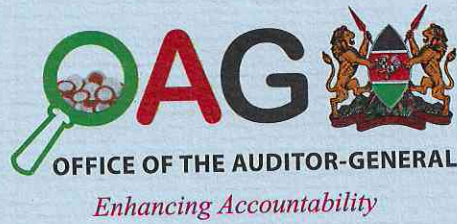


REPUBLIC OF KENYA

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

Ref: OAG/KRO/BCA/2022/2023(27)

06 March, 2024

Mr. Isaac K. Kitur
Clerk of the County Assembly of Bomet
P.O. Box 590 – 20400

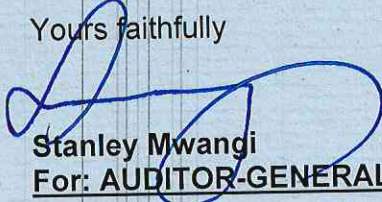
BOMET

Dear Sir

**REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF
BOMET FOR THE YEAR ENDED 30 JUNE, 2023**

I transmit the report of the Auditor-General on the examination and audit of County Assembly of Bomet for the year ended 30 June, 2023 in accordance with the provisions of Article 229(7) of the Constitution of Kenya for the necessary action as required by Article 229(8) of the Constitution.

Yours faithfully


Stanley Mwangi
For: AUDITOR-GENERAL

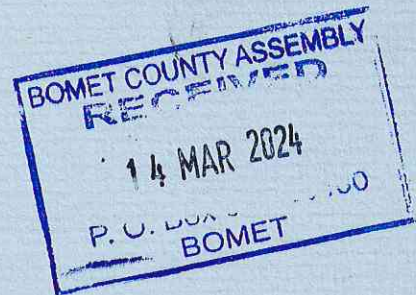
Copy to: **Dr. Chris K. Kiptoo, PhD., CBS**
Principal Secretary
The National Treasury
P. O. Box 30007 - 00100
NAIROBI

Mr. Jeremiah Nyegenye, CBS
Clerk of the Senate
P.O. Box 41842 - 00100
NAIROBI

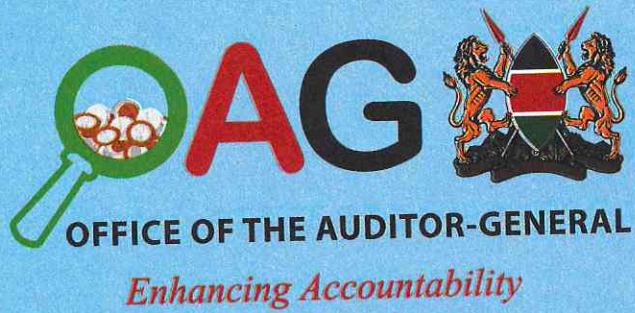
Hon. Andrew Sigei
C.E.C.M - Finance and Economic Planning
County Government of Bomet
P. O. Box 19 - 20400
BOMET

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REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF BOMET

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



BOMET COUNTY ASSEMBLY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30 JUNE 2023

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

BOMET COUNTY GOVERNMENT

BOMET COUNTY ASSEMBLY

Annual Report and Financial Statements for the year ended 30 June 2023

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**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY**

Annual Report and Financial Statements for the year ended 30 June 2023

2. 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 of 25 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards and 13 nominated Members of the County Assembly which represent special groups. The MCAs are responsible for making laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(b) Key Management Team

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

No.	Designation	Name
1.	Speaker of the County Assembly	Cosmas Korir
2.	Clerk of the County Assembly	Isaac Kitur
3.	Deputy Clerk	Isaiah Kirui
4.	Head of Financial Services	Geofrey Maritim
5.	Head of Supply Chain Management	Richard Maritim
6.	Head of Legal	Oscar Sang
7.	Head of Internal Audit	Stella Chemutai
8.	Head of Corporate Services	Clement Kirui
9.	Head of Human Resources	Diana Ngeno

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer- Clerk	Isaac Kitur
2.	Deputy Clerk	Isaiah Kirui
3.	Deputy Director Financial Services	Geofrey Maritim
5.	Director Supply Chain Management	Richard Maritim

(e) Entity Headquarters

P.O. Box 590-20400
County Assembly Headquarter
Narok-Kaplong Highway
BOMET, KENYA

(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 (K) Limited
Hospital Road, Upper Hill
P.O.BOX 75104-00200
NAIROBI

(h) Independent Auditor

Auditor General
Office of The Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
NAIROBI, KENYA

3. Governance Statement

The County Assembly

The County Assembly is constituted of twenty-five (25) Members elected under Article 177(1)(a), four members are nominated under Article 177(1)(c) and nine (9) are nominated under Article 177(1)(b) of the Kenya Constitution. It is headed by the Speaker who is elected by the MCAs. The Speaker is also the chairperson of the County Assembly Service Board while the County Assembly Clerk is the secretary.

Section 10 (4) of the county governments 2012 provides that a county assembly shall observe the following order of precedence.

- a) The speaker of the county assembly.
- b) The leader of the majority party; and
- c) The leader of the minority party.

The Roles of the county assembly are outlined in Section 8 of the County Governments Act 2012 and they include:

- a) Vet and approve nominees for appointment to county public office as may be provided for in this Act or any other law.
- b) Perform the roles set out under Article 185 of the Constitution.
- c) Approve the budget and expenditure of the county government in accordance with Article 207 of the Constitution, and the legislation contemplated in Article 220(2) of the Constitution, guided by Articles 201 and 203 of the Constitution.
- d) Approve the borrowing by the county government in accordance with Article 212 of the Constitution.
- e) Approve county development planning; and
- f) Perform any other role as may be set out under the Constitution or legislation.

The County Assembly executes its mandate, through committees which are broadly classified into two.

a) Select Committees

Select committees are generally responsible for overseeing the work of government departments and agencies.

b) Sectoral Committees

The mandate of Sectoral Committees is in respect to the subject matter assigned by the Standing Orders and is exercised within the limits contemplated under Part 2 of the Fourth Schedule to the Constitution.

The County Assembly has the following Select and Sectoral committees:

- a) Committee of Powers and Privileges
- b) Committee on Delegated Legislation
- c) Public Accounts/Investment Committee
- d) Budget and Appropriations Committee
- e) Committee on Petitions
- f) Committee on Infrastructure (Roads, Transport, and Public Works)

BOMET COUNTY GOVERNMENT**BOMET COUNTY ASSEMBLY****Annual Report and Financial Statements for the year ended 30 June 2023****a) Committee of Powers and Privileges**

There is established committee known as the Committee of Powers and Privileges consisting of the Speaker, who shall be the chairperson of the Committee; and such other members of the county assembly as may be provided in the Standing Orders of the county assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the county assembly members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held no meetings in FY 2022/2023. The committee members during FY 2022/2023 were:

Member	Designation	Ward
Hon. Cosmas Korir	Chairperson	Speaker
Hon. Dancel Kirui	Member	Ndaraweta
Hon. Dennis Busienei	Member	Rongena
Hon. Philip Korir	Member	Kiprerer
Hon. Ernest Rotich	Member	Mogogosiek
Hon. Victor Rop	Member	Nominated
Hon. Monica Manyei	Member	Nominated

b) Public Accounts/Investment Committee

The committee was formed to provide oversight on the County's finances. The committee held quarterly mandatory meetings during the year. The members who served in the committee during the year were:

Member	Designation	Ward
Hon. Charles Langat,	Chairperson	Boito
Hon. Dennis Busienei	Member	Chemagel
Hon. Richard Ruto	Member	Chemaner
Hon. Dennis Kiplangat	Member	Kongasis
Hon. Chelangat Caroline	Member	Nominated

BOMET COUNTY GOVERNMENT**BOMET COUNTY ASSEMBLY****Annual Report and Financial Statements for the year ended 30 June 2023****d) Committee on Petitions**

The Committee consider and report on all public petitions presented to the Assembly.

The members who served in the committee during the period were:

Member	Designation	Ward
Hon. Josphat Kipkirui	Chairperson	Singorwet
Hon. Peter Rono	Member	Kipsonoi
Hon. Kibet Nathan	Member	Kapletundo
Hon. Japhet Cheruiyot	Member	Embomos
Hon. Joseah Samoei	Member	Nyongores
Hon. Chemutai Naomi	Member	Nominated

e) Committee on Infrastructure (Roads, Transport and Public Works)

Consider 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

The members who served in the committee during the period were:

Member	Designation	Ward
Hon. Mutai Peter	Chairperson	Sigor
Hon. Josphat Kipkirui	Member	Singorwet
Hon. Nathan Kibet	Member	Kapletundo
Hon. Peter Kipkorir Langat	Member	Merigi
Hon. Richard Ruto	Member	Chemaner
Hon. Japhet Cheruiyot	Member	Embomos

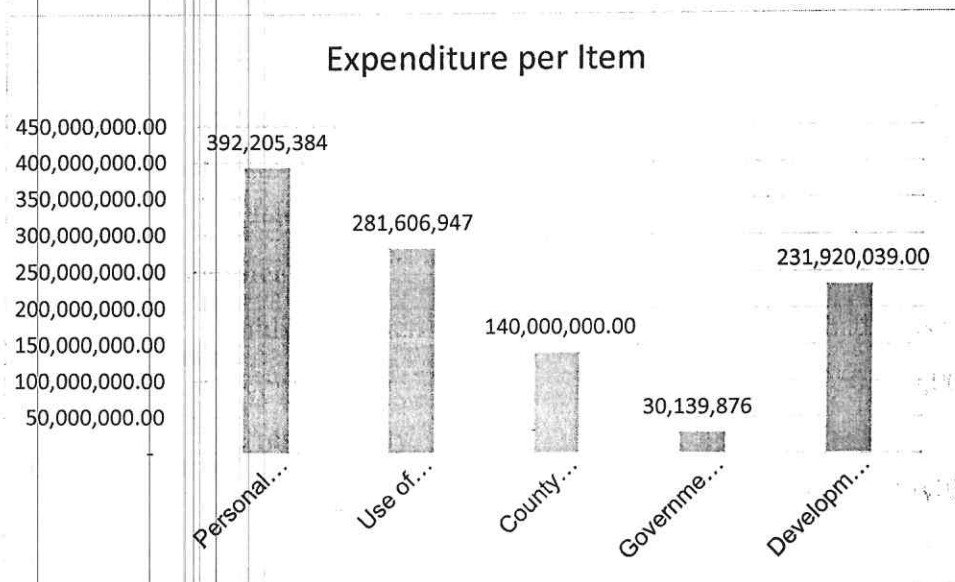
**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY
Annual Report and Financial Statements for the year ended 30 June 2023**

4. Foreword by the Clerk of the Assembly

(i) Budget performance

The County Assembly approved budget for the FY 2022/2023 had gross allocation of KSh. 1,095,848. These comprises of KSh. 845,199,848 and KSh. 250,000,000 for current and capital expenditure respectively.

The absorption rate for recurrent expenditure stand at 98% compared with 99% of the prior year. The absorption rate of development expenditure was 92.4 %.



(ii) 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
2	The Bomet County Valuation for Rating Bill 2019	10 th September 2020	17 th March 2022	16 th September 2022	22 nd September 2022	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

**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY**

Annual Report and Financial Statements for the year ended 30 June 2023

(v) Challenges and Recommended Way Forward

The challenges currently faced by the Assembly are: -

- i). **Training and Capacity Building:** The advancement of technologies, additional responsibilities, new trends in work operations and the change in policy and legal framework justifies the need for continuous capacity building of Members and staff of the County Assembly.
- ii). **Inadequate budgetary allocation and cash flows:** Over time there has been limited allocation of resources occasioned by CRA ceilings and other national government legislations. There is a need to engage the relevant authorities for more resources and to prioritize urgent needs.



.....
ISAAC K KITUR

CLERK OF THE ASSEMBLY

**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY**

Annual Report and Financial Statements for the year ended 30 June 2023

<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

6. Corporate Social Responsibility Statement/Sustainability Reporting

a) Sustainability strategy and profile –

The County Assembly clerk ensures that sustainable efforts, broad trends in political and macroeconomics affecting sustainability priorities are prioritized and make reference to international best practices and key achievement and failures. During this period the County Assembly passed and approved Annual Development Plan which sets areas of focussed in the year 2022. It was anticipated that the increased participation by a larger cross-section of the population in the identification, planning, implementation, monitoring and evaluations of projects and programmes will bring to speed the quest to empower the citizenry as envisioned by the main objective of devolution.

b) Environmental performance

The County Assembly adopted a report of the Committee on Energy, Environment, Water and Natural Resources on Bomet County Climate Change Action Plan 2022-2026 on 24th May 2023. The implementation of this report will go a long way in addressing the issues of climate change and its effects.

c) Employee welfare

- i. The County Assembly has developed Human Resource and Procedure Manual which documents on all the processes of human capital.
- ii. The adoption of performance appraisal systems by the County Assembly Service Board has assisted in appraising and rewarding staff.
- iii. The Career Progression Guidelines were approved and implemented. This document has help in the career growth of the staff.

d) Market place practices-

i. Responsible Supply chain and supplier relations-

The County Assembly considers the fair competition in procurement opportunities within the Assembly. These measures include, consideration of persons with the disability, women and youths (AGPO) where the County Assembly gave the group 30% of the procurement opportunities, advertising through website and print media for ease of coverage, continuous registration of suppliers etc.

7. 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.

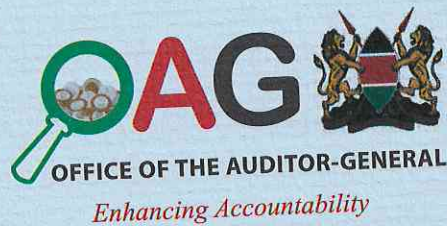
The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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, 2023, 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 Assembly's funds received during the year 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.

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF BOMET FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Bomet set out on pages 1 to 42, which comprise the statement of financial assets and liabilities as

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts: recurrent and development combined for the year ended 30 June, 2023 reflects final receipts budget of Kshs.1,095,199,848 and actual on comparable basis receipts of Kshs.1,075,872,839 resulting to underfunding of Kshs.19,327,009 or 2% of the budget.

Similarly, the statement reflects payments budget of Kshs.1,095,199,848 and actual on comparable basis expenditure of Kshs.1,075,872,246 resulting to under-absorption of Kshs.19,327,602 or 2% of the budget.

In circumstances, the underfunding and under-expenditure could have adversely affected provision of services to the stakeholders of the County Assembly.

2. Pending Bills

Other Important Disclosures and Annexure 1 to the financial statements reflects pending accounts payable balance of Kshs.2,643,640 which were not settled during the year under review but were carried forward to 2023/2024 financial year. However, supporting documents including invoices, payment vouchers and procurement documents were not provided for audit review. In addition, the dates when the supplies and services were incurred were not included in Annexure 1 as required by the template. Also, details of the pending bills indicating when they were incurred and the movement to the current balance were not provided for audit review.

Further, Management did not explain why the bills were not settled as the first charge during the year under review. This was contrary to Regulation 41(2) of the Public Finance Management (County Governments) Regulations, 2015 which prioritizes debt payments as a first charge.

Failure to settle bills during the year to which they relate distorts the financial statements for that year and adversely affects the provisions for the subsequent year to which they have to be charged.

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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

Unresolved Prior Year Matters

As disclosed under the progress on follow up of auditors recommendation section of the financial statements, the Management indicated that seven (7) prior year audit issues

requires that all expenditure shall be entered into the budget and shall be committed only against allocation and commitments approval.

Further, there is no existing law or policy in place authorizing the said payments of subscription fees and no verifiable document was provided for audit to support the two organizations Constitutional mandates.

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

4. Delayed Completion of Speaker's Residence

The statement of receipts and payments reflects acquisition of assets amount of Kshs.231,920,039 as disclosed in Note 10 to the financial statements which includes an amount of Kshs.188,754,128 in respect of construction of buildings. The expenditure includes an amount of Kshs.8,104,467 in respect of construction of the speaker's residence. The tender to construct the residence was awarded on 13 January, 2022 at a cost of Kshs.34,500,000 for a period of twenty four (24) weeks ending 16 September, 2022. Project records indicated that the contractor had been paid a total amount of Kshs.12,578,000 equivalent to 36% of the contract amount against certified works completed as at 30 June, 2023. However, physical verification in the month of October, 2023 revealed that the construction was not complete after the initial contract was extended by another twelve (12) months to 07 November, 2023. Plastering, electrical, plumbing and painting works had not been completed and the Management did not provide for audit review the revised work schedule as well as the extended performance bond.

In the circumstances, the value for money may not be realized from the delayed works.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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.

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 controls 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 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.

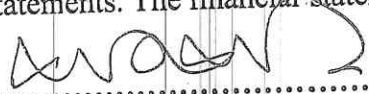
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:


**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY
Annual Report and Financial Statements for the year ended 30 June 2023**

9. Statement of Receipts and Payments for The Year Ended 30th June 2023

		2022-2023	2021-2022
	Note	KShs	KShs
Receipts			
Transfers from the CRF	1	1,075,872,839	731,128,005
Proceeds from sale of assets	2	-	-
Miscellaneous receipts	3	-	-
Total receipts		1,075,872,839	731,128,005
Payments			
Compensation of employees	4	392,205,384	275,411,365
Use of goods and services	5	281,606,947	322,579,589
Subsidies	6	-	-
Transfers to other government entities	7	140,000,000	30,000,000
Other grants and transfers	8	-	-
Social security benefits	9	30,139,876	29,090,285
Acquisition of assets	10	231,920,039	73,803,147
Finance costs	11	-	840
Other payments	12	-	-
Total payments		1,075,872,246	730,885,226
Surplus/deficit		593	242,779

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29 Sept 2023 and signed by:


.....
ISAAC K KITUR
CLERK OF THE ASSEMBLY

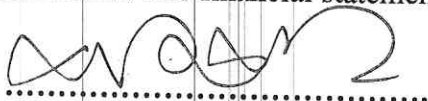

.....
GEOFREY MARITIM
DEPUTY DIRECTOR FINANCIAL
SERVICES-ICPAK NO 12685

**Comparative FY means the financial year preceding the current financial year.*

BOMET COUNTY GOVERNMENT**BOMET COUNTY ASSEMBLY****Annual Report and Financial Statements for the year ended 30 June 2023****10. Statement of Financial Assets and Liabilities As At 30th June 2023**

		2022-2023	2021-2022
Financial assets	Note	KShs	KShs
Cash and cash equivalents			
Bank balances	13A	18,918,905	6,095,606
Cash balances	13B	-	-
Total cash and cash equivalents		18,918,905	6,095,606
Imprests and Advances	14	-	-
Total financial assets		18,918,905	6,095,606
Financial liabilities			
Third party deposits and retention	15	18,918,312	5,852,827
Net financial assets		593	242,779
Represented by			
Fund balance b/fwd.	16	242,779	80,554
Prior year adjustment	17	-242,779	-80,554
Surplus/(deficit) for the year		593	242,779
Net Financial Position		593	242,779

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29 sept 2023 and signed by:



ISAAC KITUR
CLERK OF THE ASSEMBLY



GEOFFREY MARITIM
DEPUTY DIRECTOR FINANCIAL
SERVICES – ICPAK NO 12685

BOMET COUNTY GOVERNMENT**BOMET COUNTY ASSEMBLY****Annual Report and Financial Statements for the year ended 30 June 2023**

		2022-2023	2021-2022
	Note	KShs	KShs
Repayment of principal on domestic and foreign borrowing		(-)	(-)
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents		12,823,298	2,176,262
Cash & cash equivalent at Start of the year		6,095,606	3,919,343
Cash & cash equivalent at end of the year		18,918,904	6,095,606

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29 Sept 2023 and signed by:



ISAAC KITUR
CLERK OF THE ASSEMBLY



GEOFFREY MARITIM
DEPUTY DIRECTOR FINANCIAL
SERVICES -ICPAK NO 12685

BOMET COUNTY ASSEMBLY
Annual Report and Financial Statements for the year ended 30 June 2023

12A Statement of Comparison of Budget & Actual Amounts: Recurrent for the year ended 30th June 2023

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	761,143,848	84,056,000	845,199,848	843,952,348	1,247,500	99.8
Proceeds from sale of assets	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total	761,143,848	84,056,000	845,199,848	843,952,348	1,247,500	99.8
Payments						
Compensation of employees	292,159,362	100,046,024	392,205,384	392,205,384	-	100
Use of goods and services	297,844,610	(14,990,022)	282,854,588	281,606,947	1,247,641	99.6
Subsidies	-	-	-	-	-	-
Transfers to other government entities	140,000,000	-	140,000,000	140,000,000	-	100
Other grants and transfers	-	-	-	-	-	-
Social security benefits	31,139,876	(1000,000)	30,139,876	30,139,876	-	100
Acquisition of assets	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
Other payments	-	-	-	-	-	-
Total	761,143,848	84,056,000	845,199,848	843,952,207	1,247,641	99.8
Surplus/ deficit	-	-	-	141	141	-

BOMBEI COUNTY ASSEMBLY

Annual Report and Financial Statements for the year ended 30 June 2023

12B Statement of Comparison of Budget & Actual Amounts: Development for the year ended 30th June 2023

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	250,000,000	-	250,000,000	231,920,491	18,079,509	93
Proceeds from sale of assets	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total	250,000,000	-	250,000,000	231,920,491	18,079,509	93
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	250,000,000	-	250,000,000	231,920,039	18,079,961	93
Finance costs	-	-	-	-	-	-
Other payments	-	-	-	-	-	-
Total	250,000,000	-	250,000,000	231,920,039	18,079,961	93
Surplus/ deficit	-	-	-	452	-	-

Annual Report and Financial Statements for the year ended 30th June 2023

13. Budget Execution By Programmes And Sub-Programmes

Programme/Sub-Programme	Original Budget 2022-2023	Adjustments 2022-2023	Final Budget 2022-2023	Actual on comparable basis 2022-2023	% Budget utilization 2022-2023
Legislative Services	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-Programme 1;1 Legislative Services	192,323,677	93,226,768	285,550,445	285,550,445	100
Sub-Programme 1;2 Committee Service and House Proceedings	86,784,365	33,144,127	119,928,492	118,692,251	99
Sub-Programme 1;3 Office of the Speaker	8,175,856	-	8,175,856	8,175,856	100
Oversight and Representation					
Sub-Programme 2;1 Decentralization of Services	41,249,886	-	41,249,886	41,249,886	100
Sub-Programme 2;2 Public Participation	4,484,240	-	4,484,240	4,484,240	100
Sub-Programme 2;3 Site Visits	543,032	-	543,032	543,032	100
General Administration, Human Resource and Administrative Services					
Sub-Programme 3;1 County Assembly Service Board	135,509,000	(12,000,000)	147,509,000	147,509,000	100
Sub-Programme 3;2 Human Resource and Administration Services	193,825,722	(19,724,895)	213,550,617	213,539,217	100
Sub-Programme 3;2 Financial Management Services			3,071,160	3,071,160	100

14. Significant Accounting Policies

The Significant 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 third party 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 some classes of receivables and payables as outlined above.

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 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)

4. In-kind contributions

In-kind contributions are donations that are made to the County 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 Assembly 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.

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.

7. 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. There were no restrictions on cash during the year.

**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY**

Annual Report and Financial Statements for the year ended 30 June 2023

such payments are included in the statement of receipts and payments in the year in which the payments are made.

Significant Accounting Policies (Continued)

14. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Executive's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 28th June 2022 for the period 1st July 2022 to 30 June 2023 as required by law. There were two supplementary budgets passed in the year. A high-level assessment of the County Assembly's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

15. Comparative figures

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

16. 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.

17. Prior Period Adjustment

During the year, errors that have been corrected are disclosed *under note 26* explaining the nature and amounts.

18. Related Party Transactions

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

- a) Control the other party or

BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY
Annual Report and Financial Statements for the year ended 30 June 2023

15. Notes to the Financial Statements

1. Transfer from CRF

	2022-2023	2021-2022
	Kshs	Kshs
Transfers from the county treasury for Q1	69,936,045	101,237,223
Transfers from the county treasury for Q2	340,335,232	177,712,031
Transfers from the county treasury for Q3	243,105,462	178,957,109
Transfers from the county treasury for Q4	422,496,100	273,221,642
Cumulative amount	1,075,872,839	731,128,005

2. Proceeds From Sale of Assets

	2022-2023	2021-2022
	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	-	-

BOMET COUNTY GOVERNMENT
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Annual Report and Financial Statements for the year ended 30 June 2023

Notes to The Financial Statements (Continued)

5. Use Of Goods And Services

	2022-2023	2021-2023
	Kshs	Kshs
Utilities, supplies and services	1,503,000	1,462,432
Communication, supplies and services	2,800,000	1,970,000
Domestic travel and subsistence	121,509,784	97,600,915
Foreign travel and subsistence	47,335,480	34,531,171
Printing, advertising and information supplies & services	6,523,120	4,668,330
Rentals of produced assets	-	-
Training expenses	41,909,500	35,828,549
Hospitality supplies and services	8,285,000	38,096,241
Insurance costs	21,106,737	16,907,723
Specialized materials and services	896,000	1,306,084
Office and general supplies and services	4,919,097	3,836,800
Fuel, oil and lubricants	4,455,576	2,501,518
Other operating expenses <i>(Include Bank charges)</i>	14,699,353	79,660,416
Routine maintenance – vehicles and other transport equipment	3,694,300	2,155,405
Routine maintenance – other assets	1,970,000	2,054,005
Total	281,606,947	322,579,589

**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY
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Notes to the Financial Statements (Continued)

8. Other Grants And Transfers

	2022-2023	2021-2022
	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

	2022-2023	2021-2022
	Kshs	Kshs
Government Pension and Retirement Benefits	30,139,876	29,090,285
Social Security Benefits	-	-
Employer Social Benefits	-	-
Total	30,139,876	29,090,285

Notes to The Financial Statements (Continued)

11. Finance Costs

	2022-2023	2021-2022
	Kshs	Kshs
Bank Charges	-	840
Exchange Rate Losses	-	-
Other Finance Costs	-	-
Interest on borrowings	-	-
Total	-	840

12. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other Payments	-	-
Total	-	-

**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY
Annual Report and Financial Statements for the year ended 30 June 2023**

Notes to The Financial Statements (Continued)

Cash in hand should be analysed as follows:

Description	2022-2023	2021-2022
	Kshs	Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Total	-	-

14. Imprests and Advances

Description	2022-2023	2021-2022
	Kshs	Kshs
Government Imprests	-	-
Salary Advance	-	-
Clearance accounts	-	-
Total	-	-

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17. Prior Year Adjustments

	Balance b/f from Comparative FY as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f For Comparative FY
Description Of The Error	Kshs	Kshs	Kshs
Bank Account Balances	6,095,606	242,779	5,852,827
Cash In Hand	-	-	-
Accounts payables	5,852,827	-	5,852,827
Accounts receivables	-	-	-
TOTAL	242,779	242,779	0

18. Changes in Imprests and Advances

Description	2022-2023	2021-2022
	Kshs	Kshs
Opening Imprests and Advances As At 1 st July 2022	-	-
Closing Imprests and Advances As At 30 th June 2023	-	-
Change In Imprests and Advances	-	-

19. Changes in Third Party Deposits and Retentions

Description	2022-2023	2021-2022
	Kshs	Kshs
Opening Third Party Deposits and Retention As At 1 st July 2022	5,852,827	3,838,789
Closing Third Party Deposits and Retention As At 30 th June 2023	18,918,312	5,852,827
Change In Third Party Deposits and Retention	13,065,485	5,852,827

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Notes to The Financial Statements (Continued)**

3. Other Pending Payables (See Annex 3)

Description	Balance b/f 2021-2022	Additions for the year	Paid during the year	Balance c/f 2022-2023
	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

Description	2022-2023	2021-2022
	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

Description	2022-2023	2021-2022
	Kshs	Kshs

**BOMET COUNTY GOVERNMENT
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Notes to The Financial Statements (Continued)**

b) Undrawn external assistance

Description	Purpose for which the undrawn external assistance may be used	2022-2023	2021-2022
		Kshs	Kshs
Undrawn External Assistance - Loans		-	-
Undrawn External Assistance - Grants		-	-
Total		-	-

c) Classes of providers of external assistance

Description	2022-2023	2021-2022
	Kshs	Kshs
Multilateral Donors	-	-
Bilateral Donors	-	-
International Assistance Organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

**BOMET COUNTY GOVERNMENT
BOMET COUNTY ASSEMBLY**

**Annual Report and Financial Statements for the year ended 30 June 2023
Notes to The Financial Statements (Continued)**

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

Description	2022-2023		2021-2022	
	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

5.1 Classification by Source

Description	2022-2023		2021-2022	
	Kshs		Kshs	
National government	-	-	-	-
International assistance organization	-	-	-	-
NGOs	-	-	-	-
National Assistance Organization	-	-	-	-
Total	-	-	-	-

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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.						