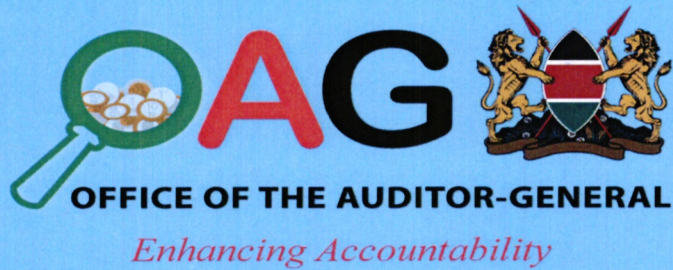


REPUBLIC OF KENYA



PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

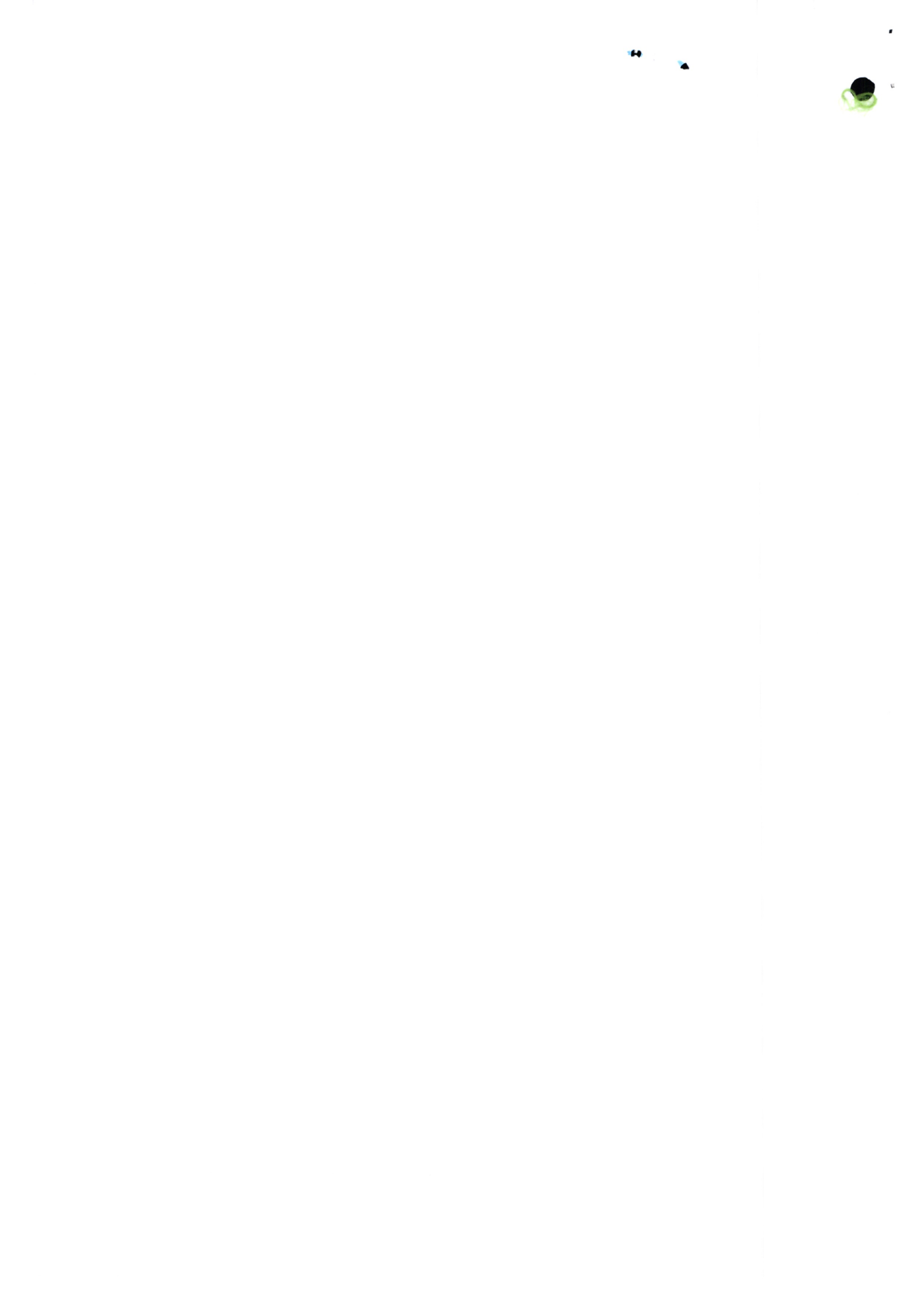
THE AUDITOR-GENERAL

ON

**COUNTY ASSEMBLY OF
BOMET**

**FOR THE YEAR ENDED
30 JUNE, 2022**

PAPERS LAID	
DATE	14.3.23
TABLED BY	DEP MAJ WHIP
COMMITTEE	
CLERK AT THE TABLE	M. ABOIBOSHI





BOMET COUNTY ASSEMBLY

ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30 JUNE 2022

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

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

TABLE OF CONTENTS

1.	Key entity information and management	ii
2.	Forward by the clerk of the assembly.....	vi
3.	Statement of performance against county assembly predetermined objectives	xi
4.	Corporate social responsibility statement	xiv
5.	Statement of management responsibilities	xvi
6.	Report of the auditor general on bomet county assembly financial statements for the year ended 30 june 2022.....	xviii
7.	Statement of receipts and payments for the year ended 30 june 2022.....	1
8.	Statement of financial assets and liabilities as at 30 june 2022	2
9.	Statement of cash flows for the period ended 30 june 2022.....	3
10.	Statement of comparison of budget & actual amounts: recurrent and development	5
11.	Statement of comparison of budget & actual amounts: recurrent	7
12.	Statement of comparison of budget & actual amounts: development.....	9
13.	Budget execution by programmes and sub-programmes	11
14.	Significant accounting policies	13
15.	Notes to the financial statements.....	21
16.	Progress on follow up of prior year auditor's recommendations	39
17.	Annexes	41

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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.	Deputy Director Financial Services	Geofrey Maritim
4.	Head of Procurement	Richard Maritim

(c) Fiduciary Management

The key management personnel who held office during the year ended 30 June 2022 and who had direct fiduciary responsibility were;

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

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

KEY ENTITY INFORMATION AND MANAGEMENT

Fiduciary Oversight Arrangement

1. Internal Audit Committee

- The role of the audit committee is to support the County Assembly in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, internal and external audit functions and ethical accountability.

2. Bomet Assembly Public Accounts and Investment committee

- Examination of the accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit
- Examination of the reports, accounts and workings of the County public investments;
- Examination, in the context of the autonomy and efficiency of the County public investments, whether the affairs of the County public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices

3. Senate Public Accounts and Investment committee

The Senate Public Accounts Committee is responsible for the examination of the accounts showing the appropriations of the sum voted by the House to meet the public expenditure and of such other accounts laid before the House as the Committee may think fit.

4. Bomet County Assembly Budget and Appropriation committee

- Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the County budget;
- Discuss and review the estimates and make recommendations to the County Assembly;
- Examine the County Budget Policy Statement presented to the County Assembly;
- Examine Bills related to the County budget, including Appropriations Bills;
- Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays. and Such other functions as may be assigned by a County Legislation or this Standing Orders

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

(d) Entity Headquarters

Bomet County Assembly

P.O. Box 590-20400,

Assembly Head Quarters

NAROK –SOTIK HIGHWAY

(e) Entity Contacts

Telephone: (254) 727887146

E-mail: info@bometassembly.go.ke

Website: www.bometassembly.go.ke

(f) Entity Bankers

- i. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

- ii. Equity Bank (Kenya) Limited
Equity Centre
Hospital Road Upper Hill
P.O Box 75104-00200
NAIROBI.

(g) Independent Auditor

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

GPO 00100

NAIROBI, KENYA

(h) Principal Legal Adviser

i)The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

ii)County Attorney

County headquarters

P.O. Box 19-20400

BOMET.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. FORWARD BY THE CLERK OF THE ASSEMBLY

2.1 Budget performance

The County Assembly budget performance for the period under review is as follows;

ITEM DESCRIPTIONS	APPROVED BUDGET	SUPPLEMENTARY BUDGET	ACTUAL EXPENDITURE	% PERFORMANCE
Personnel Emolument	308,200,000	309,263,151	309,263,151	100
Use of Goods and Services	414,866,449	413,803,298	368,796,490	89
Capital Expenditure	212,655,077	212,655,077	52,825,585	25
Grand Total	935,721,526	935,721,526	730,885,226	78

2.2 Operational Performance

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

	BILL	1st Reading	2nd Reading	Committee of the Whole Assembly	3rd Reading	Status
1	The County Climate Change Bill 2021	10 th September 2021	25 th February 2022	15 th September 2021	23 rd September 2022	Passed
	The Bomet County Valuation for Rating Bill 2019	10 th September 2019	17 th March 2020	16 th September 2021	22 nd September 2021	Passed
3	The Bomet County Rating Bill 2019	10 th September 2019	22 nd July 2020	4 th August 2021	11 th August 2021	Passed
4	The Bomet County Appropriation Bill 2019(Bills N0.10)	23 rd October 2019	23 rd October 2019	23 rd October 2021	23 rd October 2021	Passed
5	The Bomet County Finance Bill 2019	28 th January 2020	25 th February 2021	3 rd March 2020	4 th March 2021	Passed

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

6	The Bomet County Supplementary Appropriation Bill 2020	21 st April 2022	21 st April 2022	21 st April 2022	21 st April 2022	Passed
7	The Bomet County Supplementary Appropriation(N0.2) Bill 2020	4 th June 2022	4 th June 2022	4 th June 2022	4 th June 2022	Passed
8	The Bomet County Appropriation Bill 2020	30 th June 2022	30 th June 2022	30 th June 2022	30 th June 2022	Passed
9	The Bomet County Finance Bill,2020	1 st December 2021	9 th March 2022	17 th March 2022	17 th March 2022	Passed

2.3 Performance of key Development Projects

Projects	Contract Sum	Start Date	Expected Completion Date	Interim Payment	Status
Construction of Mini chamber	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 responsible competition practices;

- Have developed 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 suppliers are paid within 30 days after delivery of goods and services as per the service charter.

2.4 Mandates of the various committees

Committee on Agriculture, Fisheries and Livestock

- Deals with all matters relating to agriculture, including crop and animal husbandry, livestock sale yards, county abattoirs, plant and animal disease control and fisheries, animal control and welfare, including licensing of dogs and facilities for the accommodation, care and burial of animals and veterinary services (excluding regulation of the profession)

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Committee on Health and Sanitation

- Deals with all matters relating to county health services, including, in particular county health facilities and pharmacies, ambulance services, promotion of primary health care, licensing and control of undertakings that sell food to the public.

Committee on Education, Youth and Sports Gender, Culture and Social Services

- Deals with all matters relating to pre-primary education, village polytechnics, home craft centres and childcare facilities, youth affairs, children's welfare racing and sports. All matters relating to gender, Cultural activities and facilities, public entertainment and public amenities, including betting, casinos and other forms of gambling, cinemas, video shows and hiring, libraries, museums, county parks, recreation facilities; control of drugs and pornography, betting and lotteries.

Committee on Infrastructure (Roads, transport and public works)

- Deals with all matters relating to county transport, including county roads, street lighting, traffic and parking, public road transport, county public works and services including storm water management systems in built-up areas.

Committee on E-government and Innovation

- Deals with all matters relating to application of Information & Communication Technology and innovation in provision of County Government services; development and advancement of technology; all matters that may directly or indirectly affect information and communication technology within the county; all matters it deems relevant with regard to the offices, departments, all county-owned enterprises and institutions in relation to use of Information and Communication Technology; and protection of automated critical infrastructure in the County.

Committee on Finance and Economic Planning.

- Deals with all matters relating to County treasury, revenue policies, County economic planning and development including statistics.
- Committee on Labour and Public Service
- Deals with all matters relating to labour, County public service, trade union relations, manpower or human resource planning.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Committee on Administration, Legal Affairs and citizen engagement

- Deals with all matters relating to Administration, peace, the administration of law, ethics, integrity, ensuring and coordinating the participation of communities and locations in governance at the local level and assisting communities and locations to develop the administrative capacity for the effective exercise of the functions and powers and participation in governance at the Second Schedule 211 local level.

Committee on Energy, Environment, Water and Natural Resources

- Deals with all matters relating to electricity, gas and energy reticulation, water conservation and sanitation services, implementation of specific national government policies on natural resources and environmental conservation, forestry, control of air pollution, noise pollution, other public nuisances and outdoor advertising. Lands, Urban Planning and Housing All matters relating to land survey and mapping, boundaries and fencing, housing, urban planning including planning in towns, urban areas, firefighting services and disaster management, cemeteries, funeral parlours and crematoria and refuse removal, refuse dumps and solid waste disposal.

Committee on Trade, Tourism and Co-operatives

- Deals with all matters relating to trade development and regulation, including markets, trade licences (excluding regulation of professions); fair trading practices, local tourism, commerce, industry and liquor licensing.

County Public Investment and Accounts Committee

- The County Public Investments and Accounts Committee shall be responsible for- (a) the examination of the accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit. (b) the examination of the reports, accounts and workings of the county public investments; (c) the examination, in the context of the autonomy and efficiency of the county public investments, whether the affairs of the county public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices:

County Budget and Appropriations Committee

- The functions of the Committee shall be to- (a) investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget, Select Committees 151 (b) discuss and review the estimates and make recommendations to the County Assembly; (c)

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

examine the County Fiscal Strategy Paper presented to the County Assembly; (d) examine Bills related to the County budget, including Appropriations Bills; and (e) evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.

2.5 Value-for-money achievements

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

- The public has 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.

2.6 Challenges and Recommended Way Forward

The strategic objective of the County Assembly was hindered by the following challenges;

- Delayed disbursement of funds meant for the Construction of the County Assembly buildings.
- Political challenges occasioned by the General elections.

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 measured in a more predictable manner hence improving on their work.



ISAAC K KITUR

CLERK OF THE ASSEMBLY

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

3. STATEMENT OF PERFORMANCE AGAINST COUNTY ASSEMBLY PREDETERMINED 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 documented in terms of objective, key performance indicators, and output.

Below were the expected outputs of the assembly in FY 2021/2022

Program	Objective	Outcome	Indicator
Train Members to adequately carry out general legislative work	Conduct workshops trainings and benchmarking visits	Continuous	No. of workshops, trainings and benchmarks undertaken
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

**BOMET COUNTY ASSEMBLY
 ANNUAL REPORT AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2022**

<p>Strengthen County Assembly's to carry out oversight work</p>	<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 	<p>Continuous</p>	<p>No. of trainings undertaken No. of public participation events on oversight matters</p>
<p>Facilitate participation of citizens in the oversight process</p>	<ul style="list-style-type: none"> • Undertake public participation events on oversight matters 	<p>Continuous</p>	<ul style="list-style-type: none"> • No. of public participation events. • No. of feedback from the public

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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
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

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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

a) 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.

b) Environmental performance

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

c) 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.

d) 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

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Consumers shall, in their purchasing commodities or receiving services, have the right to obtain fair deal prerequisites such as guarantee of quality, reasonable prices and correct measurement, and have the right to refuse any compulsory transaction of business

e) 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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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, 2022. 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.

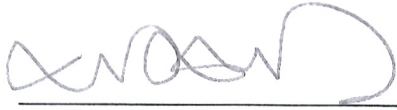
The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that 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, 2022, 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 and that the County 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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Approval of the financial statements

The County Assembly's financial statements were approved and signed by the Clerk of the County Assembly on **13 December 2022**.

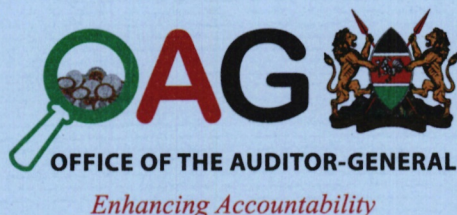


ISAAC KITUR

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, 2022

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 overall governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Bomet set out on pages 1 to 40, which comprise of the statement of financial assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows

Report of the Auditor-General on County Assembly of Bomet for the year ended 30 June, 2022

and statement of comparison of budget and actual amounts - recurrent and development for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Assembly of Bomet as at 30 June, 2022 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 Qualified Opinion

1. Misclassified Expenditure

The statement of receipts and payments reflects use of goods and services amount of Kshs.322,579,589. Included in the amount is Kshs.38,096,241 relating to hospitality supplies and services out of which Kshs.8,239,110 was incurred on foreign travel and subsistence but erroneously classified under hospitality supplies expenditure item.

In the circumstances, the accuracy and completeness of use of goods and services amount of Kshs.8,239,110 could not be confirmed.

2. Unsupported Other Operating Expenses

The statement of receipts and payments reflects use of goods and services amount of Kshs.322,579,589. Included in the amount is Kshs.79,660,450 relating to other operating expenses out of which Kshs.5,040,000 was incurred on rent for ward offices. However, the lease agreements, rent invoices and receipts were not provided for audit.

In the circumstances, the accuracy and completeness of other operating expenses amount of Kshs.79,660,450 could not be confirmed.

3. Unsupported Acquisition of Assets

The statement of receipts and payments reflects acquisition of assets amount of Kshs.73,803,147. However, the detailed schedule showing the assets description, contract value, certificates paid to-date, commence and completion dates were not provided for audit.

In the circumstances, the accuracy, completeness and validity of acquisition of assets amount of Kshs.73,803,147 could not be confirmed.

4. Inaccuracies in Pending Accounts Payable Balance

Note 1 to the financial statements under other important disclosures reflects pending accounts payables balance of Kshs.5,852,827. 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. Although Management provided correspondences with the Kenya Revenue Authority (KRA) indicating that the County Assembly had been remitting taxes, no explanation was provided why the County Assembly tax account and the KRA ledger reflected outstanding balances.

In the circumstances, the accuracy of the pending accounts payables balance of Kshs.5,852,827 could not be confirmed. In addition, the County Assembly is at risk of incurring interest and penalties due to failure to remit the outstanding taxes.

5. Unsupported Accounts Payables –Retentions and Deposits

The statement of assets and liabilities reports accounts payables-deposits and retentions balance of Kshs.5,852,827. However, a detailed schedule showing opening balances, additions for the year and payments for the year to arrive at the closing balance was not provided for audit.

In the circumstances, the accuracy and completeness of the accounts payables – retentions and deposits balance of Kshs.5,852,827 could not be confirmed.

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 qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts: recurrent and development combined reflects a final receipts budget of Kshs.935,721,526 against actual receipts of Kshs.731,128,005 resulting to budget under funding of Kshs.204,593,521 or 22% of the budget. Similarly, the statement reflects a final expenditure budget of Kshs.935,721,526

against the actual expenditure of Kshs.730,885,226 resulting to under absorption of Kshs.204,836,300 or 22% of the budget.

The budget under funding and under absorption affected the planned activities and may have impacted negatively on service delivery to the public.

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. Non-Compliance with the Cut-Off Date

The statement of receipts and payments reflects total payments amount of Kshs.730,885,226. However, included in the amount is Kshs.72,813,638 comprising of recurrent expenditure of Kshs.44,086,362 and development expenditure of Kshs.28,727,276 made after the financial year cut-off date of 30 June, 2022 in breach of Section 97(4) of the Public Finance Management Regulations, 2015 which prohibits cash transactions after the financial year cut-off date.

In the circumstances, Management was in breach of the law.

2. Over-Commitment of Salary Beyond the Statutory Limit

Review of payroll revealed that twenty-one (21) employees received net pay below a third (1/3) of their 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.

In the circumstances, Management was in breach of the law.

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

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 out of which fifty-six (56) or 99% were members of the dominant ethnic community. This is contrary to Section 65(1) e of the County Government Act, 2012 which states the need to ensure that at least 30% of the vacant positions at the entry level are filled by candidates who are not from dominant community in the County.

In the circumstances, Management was in breach of the law.

4. Acting Appointments in Excess of Policy Period

Review of personnel records indicated that three officers appointed on acting capacity on diverse dates exceeded the twelve (12) months mandatory period of appointment without renewal. This is contrary to Section B. 32 of the Human Resource Manual that require acting appointments to be limited to twelve months at any given time for substantive vacant position.

In the circumstances, Management was in breach of the law.

5. Irregular Retirement of an Employee

Review of records indicated that one officer went into early retirement on 3 February, 2022. Though her request was approved on 24 February, 2022 she failed to attend the exit interview. In addition, the officer has not submitted the handing over report or filled the clearing form. Further, she has not handed over any assets she possessed belonging to the County Assembly.

In the circumstances, the County Assembly's assets may not be adequately safeguarded.

6. Over Employment of Ward Staff

Review of records revealed that the County Assembly had in place one hundred and thirty-six (136) ward employees in contravention of circular Ref. No. CRA/COS/CMG/9/Vol.V (43) of 3 August, 2020 which provides that each of the thirty-six (36) Members of the County Assembly are allowed to employ a maximum number of three employees each giving a total expected ward employees of one hundred and eight (108). This resulted to over employment of twenty-eight (28) ward employees.

In the circumstances, Management was in breach of the law.

7. Lack of Needs Assessment

The statements of receipt and payments reflects use of goods and services amount of Kshs.322,579,589. Included in the amount is training expenses totaling Kshs.35,828,549 incurred without a training needs assessment or identification of skill gaps in breach of the County Assembly's Human Resource Manual requirements.

In the circumstances, Management was in breach of the manual.

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 governance were not effective.

Basis for Conclusion

Ineffective Internal Controls on Voided Payments

Review of the County Assembly IFMIS records provided for audit revealed that payments amounting to Kshs.131,293,869 were made in the system to support funding from the County Revenue Fund but were subsequently voided. However, a list of persons paid, services or goods rendered, approvals and the reasons for voiding in supports of the payments were not provided for audit.

In the circumstances, it was not possible to confirm whether the internal controls relating to voided payments were effective during the period under review.

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

In preparing the financial statements, Management is responsible for assessing the ability of the County Assembly's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to 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 County Assembly's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and overall 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 controls would not necessarily disclose all matters in the internal controls 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 controls 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 controls.
- 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 February, 2023

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

7. Statement of Receipts and Payments for the Year Ended 30 June 2022

		2021-2022	2020-2021
	Note	Kshs	Kshs
Receipts			
Exchequer releases	1	731,128,005	803,142,363
Proceeds from sale of assets	2	-	-
Other receipts	3	-	-
Total receipts		731,128,005	803,142,363
Payments			
Compensation of employees	4	275,411,366	284,651,200
Use of goods and services	5	322,579,589	292,560,621
Subsidies	6	-	-
Transfers to other government entities	7	30,000,000	56,039,168
Other grants and transfers	8	-	-
Social security benefits	9	29,090,285	12,371,752
Acquisition of assets	10	73,803,147	157,474,516
Finance costs	11	840	3,720
Other payments	12	-	-
Total payments		730,885,226	803,100,977
Surplus/deficit		242,779	41,386

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on **13 December 2022** and signed by:



ISAAC K KITUR
CLERK OF THE ASSEMBLY



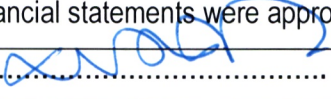
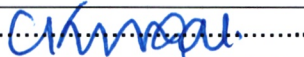
GEOFFREY MARITIM
DEPUTY DIRECTOR FINANCIAL SERVICES
ICPAK Member Number:12685

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

8. Statement of Financial Assets and Liabilities as at 30 June 2022

		2021-2022	2020-2021
Financial assets	Note	Kshs	Kshs
Cash and cash equivalents			
Bank balances	13A	6,095,606	3,919,343
Cash balances	13B	-	-
Total cash and cash equivalents		6,095,606	3,919,343
Imprests and Advances	14	-	-
Total financial assets		6,095,606	3,919,343
Financial liabilities			
Third party deposits and retention	15	5,852,827	3,838,789
Net financial assets		242,779	80,554
Represented by			
Fund balance b/fwd.	16	80,554	39,168
Prior year adjustment	17	80,554	-
Surplus/(deficit) for the year		242,779	41,386
Total Net Financial Assets and Liabilities		242,779	80,554

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on **13 December 2022** and signed by:

	
ISAAC K KITUR	MARITIM GEOFREY
CLERK OF THE ASSEMBLY	DEPUTY DIRECTOR FINANCIAL SERVICE
	ICPAK Member Number:12685

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

9. Statement of Cash Flows for the Period Ended 30 June 2022

		2021-2022	2020-2021
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts from operating income			
Exchequer releases	1	731,128,005	803,142,363
Other receipts	3	-	-
Total		731,128,005	803,142,363
Payments for operating expenses			
Compensation of employees	4	275,411,366	284,651,200
Use of goods and services	5	322,579,589	292,560,621
Subsidies	6	-	-
Transfers to other government entities	7	30,000,000	56,039,168
Other grants and transfers	8	-	-
Social security benefits	9	29,090,285	12,371,752
Finance costs	11	840	3,720
Other payments	12	-	-
Total		657,082,080	645,626,461
Adjusted for:			
Prior year adjustment	17	80,554	-
Decrease/(increase) in accounts receivable:	18	-	-
Increase/(decrease) in accounts payable:	19	2,014,038	3,838,789
Net cash flows from operating activities		75,979,409	161,354,691
Cash flow from investing activities			
Proceeds from sale of assets	2	-	-
Acquisition of assets	10	(73,803,147)	(157,474,516)
Net cash flows from investing activities		(73,803,147)	(157,474,516)
Net increase in cash and cash equivalents		2,176,262	3,880,175
Cash & cash equivalent at Start of the year	13	3,919,343	39,168
Cash & cash equivalent at end of the year	13	6,095,606	3,919,343

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on **13 December 2022** and signed by:



ISAAC K KITUR
CLERK OF THE ASSEMBLY



MARITIM GEOFFREY
DEPUTY DIRECTOR FINANCIAL SERVICES
ICPAK Member Number 12685

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

10. Statement of Comparison of Budget & Actual Amounts: Recurrent and 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					
Exchequer releases	935,721,526	-	935,721,526	731,128,005	22
Proceeds from sale of assets	-	-	-	-	-
Other receipts	-	-	-	-	-
Total	935,721,526	-	935,721,526	731,128,005	22
Payments					
Compensation of employees	279,012,638	3,601,272	275,411,366	275,411,365	-
Use of goods and services	284,975,251	(37,611,146)	322,586,397	322,579,589	100
Subsidies	-	-	-	-	-
Transfers to other government entities	75,000,000		75,000,000	30,000,000	40
Other grants and transfers	-	-	-	-	-
Social security benefits	28,976,285	(114,000)	29,090,285	29,090,285	-
Acquisition of assets	267,733,552	34,103,074	233,630,478	73,803,147	27
Finance costs	23,800	20,800	3,000	840	28
Other payments	-	-	-	-	-
Total	935,721,526	-	935,721,526	730,885,226	-
Surplus/ deficit	-	-	-	242,779	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

The entity financial statements were approved on **13 December 2022** and signed by:



**ISAAC K KITUR
CLERK OF THE ASSEMBLY**



**MARITIM GEOFREY
DEPUTY DIRECTOR FINANCIAL SERVICES
ICPAK Member Number:12685**

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

11. Statement of Comparison of Budget & Actual Amounts: Recurrent

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	A	B	c=a+b	e=d-c	
Receipts					
Exchequer releases	723,066,449	-	723,066,449	678,066,449	6.2
Proceeds from sale of assets	-	-	-	-	-
Total	723,066,449	-	723,066,449	678,066,449	6.2
Payments					
Compensation of employees	279,012,638	3,601,272	275,411,365	275,411,365	-
Use of goods and services	284,975,552	(37,611,146)	322,586,397	322,579,589	1
Transfers to other government entities	75,000,000	-	75,000,000	30,000,000	60
Social security benefits	28,976,285	(114,000)	29,090,285	29,090,285	-
Acquisition of assets	55,078,174	34,102,772	20,975,402	20,977,562	-
					72
Finance costs	23,800	20,800	3,000	840	

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Total	723,066,449	-	723,066,449	678,059,641	-
Surplus/ deficit	-	-	-	6,808	-

The entity financial statements were approved on **13 December 2022** and signed by:

ISAAC K KITUR
CLERK OF THE ASSEMBLY

GEOFREY MARITIM
DEPUTY DIRECTOR FINANCIAL SERVICE
ICPAK Member Number:12685


**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

12. 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					
Treasury/ exchequer releases	212,655,077	-	212,655,077	53,061,556	75
Proceeds from sale of assets	-	-	-	-	-
Other receipts	-	-	-	-	-
Total	212,655,077	-	212,655,077	53,061,556	75
Payments					
Compensation of employees	-	-	-	-	-
Use of goods and services	-	-	-	-	-
Subsidies	-	-	-	-	-
Transfers to other government entities	-	-	-	-	-
Other grants and transfers	-	-	-	-	-
Social security benefits	-	-	-	-	-
Acquisition of assets	212,655,077	-	212,655,077	52,825,585	75
Finance costs	-	-	-	-	-
Other payments	-	-	-	-	-
Total	212,655,077	-	212,655,077	52,825,585	75
Surplus/ deficit	-	-	-	235,971	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

The entity financial statements were approved on **13 December 2022** and signed by:



**ISAAC K KITUR
CLERK OF THE ASSEMBLY**



**MARITIM GEOFREY
DEPUTY DIRECTOR FINANCIAL SERVICES
ICPAK Member Number:12685**

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

13. Budget Execution by Programmes and Sub-Programmes

Programme/Sub-Programme	Final Budget	Indicators	Outcomes	Actual on comparable basis	Budget utilization difference
	Kshs	%	%	Kshs	Kshs
PROGRAMME 1: COUNTY LEGISLATURE (LEGISLATIVE SERVICES)					
Sub-Programme 1.1: Legislative Services	182,727,631	-	-	182,727,631	-
Sub-Programme 1.2: Committee Services and House Proceedings	106,714,523	-	-	106,714,523.50	-
Sub-Programme 1.3: Office of the Speaker	8,000,000	-	-	8,000,000	-
TOTAL FOR LEGISLATIVE SERVICES	297,442,155			297,442,155	
PROGRAMME 2: OVERSIGHT AND REPRESENTATION					
Sub-Programme 2.1: Decentralization of Services	30,579,107	-	-	30,579,107	-
Sub-Programme 2.2: Public Participation	66,533,770	-	-	66,533,770	-
Sub-Programme 2.3: Site Visits	0	-	-	0	-
TOTAL FOR OVERSIGHT AND REPRESENTATION	97,112,877			97,112,877	
PROGRAMME 3: OFFICE OF THE CLERK - GENERAL ADMINISTRATION,					

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Programme/Sub-Programme	Final Budget	Indicators	Outcomes	Actual on comparable basis	Budget utilization difference
HUMAN RESOURCE AND ADMINISTRATIVE SERVICES					
Sub-Programme 3.1: County Assembly Service Board	111,028,200			66,028,200	45,000,000
Sub-Programme 3.2: Human Resource and Administrative Services	198,677,369			198,672,721	4,648
Sub-Programme 3.3: Financial Management Services	2,488,200			2,486,040	2,160
Sub-Programme 3.4: Information Services & E-Assembly	16,317,648			16,317,648	-
Sub-Programme 3.5: Infrastructure Development	212,655,077			52,825,585	159,829,492
TOTAL FOR GENERAL ADMINISTRATION, HUMAN RESOURCE AND ADMINISTRATIVE SERVICES	541,166,494			336,330,194	204,836,300

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

14. 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 imprest 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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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 2022, 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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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 2021 for the period 1st July 2021 to 30 June 2022 as required by law. There was two number of supplementary budgets passed in the year. The supplementary budgets were approved on 28th June 2022. 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.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

16. Errors / Prior Period Adjustments

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 means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

15. Notes to the Financial Statements

1. Exchequer Releases

	2021-2022	2020-2021
	Kshs	Kshs
Transfers from the county treasury for Quarter 1	101,237,223	40,992,500
Transfers from the county treasury for Quarter 2	177,712,031	324,957,250
Transfers from the county treasury for Quarter 3	178,957,109	104,723,805
Transfers from the county treasury for Quarter 4	273,221,642	332,468,808
Cumulative amount	731,128,005	803,142,363

2. Proceeds From Sale Of Assets

	2021-2022	2020-2021
	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	-	-
Total	-	-

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Tender Fees Received	-	-
Other Receipts II	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Other Receipts III	-	-
Other Receipts IV	-	-
Total	-	-

4. Compensation Of Employees

	2021- 2022	2020- 2021
	Kshs	Kshs
Basic salaries of permanent employees	152,263,068	151,493,356
Basic wages of temporary employees	27,564,111	23,947,222
Personal allowances paid as part of salary	89,118,586	52,605,716
Personal allowances paid as reimbursements	6,000,000	43,224,296
Personal allowances provided in kind	-	-
Employer contribution to compulsory national social schemes	465,600	386,700
Employer contribution to compulsory national health insurance schemes	-	-
Pension and other social security contributions	-	12,993,910
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	275,411,365	284,651,200

5. Use Of Goods And Services

	2021 – 2022	2020 – 2021
	Kshs	Kshs
Utilities, supplies and services	1,462,432	6,273,000
Communication, supplies and services	1,970,000	1,510,000
Domestic travel and subsistence	97,600,915	93,550,000
Foreign travel and subsistence	34,531,171	1,786,000
Printing, advertising and information supplies & services	4,668,330	5,134,000
Rentals of produced assets	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Training expenses	35,828,549	23,598,725
Hospitality supplies and services	38,096,241	26,359,000
Insurance costs	16,907,723	18,802,676
Specialized materials and services	1,306,084	1,515,000
Office and general supplies and services	3,836,800	3,526,716
Fuel, oil and lubricants	2,501,518	3,032,938
Other operating expenses	79,660,450	104,303,904
Routine maintenance – vehicles and other transport equipment	2,155,405	2,230,000
Routine maintenance – other assets	2,054,005	938,662
Total	322,579,624	292,560,621

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Notes to The Financial Statements (Continued)

6. Subsidies

Description	2021-2022	2020-2021
	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	2021-2022	2020-2021
	Kshs	Kshs
Transfers to national government entities	-	-
Transfers to other county assembly entities		
Car loan scheme fund	-	-
Mortgage Scheme Fund	30,000,000	56,000,000
Transfer to CRF	-	39,168
Total	30,000,000	56,039,168

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Notes to The Financial Statements (Continued)

8. Other Grants And Transfers

	2021-2022	2020-2021
	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

	2021 - 2022	2020-2021
	Kshs	Kshs
Government Pension and Retirement Benefits	29,090,285	12,371,752
Social Security Benefits	-	-
Employer Social Benefits	-	-
Total	29,090,285	12,371,752

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Notes to The Financial Statements (Continued)

10. Acquisition Of Assets

<u>Non- financial assets</u>	2021 - 2022	2020-2021
	Kshs	Kshs
Purchase of buildings	-	-
Construction of buildings	43,537,403	123,798,644
Refurbishment of buildings	-	-
Construction of roads	-	-
Construction and civil works	-	-
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	11,644,766	2,672,612
Purchase of ICT Equipment , Software and other ICT Assets	11,232,620	15,709,260
Rehabilitation and renovation of plant, machinery and equip.	-	-
Purchase of certified seeds, breeding stock and live animals	-	-
Research, studies, project preparation, design & supervision	7,388,358	-
Rehabilitation of civil works	-	-
Acquisition of strategic stocks and commodities	-	-
Acquisition of land	-	-
Acquisition of intangible assets	-	-
Total acquisition of non- financial assets	73,803,147	157,474,516
<u>Financial assets</u>		
Domestic public non-financial enterprises	-	-
Domestic public financial institutions	-	-
Total acquisition of financial assets	-	-
Total acquisition of assets	73,803,147	157,474,516

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Notes to The Financial Statements (Continued)

11. Finance Costs

	2021- 2022	2020 – 2021
	Kshs	Kshs
Bank charges	840	3,720
Interest payments on foreign borrowings	-	-
Interest payments on guaranteed debt taken over by govt	-	-
Interest on domestic borrowings (non-govt)	-	-
Interest on borrowings from other government units	-	-
Total	840	3,720

12. Other Payments

	2021 – 2022	2020 – 2021
	Kshs	Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other Payments	-	-
	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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	2021 - 2022	2020- 2021
			KShs	KShs
CBK,Bomet County Assembly Development Kenya (Kshs)	1000304804	Development	235,971	80,519
CBK,Bomet County Assembly Recurrent Kenya (Kshs)	100023297	Recurrent	6,688	-
CBK,Bomet County Assembly Deposit Kenya (Kshs)	1000458917	Deposit	5,852,827	3,838,789
Equity Bank, Bomet County Assembly Account Number	1220261153628	Recurrent	120	35
Total			6,095,606	3,919,343

13B. Cash In Hand

	2021 – 2022	2020 – 2021
	Kshs	Kshs
Cash In Hand – Held In Domestic Currency	-	-
Cash In Hand – Held In Foreign Currency	-	-
Total	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Notes to The Financial Statements (Continued)

Cash in hand should be analysed as follows:

Description	2021 – 2022	2020 – 2021
	Kshs	Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Total	-	-

14. Imprests and Advances

Description	2021 – 2022	2020 – 2021
	Kshs	Kshs
Government Imprests	-	-
Salary Advance	-	-
Clearance accounts	-	-
Total	-	-

Breakdown Of Imprest And Salary Advance Per Department	2021 – 2022	2020 – 2021
	Kshs	Kshs
Imprests		
Department Xx	-	-
Department Xx	-	-
Department Xx	-	-
Sub-Total	-	-
Salary Advance		
Department Xx	-	-
Department Xx	-	-
Sub-Total	-	-
Grand Total	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Notes To The Financial Statements (Continued)

15. Third Party Deposits and Advances

Description	2021 – 2022	2020 – 2021
	Kshs	Kshs
Deposits	5,852,827	3,838,789
Retentions	-	-
Total	5,852,827	3,838,789

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

16. Fund Balance Brought Forward

Description	2021 – 2022	2020 – 2021
	Kshs	Kshs
Adjustment on Bank Balances	3,919,343	39,168
Adjustment on Cash In Hand	-	-
Adjustment on Accounts Receivables	-	-
Adjustment on Accounts Payables	3,838,789	-
Total	80,554	39,168

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

17. Prior Year Adjustments

	Balance b/f FY 2020-2021 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f FY 2020-2021
Description Of The Error	Kshs	Kshs	Kshs
Adjustment on Bank Account Balances	3,919,343	80,554	3,838,789
Adjustment on Cash In Hand	-	-	-
Adjustment on Accounts Payables	3,838,789	-	3,838,789
Adjustment on Accounts Receivables	-	-	-
Others (<i>Specify</i>)			
	80,554	80,554	0

18. Changes In Imprests and Advances

Description	2021-2022	2020-2021
	Kshs	Kshs
Opening Account Receivables As At 1 st July 2021	-	-
Closing Account Receivables As At 30 th June 2022	-	-
Change In Account Receivables	-	-

19. Changes in Third Party Deposits and Retention

Description	2021-2022	2020-2021
	Kshs	Kshs
Opening Accounts Payables As At 1 st July 2021	3,838,789	-
Closing Accounts Payables As At 30 th June 2022	5,852,827	-
Change In Accounts Payables	2,014,038	3,838,789

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

Notes to The Financial Statements (Continued)

Other Disclosures

1. Pending Accounts Payable (See Annex 1)

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Construction Of Buildings	3,838,789	2,014,038	(-)	5,852,827
Construction Of Civil Works	-	-	(-)	-
Supply Of Goods	-	-	(-)	-
Supply Of Services	-	-	(-)	-
Total	3,838,789	2,014,038	-	5,852,827

2. Pending Staff Payables (See Annex 2)

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Senior Management	-	-	(-)	-
Middle Management	-	-	(-)	-
Unionisable Employees	-	-	(-)	-
Others	-	-	(-)	-
Total			(-)	

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
Notes to The Financial Statements (Continued)**

3. Other Pending Payables (See Annex 3)

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
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 2021-2022	FY 2020-2021
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 2021-2022	FY 2020-2021
Description	Kshs	Kshs
External assistance received as loans	-	-
External assistance received as grants	-	-
Total	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
Notes To The Financial Statements (Continued)**

b) Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	FY 2021-2022	FY 2020-2021
Description		Kshs	Kshs
Undrawn External Assistance – Loans		-	-
Undrawn External Assistance – Grants		-	-
Total		-	-

c) Classes of providers of external assistance

	FY 2021-2022	FY 2020-2021
Description	Kshs	Kshs
Multilateral Donors	-	-
Bilateral Donors	-	-
International Assistance Organization	-	-
Ngos	-	-
National Assistance Organization		
Total	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
Notes To The Financial Statements (Continued)**

d. Non-Monetary External Assistance

	FY 2021-2022	FY 2020-2021
Description	Kshs	Kshs
Goods	-	-
Services	-	-
Total	-	-

e. Purpose and use of external assistance.

Payments Made By Third Parties	FY 2021-2022	FY 2020-2021
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 & Foreign Borrowing	-	-
Other Payments	-	-
Total	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
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 2021-2022	FY 2020-2021
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 2021-2022	FY 2020-2021
Description	Kshs	Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs		
National Assistance Organization	-	-
Total	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Classification of payments made by Third Parties by Nature of expenses

Payments made by third parties	FY 2021-2022	FY 2020-2021
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
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Related party transactions:

	2021- 2022	2020- 2021
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	148,207,278	144,121,246
Key Management Compensation (Clerk and Heads of departments)	37,121,376	35,321,000
Total Compensation to Key Management	185,328,654	179,442,246
<u>Transfers to related parties</u>		
Transfers to other County Government Entities such as car and mortgage schemes	30,000,000	56,000,000
Transfers to County Corporations	-	-
Transfers to non-reporting entities e.g. ECD centres, welfare centres etc.	-	-
Total Transfers to related parties	30,000,000	56,000,000
<u>Transfers from related parties</u>		
Transfers from the County Executive- Exchequer	731,128,005	803,142,363
Payments made on behalf of the County Assembly by other Government Agencies	-	-
(Insert any other transfers received)	-	-
Total Transfers from related parties	731,128,005	803,142,363

7. Contingent Liabilities

Contingent liabilities	2021-2022	2020-2021
	Kshs	Kshs
Court case xxx against the entity	-	-
Bank guarantees in favour of subsidiary	-	-
contingent liabilities arising from PPPs	-	-
Total	-	-

(Give details- Update ANNEX 6 Contingent liabilities register)

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

16. Progress On Follow up of Prior Year Auditor's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

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	Over commitment of salary beyond the statutory limit	During the year under review, few Members and staff went down below the third rule, this was affected by review of PAYE tax from 25 percent*% to 30% percent. Which had earlier been reduced from 30% percent to 25% percent during COVID 19 period. This Affected a third rule since most Members and Staff had borrowed bank loans, that was based on the 25% percent tax bracket, which rendered them to fall below the third 1/3 third rule.	Not resolved	Will be resolved as at 30 June 2023.
2	Non Compliance with the law on staff Ethnic Composition	The Assembly Advertised Job Openings during in the year 2013, many of the applicants were majorly from one ethnic Community.	Not resolve	It is a work in progress

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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)
		<p>The employment process was competitive and those who applied from other ethnic community were considered, The board could not employ staff who didn't apply. Going forward the County Assembly Service Board will encourage applicants from all counties to apply.</p>		
3	Lack of Risk Management policy	<p>The County Assembly Service Board has approved the Bomet Assembly Risk Management policy which will be implemented going forward. Find attached copy of the policy for your audit verification</p>	Resolved	Resolved

.....
ISAAC KITUR

Clerk of the County Assembly

13 December 2022

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

17. 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.							
Sub-Total							
Construction Of Civil Works							
2.							
Sub-Total							
Supply Of Goods							
3.							
Sub-Total							
Supply Of Services							
4.							
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
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Annex 2 – Analysis of Pending Staff Payables

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	Comments
			a	B	c=a-b		
Senior Management							
1.							
Sub-Total							
Middle Management							
2.							
Sub-Total							
Unionisable Employees							
3.							
Sub-Total							
Others (<i>specify</i>)							
4.							
Sub-Total							
Grand Total							

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Annex 3 – Analysis of Other Pending Payables

Name	Brief Transaction Description	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	Comments
			A	b	c=a-b		
Amounts Due To National Govt Entities							
1.							
Sub-Total							
Amounts Due To County Govt Entities							
2.							
Sub-Total							
Amounts Due To Third Parties							
3.							
Sub-Total							
Others (Specify)							
4.							
5.							
6.							
Sub-Total							
Grand Total							

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
Annex 4 – Summary of Non-Current Asset Register**

Asset class	Historical Cost b/f (KShs) 2020-2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out)	Historical Cost c/f (KShs) 2021-2022
Land	13,440,000				13,440,000
Buildings and structures	211,678,749	34,770,970			246,449,719
Transport equipment	15,294,000				15,294,000
Office equipment, furniture and fittings	8,719,005	16,915,665			25,634,670
ICT equipment	33,686,780	8,987,420			42,674,200
Machinery and equipment					
Biological assets					
Infrastructure assets					
Heritage and cultural assets					
Intangible assets					
Work in progress					
Total	282,818,534	60,674,055			343,492,589

Annex 5 – Analysis of Accounts Receivables

(a) Government Imprest

Name Of Officer Or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		KShs	KShs	KShs
Name Of Officer Or Institution	dd/mm/yy	-	-	-

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Name Of Officer Or Institution	dd/mm/yy	-	-	-
Name Of Officer Or Institution	dd/mm/yy	-	-	-
Name Of Officer Or Institution	dd/mm/yy	-	-	-
Total		-	-	-

**BOMET COUNTY ASSEMBLY
 ANNUAL REPORT AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2022**

(b) Salary Advance

<i>Name of Officer</i>	<i>Date Advanced</i>	<i>Amount Advanced</i>	<i>Amount Recovered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name Of Officer</i>	dd/mm/yy	-	-	-
<i>Name Of Officer</i>	dd/mm/yy	-	-	-
<i>Name Of Officer</i>	dd/mm/yy	-	-	-
<i>Name Of Officer</i>	dd/mm/yy	-	-	-
Total		-	-	-

**BOMET COUNTY ASSEMBLY
 ANNUAL REPORT AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2022
 Annex: 6 Reporting of Climate Relevant Expenditures**

Name of the Organization
 Telephone Number
 Email Address
 Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications)

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

Annex 7 Disaster Expenditure Reporting Template

Date:

Entity

Period to which this report refers (FY)	Year			Quarter		
Name of Reporting Officer						
Contact details of the reporting officer:	Email			Telephone		
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

**BOMET COUNTY ASSEMBLY
ANNUAL REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

Annex 8: Contingent Liabilities Register

	Nature of contingent liability	Payable to	Currency	Estimated Amount Kshs	Expected date of payment	Remarks
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						

Annex 9 – Bank Reconciliation/FO 30 Report



2