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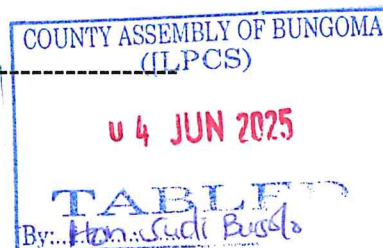
COUNTY GOVERNMENT OF BUNGOMA



Handwritten notes in blue ink: 3/6/25, HBE, for scheduling, 7/6/25.

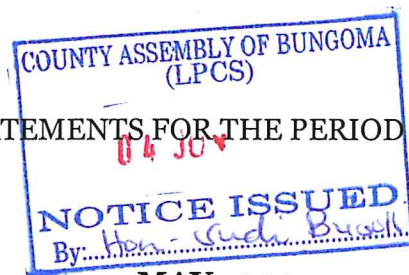
**COUNTY ASSEMBLY OF BUNGOMA
OFFICE OF THE CLERK**

THIRD ASSEMBLY
FOURTH SESSION



COMMITTEE ON AGRICULTURE, LIVESTOCK, FISHERIES, IRRIGATION AND
COOPERATIVE DEVELOPMENT

REPORT ON THE 1ST AND 2ND QUARTER FINANCIAL STATEMENTS FOR THE PERIOD
ENDED 31ST DECEMBER, 2024



MAY, 2025

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

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CHAPTER ONE

PREFACE

Hon. Speaker,

The 1st and 2nd quarter financial statements for the Financial Year 2024/2025 were tabled on 5th March, 2025 and committed to all sector committees for interrogation and reporting back to this House. The committee interrogated the department of Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development on 28th April, 2025 and therefore submits its report.

This report contains the legal framework and objectives that guided the committee in analyzing the financial statements. It also highlights the department's expenditure including the budget absorption for the department in the period under review.

Finally, it contains the committee's observations and recommendations on the 1st and 2nd quarter financial statements for the FY 2024/2025 for the period ended 31st December, 2025 with respect to the department of Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development

1.1 MANDATE OF THE COMMITTEE

Hon. Speaker,

The Committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development is constituted under Standing Order 217 (1) of the County Assembly of Bungoma Standing Orders and whose mandate pursuant to standing order 217(5) shall be to -

- a) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations, coordination, control and monitoring of budget;
- b) Consider quarterly reports of the assigned departments and report to the House within twenty-one (21) sitting days upon being laid;
- c) Study the programme and policy objectives of the effectiveness of the implementation;
- d) Study and review all county legislation referred to it;
- e) Study, access and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;

- f) 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;
- g) To vet and report on all appointments where the constitution or any law requires the House to approve, except those under Standing Order 208(Committee on Appointments); and
- h) Make reports and recommendations to the House as often as possible, including recommendation of the proposed legislation.

1.2 COMMITTEE MEMBERSHIP

Mr. Speaker Sir, the Committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development as currently constituted comprises the following Members:

1. Hon. Wafula Waiti	Chairperson
2. Hon. Idd Owongo	V. Chairperson
3. Hon. Busolo Sudi	Member
4. Hon. Everlyne Mutiembu	Member
5. Hon. Meshack Simiyu	Member
6. Hon. Anthony Lusenaka	Member
7. Hon. Simotwo Franklin	Member
8. Hon. Jerusa Aleu	Member
9. Hon. Alfred Mukhanya	Member
10. Hon. Caleb Wanjala	Member
11. Hon. Edwin Opwora	Member
12. Hon. George Tendet	Member
13. Hon. Benard Kikechi	Member
14. Hon. Martin Chemorion	Member
15. Hon. Nganga Sifuna	Member

1.3 FISCAL AND LEGAL FRAMEWORK

Hon. Speaker,

The County Assembly discharges its oversight function on the executive through the Committee system. According to ***Section 116 of the Public Finance Management Act, 2012***, an accounting officer for a County Government entity shall prepare a report for each quarter of the financial year in respect of the entity. Further, the section requires the accounting officer of the County Government entity to ensure that the quarterly report;

- Contains information on the financial and non-financial performance of the entity, and
- Is in a form that complies with the standards prescribed and published by the Public Sector Accounting Standards Board.

Obligations of Accounting Officers

Hon. Speaker,

Section. 149(1) of the PFM Act 2012, states that;

An accounting officer is accountable to the County Assembly for ensuring that resources of the entity for which the officer is designated are used in a way that is;

- *Lawful and authorized*
- *Effective, efficient, economical and transparent.*

Accounting officers will be accountable to County Assembly for;

- *Ensuring the most effective means of achieving desired programme outcomes are used.*
- *Maintaining effective systems of internal control and the measures taken to ensure that they are effective.*
- *Measures taken to prepare the financial reports that reflect a true and fair view of the financial position of the department.*

1.4 TERMS OF REFERENCE

Hon. Speaker,

In processing the 1st and 2nd quarter Financial statements for the period ended 31st December, 2024 the committee based on the following:

- i. Revenue realized by the department in the 1st and 2nd Quarter FY 2024/2025(Exchequer, Local revenue and grants)
- ii. Detailed personnel expenditure of the P&P and contractual staff in the 1st and 2nd Quarter FY 2024/2025.
- iii. Status of on-going projects/ flagship projects
- iv. Status of the implementation of the procurement plan FY 2024/2025
- v. Detailed report on the pending bills settled in the period under review
- vi. Detailed report on status of the pending bills outstanding
- vii. A status report on the outstanding imprest, proof of surrender of imprest in the period.
- viii. Ward Based Projects implementation status
- ix. Detailed list of retentions paid in the period.

1.5 ACKNOWLEDGEMENT

Hon. Speaker,

The Committee is highly indebted to the Offices of the Hon. Speaker and Clerk of the County Assembly of Bungoma for the support received as it discharged its mandate.

Special gratitude goes to members of the Committee for dedicating their time to examine the 1st and 2nd quarter financial statements for the FY 2024/2025 for the period ended 31st December, 2024.

Hon. Speaker,

It is therefore my pleasant duty and privilege, on behalf of the Sectoral Committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development, to table this report to this House for deliberation and adoption.

Signed  Date 03/06/2025

(Hon. Wafula Waiti, MCA- NAITIRI KABUYEFWE)

Chairperson, Committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development

CHAPTER TWO

2.1 DEPARTMENTAL EXPENDITURE ANALYSIS

Hon. Speaker,

The department of Agriculture, livestock, fisheries, irrigation and cooperative development had an approved annual budget of Kshs.1,061,347,822 comprising of Kshs.383,577,441 recurrent and Kshs.677,770,380 for Development expenditure programmes.

On other incomes Mabanga ATC the collection was kshs.13,888,766.

The following are the programmes:

The department utilized kshs. 181.47M on Human Resource Management and Development representing 53%

The department utilized kshs.16.06M on Administrative and Support Services representing 74%.

Crop Production and Productivity (Food, Industrial and Horticultural Crops) utilized kshs.61.75M representing 19%

Agricultural Value Addition and Agro Processing, utilized ksh.2.10M representing 21%

NAVCDP utilized kshs. 8M representing 5%

Ward based projects ,utilized 3.87m representing 5%

Kenya Livestock Commercialization Project (KeLCOP utilized kshs.15.55 M representing 41%

Cooperative Governance, Advisory and training services utilized kshs. 4.38M representing 97%.

PERSONNEL EXPENDITURES

The personnel allocation for P&P in the 1st and 2nd quarter is Kshs. 333,250,069 and for Casuals is 11,405,127. The actual expenditures is Kshs. 159,821,821.27 for P&P which translates to 47.95% utilization. In contrast, the amount of Kshs. 11,405,127 that had been allocated for casual employees had no expenditure record .

2.2 Revenue Realised by the Department in the period under review

Hon. Speaker,

The department submitted that Revenue realized by the Department in the 1st and 2nd Quarter FY 2024/25 (Exchequer, Local Revenue and grants) is as follows;

S/No.	Description	Target FY 2024/2025	Actuals FY 2024/2025	Variance
I.	Exchequer release:	866,882,670	259,947,475.27	-606,935,194.73
	Recurrent	383,577,441	179,338,663.27	-204,238,777.73
	Development	483,305,229	80,608,812	-402,696,417
II.	Local Revenue:	203,471,356	29,750,515	-173,720,841
	Agricultural Cess	100,014,389	8,521,733	-91,492,656
	Mabanga ATC	42,924,377	13,667,265.80	-29,257,111
	Mabanga AMC	5,000,000	221,500	-4,778,500
	Fish Trader Licensing and Sale of Fish	5,523,366	60,450	-5,462,916
	Slaughter House Fees	20,954,007	1,622,700	-19,331,307
	Meat Inspection and Cot	8,679,233	1,665,202	-7,014,031
	Livestock Movement Permits	1,750,000	256,675	-1,493,325
	Livestock Auction in and Out	15,596,617	3,572,240	-12,024,377
	Audit Fees and Pulping Licence	3,029,367	162,749	-2,866,618
III.	Grants:	194,465,152	12,890,354	-181,574,798
	NAVCDP	156,515,152	5,299,450	-151,215,702
	KELCOP	37,950,000	7,590,904	-30,359,096

2.3 Accounts Receivables (Outstanding Imprests)

Unsurrendered Imprests for the department amounted to Kshs.2,896,000 against a total outstanding amount of Kshs.152,910,360 for the whole County.

Hon. Speaker,

During Interrogations the department submitted that most of the processed imprests during the period spilled over to the 3rd quarter and that the unsurrendered imprests for the department is Kshs. 496,000.

2.4 Pending accounts payables

Hon. Speaker,

The pending accounts payables for the department was Kshs.161,564,488 and that for Mabanga ATC Kshs. 7,208,720. However, during interrogations the department submitted that the outstanding accounts payables for the department is Kshs.148,293,615 broken down as follows;

Development: outstanding pending bill is Kshs. 100,805,649.27

Recurrent is Kshs. 26,631,250

Mabanga ATC and AMC is Kshs. 11,319,940

Ward Based projects; 9,536,776

(Detailed report on the outstanding pending Bills is annexed)

CHAPTER THREE

3.1 COMMITTEE OBSERVATIONS

Mr. Speaker,

The committee made the following observations;

1. The local revenue realized by the department in the two quarters was Kshs. 29,750,515 which is 14.6% from the annual target of Kshs. 203,471,356 which is low as compared to the potential of the department.
2. The unsurrendered imprest for the department was Kshs.2,896,000 based on the financial statements reported by 31st December 2024, and by the time the committee considered the financial statements the department submitted that the unsurrendered imprest stood at Kshs. 496,000. (annexed)
3. The Committee noted that the implementation status of all ward based projects is at 0% as at 31st December, 2024 and the absorption rate of most programmes was below the 50% rate by the end of the period under review.
4. The Committee notes with concern the discrepancies in accounts payables reporting for the period under review. The County Treasury reported that the pending accounts payables for the department is Kshs.168,773,203. However during interrogation the department submitted that the total accounts payables is Kshs. 148,293,615. (annexed)

3.2 COMMITTEE RECOMMENDATIONS

Mr. Speaker,

The following were the recommendations made by the committee:

1. **THAT**, the Department should set realistic targets and put in place strategies to help improve its revenue performance.
2. **THAT**, the County Treasury and the Department should undertake a joint reconciliation of all outstanding imprests, and submit a verified report to the County Assembly within 30 days from the adoption of this report. Additionally, the department should ensure full compliance with the provisions of Regulation 93 of the Public Finance Management (County Governments) Regulations, 2015.
3. **THAT**, the department should fast-track the implementation of ward-based projects. The department should also begin the procurement process immediately after approval of the annual budget in order to ensure timely implementation of the development programs.
4. **THAT**, the department and the County Treasury should reconcile accounts payables reports and submit harmonized accounts payables reports to the County Assembly in its subsequent reports to avoid discrepancies. Furthermore, the Department should prioritize the settlement of legitimate and verified pending bills in compliance with Section 94 of the Public Finance Management Act, and ensure that such bills are given First charge.

ADOPTION SCHEDULE

We the undersigned Members affix our signatures adopting this report with the contents therein

	MEMBERS NAME	DESIGNATION	SIGN
1	Hon. Wafula Waiti	Chairperson	
2	Hon. Idd Chamawi	V.Chair	
3	Hon. Busolo Sudi	Member	
4	Hon. Everlyne Mutiembu	Member	
5	Hon. Meshack Simiyu	Member	
6	Hon. Anthony Lusenaka	Member	
7	Hon. Edwin Opwora	Member	
8	Hon. Alfred Mukhanya	Member	
9	Hon. Caleb Wanjala	Member	
10	Hon. Franklin Simotwo	Member	
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13	Hon. Jerusa Aleu	Member	
14	Hon. Nganga Sifuna	Member	
15	Hon. George Tendet	Member	