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COUNTY ASSEMBLY OF BUNGOMA

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COUNTY GOVERNMENT OF BUNGOMA



COUNTY ASSEMBLY OF BUNGOMA
(LPCS)

09 JUL 2024

TABLED

By: Hon. Catherine Kitiyi

COUNTY ASSEMBLY OF BUNGOMA
OFFICE OF THE CLERK

COUNTY ASSEMBLY OF BUNGOMA
(LPCS)

09 JUL 2024

NOTICE ISSUED

By: Hon. Catherine Kitiyi

THIRD ASSEMBLY THIRD SESSION

COMMITTEE ON YOUTH AFFAIRS AND
SPORTS

REPORT ON HALF YEAR FINANCIAL STATEMENTS FY
2023/24 FOR THE PERIOD ENDED 31ST DECEMBER 2023

Clerks Chambers
County Assembly Buildings
P.O BOX 1886 - 50200
BUNGOMA, KENYA

April, 2024

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CHAPTER ONE

1.0 Preamble

Mr. Speaker,

It is my duty to present the report by the Committee on Youth Affairs and Sports on the Half Year Financial Statements for the Financial Year 2023/2024 for period ended 31st December, 2023. The Financial Statements was tabled in this County Assembly of Bungoma on 28th March 2024 and stood committed to all Sectoral Committees for their interrogation, input and recommendation through a report to this Honorable House.

1.1 The Mandate of the Committee

Mr. Speaker,

The Committee on Youth Affairs and Sports falls under Sectoral Committees whose mandate is derived from Standing Order 217 (5) and matters assigned under the Second Schedule which shall be exercised within the limits contemplated under Part 2 of the Fourth Schedule to the Constitution.

The functions of a Sectoral Committee shall be to; -

- (a) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;
- (b) Study the program and policy objectives of departments and the effectiveness of the implementation;
- (c) Study and review all county legislation referred to it;
- (d) Study, access and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;
- (e) Investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;
- (f) To vet and report on all appointments where the constitution or any law requires the County Assembly to approve, except those under Standing Order 185 (Committee on Appointments); and

- (g) Make reports and recommendations to the County Assembly as often as possible, including recommendation of proposed legislation.

One of the most important features of our Constitutional framework is the requirement of the County Assemblies having the mandate to exercise oversight over their respective County Executives and their organs/departments. Article 185(3) of the Constitution of Kenya, 2010 on legislative authority of County Assemblies state inter-alia that, 'A County Assembly, while respecting the principle of the separation of powers, may exercise oversight over the County Executive Committee and any other County Executive organs.

1.2 COMMITTEE MEMBERSHIP

Mr. Speaker,

The Committee comprises of the following members;

- | | | |
|-----|------------------------|---------------|
| 1. | Hon. Violet Makhanu | Chairperson |
| 2. | Hon. Grace Sundukwa | V/Chairperson |
| 3. | Hon. Timothy Chikati | Member |
| 4. | Hon. Metrine Wilson | Member |
| 5. | Hon. Cornelius Makhanu | Member |
| 6. | Hon. Charles Nangulu | Member |
| 7. | Hon. Allan Nyongesa | Member |
| 8. | Hon. Caleb Wanjala | Member |
| 9. | Hon. Idd Owongo | Member |
| 10. | Hon. Catherine Kituyi | Member |
| 11. | Hon. Dorcas Ndasaba | Member |
| 12. | Hon. Everlyne Anyango | Member |
| 13. | Hon. Abraham Obama | Member |
| 14. | Hon. Martin Chemorion | Member |
| 15. | Hon. Florence Juma | Member |

1.3 Guiding principles in the Examination of the Bungoma County Government Quarterly Reports and Financial statements

Mr. Speaker,

In the execution of its mandate, the Committee on Youth Affairs and Sports is given a legal backing under the Constitution of Kenya 2010, Public Finance Management Act, 2012, and County Governments Act, 2012. These statutory provisions include:

1. Constitutional Principles on Public Finance

Article 201 of the Constitution of Kenya, 2010 enacts fundamental principles that “**...shall guide all aspects of public finance in the Republic...**” These principles include, *inter alia*, that: **201(a)** *There shall be openness and accountability, including public participation in financial matters;* **201(d)** *Public money shall be used in a prudent and responsible way;* and **201(e)** *Financial management shall be responsible, and fiscal reporting shall be clear.*

Section 149(1) (a) and (b) of the PFM Act 2012 provides as follows...”*an accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is;*

- a) Lawful and authorized*
- b) Effective, efficient, economical and transparent*

2. Direct Personal Liability

Article 226(5) of the Constitution of Kenya, 2010 is emphatic that “*If the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not*”.

3. Obligations of Accounting Officers

The Public Finance Management Act, 2012 section 166 states as follows;

- 1. An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity.*
- 2. In preparing a quarterly report for a county government entity, the accounting officer shall ensure that the report—*
 - (a) contains information on the financial and nonfinancial performance of the*

entity; and

(b) is in a form determined by the Accounting Standards Board.


3. Not later, than fifteen days after the end of each quarter, the accounting officer shall submit the quarterly report to the County Treasury.
4. Not later than one month after the end of each quarter, the County Treasury shall—
 - (a) consolidate the quarterly reports and submit them to the county assembly;
 - (b) deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation; and
 - (c) publish and publicize them

1.4 Acknowledgment

Mr. Speaker,

I take this opportunity to thank all Hon members of the Committee for dedicating their time to interrogate the Youth and Sports department Half Year Financial Statements for the period ended 31st December, 2023. The Committee would also like to appreciate the Secretariat who worked with us for their commitment to ensure that the report was produced on time. Lastly, the Committee is grateful to the offices of the Speaker and the office of the Clerk to the County Assembly of Bungoma for logistical support received as it discharged its mandate.

It is therefore my privilege, on behalf of the Committee on Youth Affairs and Sports, to table the Report on the Half Year Financial Statements of the department of Youth and Sports in Bungoma County for the Financial Year 2022/2023 for the period ended 31st December, 2023.

Signed.......... Date.. 18/6/2024

Hon. Violet Makhanu

MCA. Mihuu Ward.

Chairperson, Sectoral Committee on Youth Affairs and Sports.

CHAPTER TWO

2.0 KEY HIGHLIGHTS ON THE HALF YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2023/2024

Mr. Speaker,

The County's approved 1st supplementary budget for the FY 2023/24 was Kshs.15,470,095,611 comprising Kshs.5,643,037,428 (36%) and Kshs.9,827,0528,184(64%) allocation for development and recurrent programmes, respectively.

The largest part of the budget is expected from exchequer issues contributing 73.6% of the requirement, local revenue 13% and other receipts including grants 13.3%.

To finance the budget, the County expects to receive Kshs.11,387,333,905 as the equitable share of revenue raised nationally, Kshs.1,152,071,383 as Facility Improvement Fund (revenue from health facilities), Kshs.1,753,680,635 as conditional grants from both government and development partners, Kshs.158, 808,217 fund balances, generate Kshs.868,201,471 as ordinary own-source revenue and Kshs.150m from retention account. Kshs.275, 350,297 was brought forward as opening balance as at July 1st 2023.

2.1 REVENUE

Mr. Speaker,

The department had an initial budgetary allocation of Kshs.124, 782,899, this was adjusted downwards to Kshs.114,475,401 during the 1st supplementary budget. composed of Kshs.25,491,075 recurrent ,Kshs.29,684,326 being Youth Fund and Kshs.59,000,000 development.

2.2 EXPENDITURE

The department had an initial budgetary allocation of Kshs.124, 782,899. This was adjusted downwards to Kshs.114,475,401 during the 1st supplementary budget and it comprised of Kshs.25,491,075 recurrent , Kshs.29,684,326 being Youth Fund and Kshs.59,000,000 development.

During the period ended December 31st 2023 Kshs.44, 070, 428 was received which had 38% absorption

1. Under General Administration, Planning and support services, Kshs.8,271,723 was received against an allocation of Kshs.25,491,075 which is 32% absorption.

Major expenses were:

- i. Compensation to employees Kshs.5, 466,164 against a budget of Kshs.13,331,452 (41%)
- ii. Administrative service management Kshs.2, 805,559

2. Under Sports and Talent Development Kshs.35, 798,705 was received against an allocation of Kshs. 45, 300,000 which represents 65% absorption of the initial allocation

Major expenses were on:

- i. Construction of Masinde Muliro stadium phase 1 Kshs.25,511,240
- ii. Completion and equipping of phase 1 and 11 of High Altitude Centre Kshs.10,287,465 against a budgetary allocation of Kshs.19m

2.3 ACCOUNTS PAYABLE

At the beginning of FY 2023/24, the County reported a stock of pending bills amounting to Kshs.1, 244,506,681, comprising Kshs.683, 702,820 for purchase of goods and services and Kshs.560,803,862 for construction of buildings and civil works. The department of youth and sports had an opening balance Kshs.17, 509,738, .There was an allocation of Kshs.4m under development towards pending bills.

2.4 ACCOUNTS RECEIVABLES-IMPREST.

Mr. Speaker,

The County had Kshs. 244,667,700 as outstanding imprest. The comparative period, previous year had Kshs. 27,959,050. The Department of Youth and Sports had outstanding imprest of Kshs. 1,175,611

Breakdown of imprest per department	Period ended 31st December 2023 Kshs.	2022/2023 Kshs.
Finance and Economic Planning	133,645,405	21,299,150
Governor & Deputy Governors	38,853,398	1,339,200
Public Administration	17,517,360	1,347,000
County secretary	10,397,530	5,320,700
Health and sanitation	10,186,320	
Gender ,Youth & Sports	10,197,660	899,000
Trade and Industrialization	1,817,000	
Lands Urban and planning	7,825,828	300,000
Tourism	3,096,208	
Education	8,338,920	
Agriculture	700,000	
Roads & Public works	2,092,071	488,961
TOTAL IMPREST	244,667,700	27,959,050

CHAPTER THREE

3.0 COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

3.1 Committee General Observations

Mr. Speaker,

The committee made the following observations.

1. The Department had outstanding imprest of Kshs.1,175,611
2. There was Kshs. 4,000,000 allocation towards pending bills yet none was paid.
3. The Completion of High Altitude training Center was advertised and the contractor is on site.
4. Youth Fund allocation of Kshs.29, 000,000 and had not been utilized.
5. The Salary during the period under review had absorption of 41% of budget as opposed to 50% expected.

3.2 Committee Recommendations

Mr. Speaker,

The following recommendations were made by the Committee:

1. **THAT**, accounting officer in charge of Youth and Sports should ensure the officers with unsurrendered imprests should surrender and a report done to the committee within 60 days of adoption of this report.
2. **THAT**, the Department should hasten the process of coming up with regulations on Youth Fund and submit it to the County Assembly within 60 days after adoption of this report.
3. **THAT**, the Department should give first charge to pending bills during budgeting to curb accumulation of bills.
4. **THAT**, the Department should ensure completion and operationalize the Chemoge High-Altitude Training Centre within the stipulated time to avoid accumulation of interests.

ADOPTION SCHEDULE

1. Hon. Violet Makhanu
2. Hon. Grace Sundukwa
3. Hon. Timothy Chikati
4. Hon. Cornelius Makhanu
5. Hon. Charles Nangulu
6. Hon. Allan Nyongesa
7. Hon. Caleb Wanjala
8. Hon. Metrine Wilson
9. Hon. Idd Owongo
10. Hon. Catherine Kituyi
11. Hon. Dorcas Ndasaba
12. Hon. Everlyne Anyango
13. Hon. Abraham Obama
14. Hon. Martin Chemorion
15. Hon. Florence Juma

Chairperson

V/Chairperson

Member

Member

Member

Member

Member

Member

Member

Member

Member

Member

Member

Member

Member

[Signature]



Key:

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11/11/2019

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