARK ENTERPRISE S FT2318	29 JUN 2023	-69,675.00	50,886.00
29 JUN 2023	Ag Dpst SZ19E1V9Q2U6 Deposit David Yator 9999 99	29 JUN 2023	70.00 ✓	50,956.00 ✓



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29 JUN 2023	Ag Dpst SZ19E1V3EE4S Deposit David Yator 9999 99	29 JUN 2023	1,430.00 ✓	52,386.00
30 JUN 2023	Ag Dpst SZ99E3AEHMA0 DEPO DAVID YATOR 99 9999 FT	30 JUN 2023	3,730.00 ✓	56,116.00
30 JUN 2023	MPESA RFU3C6BDR9 2 54721802399 RAYM / FT 231816KS	30 JUN 2023	70.00	56,186.00
BALANCE AT PERIOD END:			-625,833.55	648,202.55
				56,186.00

FOR KCB BANK KENYA LTD.

Customer Service, Manager
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