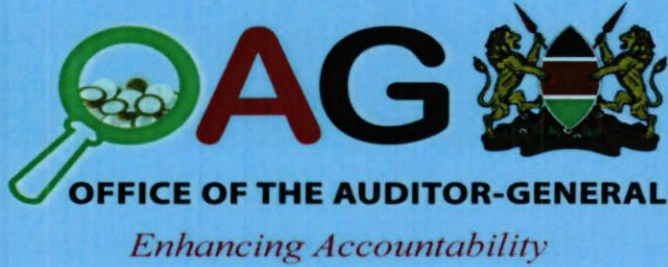


REPUBLIC OF KENYA

PARLIAMENT
OF KENYA
LIBRARY



PAPERS LAID	
DATE	
TABLED BY	
COMMITTEE	
CLERK AT THE TABLE	

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF BOMET

**FOR THE YEAR ENDED
30 JUNE, 2021**





BOMET COUNTY ASSEMBLY

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2021

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

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

TABLE OF CONTENTS

TABLE OF CONTENTS	i
1. KEY ENTITY INFORMATION AND MANAGEMENT	ii
KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)	iii
2. FORWARD BY THE CLERK OF THE ASSEMBLY	v
3. STATEMENT OF PERFORMANCE AGAINST COUNTY ASSEMBLY PREDETRMINED OBJECTIVES.....	viii
4. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING....	x
5. STATEMENT OF MANAGEMENT RESPONSIBILITIES.....	xii
6. REPORT OF THE INDEPENDENT AUDITOR ON THE ENTITY (specify entity name).....	xiv
7. FINANCIAL STATEMENTS.....	1
7.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 TH JUNE 2021	1
7.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30 TH JUNE 2021.....	2
7.3. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021	3
7.4. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT COMBINED.....	4
7.5. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT ...	7
7.6. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT	9
7.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES	10
7.8. SIGNIFICANT ACCOUNTING POLICIES.....	11
7.9. NOTES TO THE FINANCIAL STATEMENTS.....	19
8. PROGRESS ON FOLLOW ON PRIOR YEAR AUDITOR’S RECOMMENDATIONS.....	38
ANNEXES	39
ANNEX 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE	39
ANNEX 2 – ANALYSIS OF PENDING STAFF PAYABLES	41
ANNEX 3 – ANALYSIS OF OTHER PENDING PAYABLES	42
ANNEX 4 – SUMMARY OF NON-CURRENT ASSET REGISTER.....	43
ANNEX 7 – BANK RECONCILIATION/FO 30 REPORT.....	44

1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The County is constituted as per the constitution of Kenya is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 25 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards. The MCAs are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(b) Key Management

The Assembly 's day-to-day management is under the following key organs:

No.	Designation	Name
1.	Speaker of the County Assembly	Nelson Mutai
2.	Clerk of the County Assembly	Isaac Kitur
3.	Principal Finance Officer	Geofrey Maritim
4.	Head of Procurement	Richard Maritim

(c) Fiduciary Management

The key management personnel who held office during the year ended 30 June 2021 and who had direct fiduciary responsibility were;

No.	Designation	Name
1.	Clerk of the Assembly	Isaac Kitur
2.	Principal Finance Officer	Geofrey Maritim
3.	Principal Accountant	Clara Chebet
4.	Head of Supply Chain Management	Richard Maritim
5.	Senior Procurement Officer	Anastacia Cherotich

KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)

(d) Fiduciary Oversight Arrangement

1. Bomet Internal Audit Committee
2. Bomet Assembly Public Account Investment Committee
3. Senate Public Accounts and Investment committee
4. Bomet County Assembly Budget and Appropriation committee

(e) Entity Headquarters

Bomet County Assembly
P.O. Box 390-20400,
Assembly Head Quarters
NAROK –SOTIK HIGHWAY

(f) Entity Contacts

Telephone: (254) 727887146
E-mail: info@bometassembly.go.ke
Website: www.bometassembly.go.ke

(g) Entity Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA
2. EQUITY BANK
BOMET BRANCH.
BOMET KENYA

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

(h) Independent Auditor

Auditor General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

2. FORWARD BY THE CLERK OF THE ASSEMBLY

2.1 Budget performance

ITEM DESCRIPTIONS	APPROVED BUDGET	ACTUAL EXPENDITURE	% PERFORMANCE
Personnel Emolument	297,022,952	297,022,952	100
Use of Goods and Services	309,298,574	309,298,574	100
Capital Expenditure	140,798,592	140,740,282	99.9

2.2 Operational Performance

The county assembly enacted the following legislations in the year under review;

1	The Bomet County Equitable Development Bill,2019	10 th September 2019	25 th February 2020	15 th September 2020	23 rd September 2020	Passed
2	The Bomet County Valuation for Rating Bill 2019	10 th September 2019	17 th March 2020	16 th September 2020	22 nd September 2020	Passed
3	The Bomet County Rating Bill 2019	10 th September 2019	22 nd July 2020	4 th August 2020	11 th August 2020	Passed
4	The Bomet County Appropriation Bill 2019(Bills N0.10)	23 rd October 2019	23 rd October 2019	23 rd October 2019	23 rd October 2019	Passed
5	The Bomet County Finance Bill 2019	28 th January 2020	25 th February 2020	3 rd March 2020	4 th March 2020	Passed
6	The Bomet County Supplementary Appropriation Bill 2020	21 st April 2020	21 st April 2020	21 st April 2020	21 st April 2020	Passed
7	The Bomet County Supplementary Appropriation(N0.2) Bill 2020	4 th June 2020	4 th June 2020	4 th June 2020	4 th June 2020	Passed
8	The Bomet County Appropriation Bill 2020	30 th June 2020	30 th June 2020	30 th June 2020	30 th June 2020	Passed

**BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021**

9	The Bomet County Finance Bill,2020	1 st December 2020	9 th March 2021	17 th March 2021	17 th March 2021	Passed
10	The Constitution of Kenya(Amendment) Bill, 2020	Communicated on 10 th February 2021				Passed on 23 rd February 2021
11	The Bomet County Climate Change Bill 2021	9 th March 2021	18 th March 2021	18 th March 2021	18 th March 2021	Passed
12	The Bomet County Ward Bursary Fund Bill,2021(Bills N0.3)	21 st April 2021	31 st May 2021	31 st May 2020	31 st May 2020	enacted
13	The Bomet County Compassionate Bill, 2021(Bills N0.4)	21 st April 2021				

2.3 BOMET COUNTY ASSEMBLY PROJECT 2021

Projects	Contract Sum	Start Date	Expected Completion Date	Interim Payment	Status
Construction of Minichamber	65,596,000	2017/2018	End of 2020	61,902,077	100
Construction of the Main Chamber	478,357,128	2019/2020	2021/2022	123,798,644	40

The County Assembly have adopted the following approaches to ensure to ensure responsible competition practices;

- Have develop a whistle blowing policy to address unethical practices.
- Registered list of suppliers updated regularly and put on the website.
- 30 % of the tenders reserved for Youths, Women and person with disabilities.
- Ensure that payments are done within 30 days after delivery of items.

2.4 Value-for-money achievements

The County Assembly have achieved the following after the completion of the mini chamber;

- The public have ample space to follow the proceedings in the chamber hence they are in a position to critic and be aware on their role as citizens.
- New offices which now enable the staff and members of the County Assembly to work and achieve their mandate.

2.5 Challenges and Recommended Way Forward

The County Assembly faced implementation challenges which affected them achieving their strategic objectives as follows;

- The Covid 19 which caused the assembly not to function normally.
- Delayed disbursement of funds

The Assembly is in the process of rolling out performance Management framework system which will go a long way in ensuring that employees work is measure in a more predictable manner hence improving on their work.

employee skills, safety at work and employee turnover if it's a challenge.



ISAAC K KITUR

CLERK OF THE ASSEMBLY

**3. STATEMENT OF PERFORMANCE AGAINST COUNTY ASSEMBLY
 PREDETRMINED OBJECTIVES**

Introduction

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 key mandate of the Bomet County Assembly is legislation, oversight, and representation. To achieve this, the assembly’s program was document in terms of objective, key performance indicators, and output. Below were the expected outputs of the assembly in FY 2020/2021

STRATEGY	ACTIVITY	TIME FRAME	PERFORMANCE INDICATOR	RESPONSIBILITY
Train Members to adequately carry out general legislative work	Conduct workshops trainings and benchmarking visits	Continuous	No. of workshops, trainings and benchmarks undertaken	CASB/LEGAL
Build capacity of the legal department to provide legislative support services, etc.	Carry out training of staff working in the legal department	Continuous	No. of legal department staff trained and providing support services	HR DEPARTMENT
Strengthen County Assembly’s to carry out oversight work	<ul style="list-style-type: none"> Train sectoral committees on oversight roles and responsibilities Train staff on oversight techniques, including knowledge on public finance management 	Continuous	No. of trainings undertaken No. of public participation events on oversight matters	COMMITTEE SERVICES
Facilitate participation of citizens in the oversight process	<ul style="list-style-type: none"> Undertake public participation events on 	Continuous	<ul style="list-style-type: none"> No. of public participation events. No. of feedback from the public 	COMMITTEE SERVICES/COMMUNICATION DEPT/PRO/ICT/ CORPORATE SERVICES

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

	oversight matters			
Fully operationalize all ward offices	<ul style="list-style-type: none"> • Provide guidance on the procedures and policies of the operations of the ward offices • Develop a detailed Ward Office Operations Manual • Build staff capacity of the ward staff • Conduct regular and structured dialogue with stakeholders on matters of concern to residents 	2022	<ul style="list-style-type: none"> • No. functional ward offices • No. of meetings held and improved relations with the public 	CASB/HR/CORPORATE SERVICES
Enhance public relation activities both within and outside the Assembly	Undertake outreach programmes	Continuous	<ul style="list-style-type: none"> • No. of Corporate events • No. of open days 	CORPORATE SERVICES/COMMUNICATION DEPT

4. CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Bomet County Assembly exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on 5 pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile -

The clerk of the Assembly ensures that sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities are prioritized and make reference to international best practices and key achievements and failure.

2. Environmental performance

The County Assembly have approved the following pollicises and legislations to reduce environmental impact of the organisation's products; climate change policy 2021, climate Act 2021,

3. Employee welfare

The County Assembly have developed career progression guidelines to guide on the career growth of the County Assembly staff.

To Guide recruitment, the Assembly has put Human Resource Recruitment plan which is updated yearly.

An appraisal system is underway being developed which will go a long way in determining the performance of the employees.

4. Market place practices-

The County Assembly have made efforts to improve the market practices as follows:

a) Responsible competition practice.

In the process of developing whistle blowing policy to curb corruption activities in the assembly.

b) Responsible Supply chain and supplier Relations-Payment of suppliers are done promptly.

- c) Responsible marketing and advertisement-All the advertisement are done openly through newspapers which are widely circulated.
- d) Product stewardship

5. Community Engagements-

The twenty-five ward offices act as the linkage between the County Assembly and the citizens. These offices are funded so that public citizens can engage on the policies and programmes being carried out by the County Government.

5. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended June 30, 2020. 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 County Assembly; (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 County Assembly; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended June 30, 2021, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

Assembly's funds received during the quarter under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Clerk confirms that the County Assembly's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

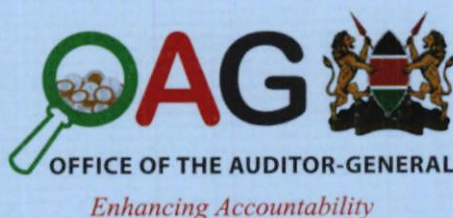
The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 29/09/ 2021.



ISAAC KITUR
CLERK OF THE ASSEMBLY

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 COUNTY ASSEMBLY OF BOMET FOR THE YEAR ENDED 30 JUNE, 2021

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 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

Opinion

I have audited the accompanying financial statements of County Assembly of Bomet set out on pages 1 to 38, which comprise the statement of financial assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows

and statement of comparison of budget and actual amounts - recurrent and development combined 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, the financial statements present fairly, in all material respects, the financial position of the County Assembly of Bomet as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and County Governments Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly of Bomet Management 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 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.

Other Matter

Pending Accounts Payable

Note 1 of other important disclosures to the financial statements reflects pending accounts payables balance totalling Kshs.3,838,789 as at 30 June, 2021. However, the disclosed balance excludes Kshs.120,568,388 and Kshs.411,546,463 reflected in the County Assembly and Kenya Revenue Authority i-Tax ledgers respectively. The variances between the three sets of records have not been reconciled.

Although the Management provided correspondences with the Kenya Revenue Authority (KRA) indicating that the County Assembly had been remitting taxes, no explanation was provided why the Assembly tax account and KRA ledger reflected outstanding balances.

In the circumstances, the County Assembly is at risk of incurring interest and penalties due to failure to remit the outstanding taxes.

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, except for the matters described in the Basis for Conclusion on Lawfulness and

Effectiveness in the Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Over-Commitment of Salary Beyond the Statutory Limit

A review of the Assembly payroll revealed that twenty-one (21) employees received net pay below a third (1/3) of the basic salary contrary to the provisions of Section 19(3) of the Employment Act, 2007 which stipulates that, the deductions made by an employer from the wages of his employee at any one time shall not exceed two thirds of such wages.

2. Non-Compliance with the Law on Staff Ethnic Composition

A review of the of personnel records indicated that during the year under review, the County Assembly had a staff composition of fifty-seven (57) employees as at 30 June, 2021 out of which fifty-six (56) or 99% were members of the same dominant ethnic community in the county. This is contrary to Section 65(1) of the County Governments Act, 2012 and Section 7(1) and (2) of National Cohesion and Integration Commission Act, 2008 which states that, all public offices shall seek to represent the diversity of the people of Kenya in employment of staff and that no public institution shall have more than one third of its staff establishment from the same ethnic community.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of Risk Management Policy

Contrary to Regulation 158(1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015. Management had not established a Risk Management

Policy and Strategy. The regulation requires the Accounting Officer to develop risk management strategies that include fraud prevention mechanisms and internal controls that support robust business operations.

Consequently, the procedures and strategies put in place to assess, identify, measure, prioritize and mitigate risks in the County Assembly could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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 (Cash 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 ability of the County Assembly's ability to continue to sustain 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 dissolve the County Assembly 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 financial reporting process, reviewing the effectiveness of how the 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 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 County Assembly'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 County Assembly to cease 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 County Assembly to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 May, 2022

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

7. FINANCIAL STATEMENTS

7.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021

		2020-2021	2019-2020
	Note	KShs	KShs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	803,142,363	707,246,000
Proceeds from Sale of Assets	2	-	102,200
Other Receipts	3	-	-
TOTAL RECEIPTS		803,142,363	707,348,200
PAYMENTS			
Compensation of Employees	4	284,651,200	280,038,080
Use of goods and services	5	292,560,621	284,772,920
Subsidies	6	-	-
Transfers to Other Government Entities	7	56,039,168	40,071,803
Other grants and transfers	8	-	-
Social Security Benefits	9	12,371,752	12,663,909
Acquisition of Assets	10	157,474,516	89,995,996
Finance Costs	11	3,720	4,450
Other Payments	12	-	-
TOTAL PAYMENTS		803,100,977	707,547,158
SURPLUS/DEFICIT		41,386	(198,958)

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 27/09/ 2021 and signed by:



ISAAC KITUR
CLERK OF THE ASSEMBLY

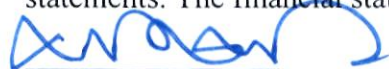


GEOFFREY MARITIM
PRINCIPAL FINANCE OFFICER
ICPAK Member Number: 12685

7.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30 JUNE 2021

		2020-2021	2019-2020
FINANCIAL ASSETS	Note	KShs	K
Cash and Cash Equivalents			
Bank Balances	13A	3,919,343	39,168
Cash Balances	13B	-	-
Total Cash and cash equivalents		3,919,343	39,168
Accounts receivables	14	-	-
TOTAL FINANCIAL ASSETS		-	-
FINANCIAL LIABILITIES			
Accounts Payables	15	3,838,789	-
NET FINANCIAL ASSETS		80,554	39,168
REPRESENTED BY			
Fund balance b/fwd.	16	39,168	238,127
Prior year adjustment	17	-	-
Surplus/(Deficit) for the year		41,386	(198,958)
NET FINANCIAL POSITION		80,554	39,168

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 27/09/2021 and signed by:



ISAAC KITUR
CLERK OF THE ASSEMBLY



GEOFFREY MARITIM
PRINCIPAL FINANCE OFFICER
ICPAK Member Number: 12685

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

7.3. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

			2020-2021	2019-2020
		Note	KShs	KShs
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from operating income				
Transfers from the County Treasury/Exchequer Releases		1	803,142,363	707,246,000
Other Receipts		3	-	102,200
Payments for operating expenses				
Compensation of Employees		4	284,651,200	280,038,000
Use of goods and services		5	292,560,621	284,772,920
Subsidies		6	-	-
Transfers to Other Government Entities		7	56,039,168	40,071,803
Other grants and transfers		8	-	-
Social Security Benefits		9	12,371,752	12,663,909
Finance Costs		11	3,720	4,450
Other Payments		12	-	-
Adjusted for:				
Prior year adjustment		17		
Decrease/(Increase) in Accounts receivable:		18	-	-
Increase/(Decrease) in Accounts Payable:		19	3,838,789	

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

Net cash flows from operating activities			161,354,691	89,797,038
CASHFLOW FROM INVESTING ACTIVITIES				
Proceeds from Sale of Assets		2		-
Acquisition of Assets		10	157,474,516	89,995,996
Net cash flows from investing activities			157,474,516	89,995,996
NET INCREASE IN CASH AND CASH EQUIVALENTS			3,880,175	(198,958)
Cash and cash equivalent at BEGINNING of the year		16	39,168	238,127
Cash and cash equivalent at END of the year		13	3,919,343	39,168

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29/09/2021 2021 and signed by:

ISAAC KITUR
CLERK OF THE ASSEMBLY

GEOFFREY MARITIM
PRINCIPAL FINANCE OFFICER
ICPAK Member Number: 12685

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

1.1. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT

COMBINED

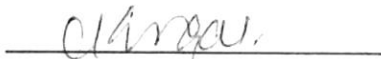
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	KShs	KShs	c=a+b	e=d-c	KShs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	771,321,526	31,820,837	803,142,363	803,142,363	100
Proceeds from Sale of Assets	-	-	-	-	-
Other Receipts	-	-	-	-	-
TOTAL	771,321,526	31,820,837	803,142,363	803,142,363	100
PAYMENTS					
Compensation of Employees	294,269,347	(9,618,147)	284,651,200	284,651,200	100
Use of goods and services	273,134,991	19,425,630	292,560,621	292,560,621	100
Subsidies	-	-	-	-	-
Transfers to Other Government Entities	25,000,000	31,000,000	56,000,000	56,000,000	100
Transfer to County Revenue Fund				39,168	
Social Security Benefits	13,930,653	(1,558,901)	12,371,752	12,371,752	100
Acquisition of Assets	164,976,535	(7,443,710)	157,532,825	157,474,516	99.9
Finance Costs	10,000	(6,280)	3,720	3,720	100
Other Payments	-	-	-	-	-
TOTAL	771,321,526	31,798,592	803,120,118	803,100,977	100
SURPLUS/ DEFICIT	-	-	-	41,386	-

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

The entity financial statements were approved on 28/09/ 2021 and signed by:



ISAAC KITUR
CLERK OF THE ASSEMBLY



GEOFREY MARITIM
PRINCIPAL FINANCE OFFICER
ICPAK Member Number: 12685

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

1.2. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilisation difference
	A	B	c=a+b	e=d-c	
RECEIPTS					
Transfers from the County Treasury/ Exchequer Releases	631,321,526	31,000,000	662,321,526	662,321,526	100
Proceeds from Sale of Assets	-	-	-	-	-
Other Receipts	-	-	-	-	-
TOTAL	631,321,526	31,000,000	662,321,526	662,321,526	100
PAYMENTS					
Compensation of Employees	294,269,347	(9,618,147)	284,651,200	284,651,200	100
Use of goods and services	273,134,991	19,425,630	292,560,621	292,560,621	100
Subsidies	-	-	-	-	-
Transfers to Other Government Entities	25,000,000	31,000,000	56,000,000	56,000,000	100
Social Security Benefits	13,930,653	(1,558,901)	12,371,752	12,371,752	100
Acquisition of Assets	24,976,535	(8,242,302)	16,734,233	16,734,233	100
Finance Costs	10,000	(6,280)	3,720	3,720	100
Other Payments	-	-	-	-	-
TOTAL	631,321,526	31,000,000	662,321,526	662,321,526	100
Surplus/ Deficit	-	-	-	-	-

**BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021**

The entity financial statements were approved on 27/06/2021 and signed by:



ISAAC KITUR

CLERK OF THE ASSEMBLY



GEOFFREY MARITIM

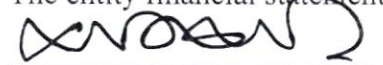
**PRINCIPAL FINANCE OFFICER
ICPAK Member Number: 12685**

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

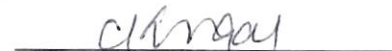
1.3. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	KShs	KShs	c=a+b	e=d-c	KShs
RECEIPTS					
Transfers from the County Treasury/ Exchequer Releases	140,000,000	798,592	140,798,592	140,798,592	100
Other Receipts	-	-	-	-	-
TOTAL	140,000,000	798,592	140,798,592	140,798,592	100
PAYMENTS					
Acquisition of Assets	140,000,000	798,592	140,798,592	140,740,282	100
Finance Costs	-	-	-	-	-
Other Payments	-	-	-	-	-
TOTAL	140,000,000	798,592	140,798,592	140,740,282	100
SURPLUS/ DEFICIT	-	-	-	58,310	-

The entity financial statements were approved on 27/09/2021 2021 and signed by:



ISAAC KITUR
CLERK OF THE ASSEMBLY



GEOFFREY MARITIM
PRINCIPAL FINANCE OFFICER
ICPAK Member Number: 12685

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2021

1.4. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	KShs	KShs	KShs	KShs	KShs
County Legislature	-	-	-	-	-
Legislative Service	163,191,313.15	7,214,536	170,405,849	170,405,849	-
Committee Service & House Proceeding	50,045,800	31,033,900	81,079,700	81,079,700	-
Office of the Speaker	9,251,530	(6,421,530)	2,830,000	2,830,000	-
Oversight and Representation	-	-	-	-	-
Decentralization of Service	74,952,400	11,467,446	86,419,846	86,419,846	-
Public Participation	32,046,000	5,000,000	37,046,000	37,046,000	-
Site Visits	898,013.45	(898,013)			-
General Administration					
County Assembly Service Board	54,261,600	35,968,400	90,230,000	90,230,000	-
Human Resource and Administration	212,640,534.30	(40,967,298)	171,673,236	171,673,236	-
Financial Management Service	2,386,000	(512,000)	1,874,000	1,874,000	-
Information Service	31,648,334.50	(10,885,439)	20,762,896	20,762,896	-
Infrastructure Development	140,000,000	798,592	140,798,592	140,740,282	58,310
Total	771,321,525.40	31,798,592	803,120,118	803,061,808	58,310

1.5. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on receivables and payables.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standard Board(PSASB).

2. Reporting entity

The financial statements are for the Bomet County Assembly. The financial statements encompass the reporting entity as specified in section 164 of PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

The County Assembly recognises all receipts from the various sources when the event occurs, and the related cash has been received by the Assembly.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Transfers from the Exchequer/ County Treasury

Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

ii) Other Receipts

Other receipts relate to receipts such as tender fees among others. These are recognised in the financial statements when the associated cash is received.

b) Recognition of payments

The entity recognises all expenses when the event occurs, and the related cash has actually been paid out by the entity.

i) Compensation of employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

ii) Use of goods and services

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

iii) Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

4. In-kind contributions

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Third Party Payments

This relates to payments done directly to supplier on behalf of the county governments such as; national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc. Details of payments by third parties on behalf of the county government is detailed in the notes to this financial statement.

6. 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.

Restriction on cash

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2021, this amounted to KShs 3,838,789 compared to KShs 0 in prior period as indicated on note 15. There were no other restrictions on cash during the year.

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted and prescribed by the Public Sector Accounting Standards Board. Other liabilities including pending bills are disclosed in the financial statements.

9. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the entity fixed asset register a summary of which is provided as a memorandum to these financial statements.

10. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Bomet Assembly at the end of the year. Pending bill form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

11. Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships. 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. Annex 6 of this financial statement is a register of the contingent liabilities in the year.

Section 185 (2) (i) of the PFM Act requires the County Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans.

12. 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.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

13. Budget

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The Assembly's budget was approved as required by Law. The original budget was approved by the County Assembly on 28th June 2020 for the period 1st July 2020 to 30 June 2021 as required by law. There was two number of supplementary budgets passed in the year. The supplementary budgets were approved on 28th June 2021. A high-level assessment of the Assembly's actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

14. Comparative figures

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

15. Subsequent events

Events after submission of the financial year end financial statements to County Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of the County Treasury.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

16. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

17. Related party transactions

Related party transactions involve cash and in-kind transactions with the National Government, National Government entities and County Government entities. Specific information with regards to related party transactions is included in the disclosure notes.

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

1.6. NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from the County Treasury/Exchequer Releases

	2020-2021	2019-2020
	KShs	KShs
Transfers from the County Treasury for Q1	40,992,500	140,000,000
Transfers from the County Treasury for Q2	324,957,250	164,000,000
Transfers from the County Treasury for Q3	104,723,805	154,240,000
Transfers from the County Treasury for Q4	332,468,808	249,006,000
Cumulative Amount	803,142,363	707,246,000

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	KShs	KShs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	102,200
Total	-	102,200

3. OTHER RECEIPTS

	2020-2021	2019-2020
	KShs	KShs
Tender fees received	-	-
Other Receipts II	-	-
Other Receipts III	-	-
Other Receipts IV	-	-
Total	-	-

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS

4. COMPENSATION OF EMPLOYEES

	2020 - 2021	2019 - 2020
	KShs	KShs
Basic salaries of permanent employees	151,493,356	138,319,655
Basic wages of temporary employees	23,947,222	25,632,668
Personal allowances paid as part of salary	52,605,716	64,345,116
Personal allowances paid as reimbursements	43,224,296	34,054,361
Personal allowances provided in kind	-	6,515,140
Employer Contribution to compulsory National Social Schemes	386,700	172,000
Employer Contribution to Compulsory National health Insurance Schemes	-	-
Pension and other social security contributions	12,993,910	10,999,140
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	284,651,200	280,038,080

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. USE OF GOODS AND SERVICES

	2020 - 2021	2019 – 2020
	KShs	KShs
Utilities, supplies and services	6,273,000	1,369,588
Communication, supplies and services	1,510,000	2,111,780
Domestic travel and subsistence	93,550,000	76,500,000
Foreign travel and subsistence	1,786,000	17,104,624
Printing, advertising and information supplies & services	5,134,000	5,237,458
Rentals of produced assets	-	454,926
Training expenses	23,598,725	23,346,619
Hospitality supplies and services	26,359,000	18,657,846
Insurance costs	18,802,676	20,426,959
Specialized materials and services	1,515,000	2,499,850
Office and general supplies and services	3,526,716	4,707,567
Fuel, oil and lubricants	3,032,938	-
Other operating expenses	104,303,904	104,019,653
Routine maintenance – vehicles and other transport equipment	2,230,000	6,511,040
Routine maintenance – other assets	938,662	1,825,010
Total	292,560,621	284,772,920

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. SUBSIDIES

Description	2020-2021	2019-2020
	KShs	KShs
Subsidies to County Corporations	-	-
<i>See list attached</i>	-	-
(insert name)	-	-
	-	-
Subsidies to Private Enterprises	-	-
<i>See list attached</i>	-	-
(insert name)	-	-
	-	-
TOTAL	-	-

7. TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	KShs	KShs
Transfers to National Government entities	-	-
Transfers to other County Assembly entities		
Bomet County Assembly Mortgage Scheme Fund	56,000,000	40,000,000
Others (insert name of budget agency)	-	-
Transfer to County Revenue Fund	39,168	71,803
TOTAL	56,039,168	40,071,803

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. OTHER GRANTS AND TRANSFERS

	2020-2021	2019-2020
	KShs	KShs
Scholarships and other educational benefits	-	-
Membership Fees and Dues and Subscriptions to Organizations	-	-
Emergency relief and refugee assistance	-	-
Subsidies to small businesses, cooperatives, and self employed	-	-
Total	-	-

9. SOCIAL SECURITY BENEFITS

	2020 - 2021	2019 - 2020
	KShs	KShs
Government pension and retirement benefits	12,371,752	12,663,910
Social security benefits	-	-
Employer Social Benefits	-	-
Total	12,371,752	12,663,910

These were gratuity payment for Members of the County Assembly

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. ACQUISITION OF ASSETS

<u>Non- Financial Assets</u>	2020 - 2021	2019 - 2020
	KShs	KShs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Construction of Roads	-	-
Construction and Civil Works	123,798,644	79,990,878
Overhaul and Refurbishment of Construction and Civil Works	-	-
Purchase of Vehicles and Other Transport Equipment	15,294,000	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	2,672,612	1,098,000
Purchase of Specialized Plant, Equipment and Machinery	15,709,260	-
Purchase of ICT Equipment	-	8,907,118
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	-
Research, Studies, Project Preparation, Design & Supervision	-	-
Rehabilitation of Civil Works	-	-
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total acquisition of non- financial assets	157,474,516	89,995,996
<u>Financial Assets</u>		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Total acquisition of financial assets	-	-
Total acquisition of assets	157,474,516	89,995,996

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. FINANCE COSTS

	2020 - 2021	2019 - 2020
	KShs	KShs
Bank Charges	3,720	4,450
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	3,720	4,450

These were bank charges on the transaction in the Bomet County Assembly account held at Equity Bank LTD.

12. OTHER PAYMENTS

	2020 - 2021	2019 - 2020
	KShs	KShs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other payments	-	-
	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. CASH AND BANK BALANCES

13A. BANK BALANCES

Name of Bank, Account Name & currency	Account Number	Indicate whether Rec, Dev, Dep e.t.c	2020 - 2021	2019 - 2020
			KShs	KShs
CBK,Bomet County Assembly Development Kenya (Kshs)	1000304804	Development	80,519	9,121.60
CBK,Bomet County Assembly Recurrent Kenya (Kshs)	100023297	Recurrent	-	11,943.90
CBK,Bomet County Assembly Deposit Kenya (Kshs)	1000458917		3,838,789	-
Equity Bank, Bomet County Assembly Account Number	1220261153628	Recurrent	35	18,102
Total			3,919,343	39,168

13B. CASH IN HAND

	2020 - 2021	2019 – 2020
	KShs	KShs
Cash in Hand – Held in domestic currency	-	-
Cash in Hand – Held in foreign currency	-	-
Total	-	-

Cash in hand should be analysed as follows:

Description	2020 - 2021	2019 – 2020
	KShs	KShs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. ACCOUNTS RECEIVABLE

<i>Description</i>	2020 - 2021	2019 - 2020
	Kshs	Kshs
Government Imprests	-	-
Salary Advance	-	-
Clearance accounts	-	-
Total	-	-

15. ACCOUNTS PAYABLE

Description	2020 - 2021	2019 - 2020
	KShs	KShs
Deposits	3,838,789	-
Retentions	-	-
Total	3,838,789	-

(NB: Amount under deposits and retentions should tie to cash held in deposit account)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted Balance b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
	-	-	-

There were no prior year adjustments.

18. CHANGES IN RECEIVABLE

Description	2020-2021	2019-2020
	KShs	KShs
Opening Account Receivables as at 1 st July 2020	-	-
Closing Account Receivables as at 30 th June 2021	-	-
Change in Account Receivables	-	-

19. CHANGES IN ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Opening Accounts Payables as at 1 st July 2020	-	-
Closing Accounts payables as at 30 th June 2021	3,838,789	-
Change in Accounts payables	3,838,789	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

OTHER DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 1)

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	-	7,730,243	3,891,454	3,838,789
Construction of civil works	-	-	-	-
Supply of goods	-	-	-	-
Supply of services	-	-	-	-
Total	-	7,730,243	3,891,454	3,838,789

2. PENDING STAFF PAYABLES (See Annex 2)

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Senior management	-	-	-	-
Middle management	-	-	-	-
Unionisable employees	-	-	-	-
Others	-	-	-	-
Total	-	-	-	-

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. OTHER PENDING PAYABLES (See Annex 3)

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities	-	-	-	-
Amounts due to County Government entities	-	-	-	-
Amounts due to third parties	-	-	-	-
Total	-	-	-	-

4. EXTERNAL ASSISTANCE

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
External assistance received in cash	-	-
External assistance received as loans and grants	-	-
External assistance received in kind- as payment by third parties	-	-
Total	-	-

a) External assistance relating loans and grants

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
External assistance received as loans	-	-
External assistance received as grants	-	-
Total	-	-

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

b) Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	FY 2020/2021	FY 2019/2020
Description		Kshs	Kshs
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants		-	-
Total		-	-

c) Classes of providers of external assistance

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

(Provide details for external assistance e, g. Economic development or welfare objective, Emergency relief, Trading activities etc.)

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

2021/2022
 BOMET COUNTY ASSEMBLY
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

d. Non-monetary external assistance

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
Goods	-	-
Services	-	-
Total	-	-

PAYMENTS MADE BY THIRD PARTIES	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
Compensation of Employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to Other Government Units	-	-
Other grants and transfers	-	-
Social Security Benefits	-	-
Acquisition of Assets	-	-
Finance Costs, including Loan Interest	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-
Other Payments	-	-
TOTAL	-	-

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

f. External Assistance paid by Third Parties on behalf of the Entity by Source

This relates to external assistance paid directly by third parties to settle obligations on behalf of the entity

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

5. PAYMENTS BY THIRD PARTY ON BEHALF OF THE COUNTY ASSEMBLY

This relates to payments done directly to supplier on behalf of the county governments such as; national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc.

Classification by Source

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

Classification of payments made by Third Parties by Nature of expenses

PAYMENTS MADE BY THIRD PARTIES	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
Compensation of Employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to Other Government Units	-	-
Other grants and transfers	-	-
Social Security Benefits	-	-
Acquisition of Assets	-	-
Finance Costs, including Loan Interest	-	-
Other Payments	-	-
TOTAL	-	-

6. RELATED PARTY DISCLOSURES

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the County Assembly:

- i) Members of County Assembly.
- ii) Key management personnel that include the Clerk of the Assembly and heads of departments.
- iii) The County Executive.
- iv) County Ministries and Departments.
- v) Other County Government entities including corporations, funds and boards.
- vi) The National Government.
- vii) Other County Governments; and
- viii) State Corporations and Semi-Autonomous Government Agencies.

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

Related party transactions:

	2020- 2021	2019- 2020
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	144,121,246	143,652,016
Key Management Compensation (Clerk and Heads of departments)	35,321,000	34,321,000
Total Compensation to Key Management	179,442,246	177,973,016
<u>Transfers to related parties</u>		
Transfers to other County Government Entities such as car and mortgage schemes	56,000,000	40,000,000
Transfers to County Corporations	-	-
Transfers to non-reporting entities e.g ECD centres, welfare centres etc	-	-
Total Transfers to related parties	56,000,000	40,000,000
<u>Transfers from related parties</u>		
Transfers from the County Executive- Exchequer	803,120,118	707,246,000
Payments made on behalf of the County Assembly by other Government Agencies	-	-
(Insert any other transfers received)	-	-
Total Transfers from related parties	803,120,118	707,246,000

7. Contingent Liabilities

Contingent liabilities	2020-2021	2019-2020
	Kshs	Kshs
Court case against the entity	-	-
Bank guarantees in favour of subsidiary	-	-
contingent liabilities arising from PPPs	-	-
Total	-	-

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

8. PROGRESS ON FOLLOW ON PRIOR YEAR AUDITOR'S RECOMMENDATIONS

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Errors in annual Report and Financia; Statements	Financial statement has been amended	Resolved	
2	In accuracies in the Financial Statement	Financial statement has been amended	Resolved	
3	Budgetary Control and Performance	The absorption rate will be monitored going forward	Resolved	
4	Non Adherence ethic composition	The management has embark on a plan to address the issue	Unresolved	
5	Lack of risk management	The draft risk management is awaiting approval of the board.	Unresolved	31 st Dec 2021
6	Salaries paid outside IPPD System	The directorate of the personnel management had been notified to provide the payroll numbers for the affected staff.	Unresolved	30 June 2022

CLERK OF THE ASSEMBLY



Date 27.09.2021

**BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2021**

ANNEXES

ANNEX 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Date Contracted	Original Amount	balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
			A	b	c	d=a+b-c	
Construction of buildings							
1. Mahathi East Africa Ltd	0	0	0	7,730,243	3,891,454	3,838,789	
2.							
3.							
Sub-Total				7,730,243	3,891,454	3,838,789	
Construction of civil works							
4.							
5.							
6.							
Sub-Total							
Supply of goods							
7.							
8.							
9.							
Sub-Total							

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

Supplier of Goods or Services	Date Contracted	Original Amount	balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Supply of services							
10.							
11.							
12.							
Sub-Total							
Grand Total							
Note: Pending bills comprise goods and services rendered and invoiced but not yet settled and does not include commitments							

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2021

ANNEX 2 – ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid	Outstanding Balance	Outstanding Balance	Comments
				To-Date	2020/2021	2019/2020	
			a	b	c=a-b		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (<i>specify</i>)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2021

ANNEX 3 – ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
			a	b	c=a-b		
Amounts due to National Govt Entities							
1.							
2.							
3.							
Sub-Total							
Amounts due to County Govt Entities							
4.							
5.							
6.							
Sub-Total							
Amounts due to Third Parties							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							



BOMET COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

ANNEX 4 – SUMMARY OF NON-CURRENT ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2019/20	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out)	Historical Cost c/f (KShs) 2020/2021
Land	13,440,000				13,440,000
Buildings and structures	87,880,105	123,798,644			211,678,749
Transport equipment	-	15,294,000			15,294,000
Office equipment, furniture and fittings	6,046,393	2,672,612			8,719,005
ICT Equipment	17,977,520	15,709,260			33,686,780
Machinery and Equipment					
Biological assets					
Infrastructure Assets					
Heritage and cultural assets					
Intangible assets					
Work In Progress					
Total	125,344,018	157,474,516			282,818,534

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly. Additions during the year should tie to note 10 on acquisition of assets during the year. Ensure a complete fixed asset register is separately prepared in line with guidelines from The National Treasury.

ANNEX 7 – BANK RECONCILIATION/FO 30 REPORT