BOMET COUNTY EXECUTIVE

AMENDED REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2018

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

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Bomet County Government is constituted as per the Constitution of Kenya, 2010. It is charged with the responsibility of providing a variety of services to residents within its area of jurisdiction as provided in the Fourth Schedule of constitution of Kenya 2010.The County is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The Governor is supported by an Executive Committee in carrying out the mandate as stipulated in the Constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of the CEC – Finance is financial reporting at the County level.

Vision

A prosperous and competitive County in economic, social and political development offering high quality services to its people

Mission

To transform the livelihoods of Bomet County residents through innovative and dynamic leadership, efficient and effective mechanisms, viable partnerships while ensuring equity, integrity and community participation in a clean, secure and sustainable environment.

Core Values

Bomet County Government upholds the values of accountability, transparency, excellence, accessibility, integrity, responsiveness, equity and team work.

(b) Key management

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

	Name	Designation	Date of holding office
1.	H.E. Dr Joyce Laboso	Governor	22nd August 2017
2.	H.E. Dr Hillary Barchok	Deputy Governor	22nd August 2017
3.	Hon. Andrew Sigei	CECM-Finance & Economic Planning	24th October 2107
4.	Hon. Justus Maina	CECM- Administration, ICT & Public Service	24th October 2107
5.	Hon. Juliana Yegon	CECM - Education & Vocation Training	24th October 2107
6.	Hon.Engineer Philip	CECM Roads, Public Works &	24th October 2107

(d) Bomet County Executive Headquarters

P.O. Box 19 – 20400
Bomet, KENYA
Off Narok Sotik Highway

(e) Bomet County Executive Contacts

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E-mail: info@bomet.go.ke
Website: www.bomet.go.ke

(f) Entity bankers

1. Central Bank of Kenya
   Haile Selassie Avenue
   P.O. Box 60000
   City Square 00200
   Nairobi, Kenya
2. Other Bank Accounts – refer to Annex 4

(g) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084 – GPO 00100
Nairobi, Kenya

(h) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

H.E. Dr Hillary Kipngeno Barchok – Deputy Governor

H.E. Dr Barchok was elected as the second Deputy Governor of Bomet County and took the oath of office on 22nd August, 2017. HE is also currently acting CEC in the department of Trade, Energy, Tourism and Industry.

Dr. Barchok had a dream of playing a significant role in empowering the community by participating and organizing activities that promotes entrepreneurship skills among the youth and vulnerable in the society.

The Deputy Governor holds a bachelor of education degree (science) from Egerton university, M.E.D (science) from Egerton university and PhD from Moi university.

Before his election as the Deputy Governor, he served as senior lecturer and Dean of students at Chuka university as well as being an appointee of Retirement benefit authority (RBA) as a non-executive director.

Hon. Justus Maina

CECM-ADMINISTRATION, ICT & PUBLIC SERVICE

Mr Justus Maina was appointed as the CEC, Administration, and ICT & Public service on 24th October 2017.

He has nine years' experience as an administrator and was until his appointment the Deputy County Commissioner Msambweni Sub County in the Coastal region.

Mr. Maina has a Bachelor's degree in English and Communication from Moi University and is currently pursuing an MBA in strategic management.

Hon. Engineer Philip Kipngeno Sowek
CECM - ROADS, PUBLIC WORKS & TRANSPORT

Engineer Sowek was appointed as CEC, Roads, Public works & transport on 24th October 2017. Eng. Sowek is a civil engineer with 19 years' experience in contracts administration management.

He has worked as a Roads Engineer at Kenya Urban Roads Authority (KURA) and has been instrumental in designing of various roads, sewerage and sewage treatment plants, and housing projects funded by the government in various parts of the country.

He holds a Bachelor of Science Degree in Civil engineering

Hon. Benard Kipkorir Ngeno
CECM - YOUTH, GENDER, SPORTS & CULTURE

He was initially appointed on 24th October 2017 to head the Department of Trade, Industry & Tourism where he served until August 2018 when he was transferred to his current docket

Mr. Ngeno is a former member of the Bomet County Assembly (MCA) representing Kapletundo ward. He served as chairman for Budget and Appropriation Committee. Mr Ng'eno holds a Master's degree in Business Administration (MBA) in Strategic Planning and Management (Egerton University), a Bachelor of Business Management (BBM) degree in Purchasing and Supplies (Moi University).

Hon. Daisy Chelangat Rono
CECM - LANDS, HOUSING & URBAN PLANNING

Mrs Rono was appointed as a CEC, Lands,Housing & Urban Planning on 24th October 2017.

Until her appointment, Mrs. Rono was a Constituency Development Coordinator at the Independent Electoral and Boundaries Commission (IEBC). Mrs. Rono holds a Master of Business Administration degree in Entrepreneurship from Kenyatta University and Bachelor of Science in Agricultural Economics from Egerton University. She is currently pursuing a PhD in Business (Entrepreneurship) at Kenyatta University and has over 10 years' experience as an administrator and a manager.

II. COMMENTARY BY THE CECM, FINANCE AND ECONOMIC PLANNING

It is my pleasure to present the County Government of Bomet financial statements for the year ended 30th June 2018. The financial statements present the financial performance of the County executive over the past financial year.

The promulgation of the Constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralised system with a devolved system of governance. The devolved system of governance consists of the National Government and 47 County Governments.

Financing of the County Governments

Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution.

The County also finances its operations through own generated revenues. These are revenues collected within the County. They key local revenue sources for Bomet County included business permits, land rates, business plan approval, advertising fees, cesses and various other administrative charges.

The County continues to explore new and innovative ways of increasing its local revenue collections. Some of the steps that the County has taken towards improving its revenue collections include:

- Automation of all revenue streams
- Strict enforcement of Finance Act
- Capacity building
- Timely enactment of Finance Act
- Increasing the tax base.
- Updating of valuation roll

Financial Performance

a) Revenue

In the year ended 30th June 2018, the County Government had projected revenues of KSh 6,241,908,699 consisting of KSh. 200,211,165 from own sources and KSh 6,041,697,534 from other sources.

Some of the development projects in FY 2017/2018 included the following:

Completed Administration block

New ECD classroom complex at Sugurusiek primary school

Kamongil-Kamosiro-Kaboson road, under construction

Figure 1: County Government Flagship projects completed in FY 2016/2017

c) Cash flows

In the FY 2017/2018, we have not had many liquidity disruptions despite the delays by the National Treasury in disbursement of cash.

d) Accounts receivables

Imprest management is a critical area of focus in Bomet County Government. Our aim is to adhere to the PFM regulations on imprest management. We appreciate that there is still room for improvement in this area. The main challenge has been delays from some staff to account for

	iii. To undertake efficient delivery of government services to the people of Bomet and promote citizen engagement and public participation. iv. To ensure proper coordination of County Government functions v. To enhance safety and security of the county residents and property and enforce county regulations and laws. vi. To provide disaster response and support recovery and remediation in collaboration with the national government. vi. To minimize cases of drug abuse and ensure a productive population. vii. To ensure transparent and accountable use of public funds and resources. viii. Provide legal and regulatory support for the Governor and County Government. ix. Provide conducive work environment for the county staff
Education & Vocation Training	i. Provision of quality education ii. Improve health and nutrition in early years iii. Increase number of teachers and instructors iv. Improve educational infrastructure v. Provision of modern equipment, tools and learning materials vi. Continuous monitoring and evaluation for improved service delivery vii. Promote lifelong learning opportunities viii. Safe drinking water in learning institution ix. Increase government subsidy to enhance learners' retention and progression x. Establishment of special educational institutions and integrated units
Roads, Public	i. To improve and maintain road network across the county

	vi. Development of storm drainage and related facilities/infrastructure vii. Establishment of disaster management and early warning systems viii. Development of County Spatial Development plans and GIS facilities ix. Development of housing units and estate management plans
Water, Sanitation & Environment	i. Development of water supply infrastructure ii. Protection and sustainable utilization of environment and natural resources
Trade, Energy, Tourism & Industry	i. Development of markets/Market stalls, boda shades, shoe shiner sheds, and management of markets for efficient operations ii. Promotion of retail and wholesale trade and strengthening of market linkages iii. Promotion of exports iv. Strengthening of Joint Loans Board to support MSMEs v. Support for Regional Economic Block vi. Promotion of fair trade and consumer protection practices in the county vii. Electricity reticulation viii. Promotion of uptake of renewable energy options ix. Identification, development and promotion of tourism niche products and development of tourism circuit to link Narok, Kericho, Nakuru and Nyamira Counties x. Implementation of feasibility report on hydropower generation in identified sites xi. Construction of industrial infrastructure and establishment of industrial parks/zones xii. Promotion of investment through conferences, trade fairs and exhibitions

Table 2: Departmental performance in FY 2017/2018

Despite the notable achievements, we have experienced some challenges during the year. These include:

III. STATEMENT OF CORPORATE GOVERNANCE

Bomet County Government is constituted as per the Constitution of Kenya, 2010. The County is headed by the Governor, who is responsible for the general policy and strategic direction of the County.

The County is made up of a County Assembly and County Executive. The County Assembly (CA) consists of the Members of County Assembly (MCAs) who are elected by the people to represent them in the Assembly. The CA is headed by the Speaker.

The County Executive is structured in terms of departments, headed by a County Executive Committee (CEC) Member. The CECs support the Governor and the Deputy Governor in executing the mandate of the County Government as stipulated in the Constitution.

The County Assembly

The County Assembly is made of the MCAs. It is headed by the Speaker who is elected by the MCAs. The CA is the legislative authority in the county. It also plays an oversight role in ensuring that the county resources are well allocated and well spent. The CA is especially critical in the budgeting process. The MCAs meet every week in accordance with the Standing Orders of the County Assembly.

In executing its mandate, the CA has the following oversight committees:

1. Public Accounts/Investment Committee
2. Budget and Appropriations Committee
3. Committee on Finance, ICT and Economic Planning

PUBLIC INVESTMENTS/ ACCOUNTS COMMITTEE (PIC/PAC)

The committee was formed to provide oversight on the County's finances. The committee held quarterly mandatory meetings during the year. Additionally, it also held three extra sittings to deal with arising matters. The members who served in the committee during the year were:

No	Name	Position		Period served
1	Hon. Robert Langat	Chairperson		Nine Months
2	Hon. Jane C.Langat	Member		Nine Months
3	Hon. Augustine Koske	Member		Nine Months
4	Hon. Philip Korir	Member		Nine Months
5	Hon. Davis Kipkirui	Member		Nine Months
6	Hon. Clara Cherotich	Member		Nine Months
7	Hon. Barchok Kipngetich	Member		Nine Months

Table 3: Public accounts committee members

5	Hon. Hellen Chepkorir	Member	Nine Months
6	Hon. Philip Korir	Member	Nine Months
7	Hon. Ambrose Koech	Member	Nine Months

Table 5: Committee on Finance, ICT and Economic Planning members

Communication with all Stakeholders

The County is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. They are also given an opportunity to give feedback. In this regard, the County held an Annual consultative meeting in 19th February 2018 where the different stakeholders were invited for information sharing. This communication is important in ensuring that stakeholder expectations are aligned to the County's service delivery charter.

IV. STATEMENT OF COMPLIANCE

The County Government is regulated by various laws and regulations. As a County Government, we are committed to ensuring that we have complied with all the laws and regulations governing County Governments.

a) Financial reporting – Section 166 of the PFM Act (2012) requires the County Treasury to submit quarterly reports to the County Assembly and deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation (CRA), no later than one month after the end of each quarter. Bomet County Government complied with this requirement and submitted the quarterly reports within the stipulated timelines.

b) Fiscal responsibilities – Section 107 of the PFM Act (2012) stipulates the requirements of the County Treasury in enforcing fiscal responsibility.

- "The county government's recurrent expenditure shall not exceed the county government's total revenue" – in FY 2017/2018, Bomet County Government complied with this requirement whereby the recurrent expenditure was **Kshs3,469,926,344** against total revenues of **Kshs 5,461,254,878**

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF BOMET FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Executive of Bomet set out on pages 1 to 57, which comprise the statement of assets and liabilities as at 30 June 2018 and the statement of receipts and payments, statement of cash flows, summary statements of appropriation – recurrent, development and combined and budget execution by programmes and sub-programmes 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 County Executive of Bomet as at 30 June 2018, 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.

Basis for Qualified Opinion

1. Exchequer Receipts

The statement of receipts and payments for the year ended 30 June 2018 reflects exchequer receipts totalling Kshs.5,254,800,000, which includes an amount of Kshs.420,384,000 being funds received on 3 July 2018 in 2018/2019 financial year. The exchequer receipts for the year ended 30 June 2018 are, therefore, not fairly stated.

2. Unsupported Payments

The statement of receipts and payments for the year ended 30 June 2018 reflects payments totalling Kshs.939,223,116 and Kshs.684,076,569 in respect of expenditure on use of goods and services, and acquisition of assets respectively. However, included in these amounts are payments totaling Kshs.233,474,812 under various

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of County Executive of Bomet in accordance with ISSAI 30 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. Except for the matters described in the Basis for Qualified Opinion section of my report, I have determined that there are no other key audit matters to communicate in my report.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for for Conclusions on Lawfulness and Effectiveness in 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. Budget Performance

1.1 Revenue Collection

In the year under review, the County Executive collected revenue totaling Kshs.181,675,343 compared to Kshs.234,230,199 in 2016/2017 financial year. The budgeted amount against the actual collections are analyzed below:

Revenue Source	Budget 2017/18 Kshs	Actual 2017/18 Kshs	Deviation Kshs	Deviation %
Rents	2,538,689	1,940,170	598,519	23.58
Other Property Income	31,099,816	30,537,717	562,099	1.81
Receipts from admin fees	6,315,158	5,076,409	1,238,749	19.62
Business Permits/Cesses	43,658,550	36,207,931	7,450,619	17.07
Plot Rents	10,120,500	4,681,867	5,438,633	53.74
Other Local Levies	5,060,000	1,136,524	3,923,476	77.54
Market/Trade Fees	7,710,000	3,927,640	3,782,360	49.1
Vehicle Parking Fees	13,668,831	8,236,140	5,432,691	39.75

2. Construction of Governor`s Lounge and Office

The County Executive awarded a contract of Kshs.52,000,000 to a contractor for construction of the Governor`s Lounge and Office. The management paid an extra amount of Kshs.8,856,984 for various variations of the contract. However, minutes of the evaluation committee and letters from the contractor initiating the variations were not provided for audit review. As a result, it has not been possible to confirm the legality of the variations or whether value for money was received by the public from the expenditure.

3. Procurement of Batch Pasteurizers

The County Executive paid a supplier an amount of Kshs.2,430,000 for the supply of three batch pasteurizers for onward donation to three co-operative societies namely; Kimbilio Daima Sacco, Chepchabas Co-operative Society and Kapkap Co-operative. Physical verification and examination of the records revealed the following anomalies:

i. The batch pasteurizer delivered to Kimbilio Daima Sacco and the milk dispenser were instead donated to Chepchabas Co-operative Society. However, the batch pasteurizer is currently not operational.

ii. The supplier delivered one batch pasteurizer and two milk dispensers instead of the three batch pasteurizers for which the orders had been placed.

No explanations have been provided for the above anomalies. As a result, the County and Co-operatives may not receive value for money from the expenditure of Kshs.2,430,000.

4. Advance Payment for Donated Medical Equipment

Relief for Africa Foundation was paid an advance of Kshs.23,563,000 by the County Executive to facilitate shipment of donated medical equipment from United States of America. Physical verification revealed that the equipment was delivered to Longisa Hospital in Bomet County. The payment in advance, however, contravened the provisions of Section 146 of the Public Procurement and Asset Disposal Act, 2015.

5. Payments of Debts Owed by Co-operative Societies

During the year under review, the County Executive paid an amount of Kshs.32,305,342.5 towards clearing debts owed by four Co-operative Societies to Agricultural Finance Corporation and FMD East Africa. The Agricultural Finance Corporation was paid Kshs.28,955,950 and the balance of Kshs.3,349,392.50 was paid to FMD East Africa in respect of loan for delivery of tractors. However, the following anomalies have been noted:

i. The County Executive provided a sovereign guarantee to Agricultural Finance Corporation on 17 February, 2016 to clear the debts in the event that the Comurram used on the road were left by the road side, blocking water drainage lines. Some of the culverts were so raised but not back filled properly making it difficult for vehicles to cross conveniently. As a result, value for money may not have been achieved on the project.

8.2 Kimugul-Kalili-Kiriswa-Mengichik-Meswondo Road

A contract for construction of Kimugul-Kalili-Kiriswa-Mengichik-Meswondo road was awarded to a contractor at a cost of Kshs. 7,915,608 out of which Kshs3,537,536 had been paid to the contractor as of December,2018. Audit verification carried out in December, 2018 revealed that side drainages were not cleared of the debris and that two spots measuring approximately 600m of the road were constructed. Further, the road was not compacted and boulders were protruding on the road, an indication of poor workmanship. As a result, value for money may not have been achieved on the project.

9. Staff Recruitment

Examination of payroll records revealed that 213 new employees with a monthly gross salary of Kshs.11,114,517 were employed in the year under review. However, the vacancies were not advertised and the recruitment was not carried out by the County Public Service Board contrary to the requirements the County Government, Act 2012. The County Executive was therefore in breach of the law.

10. Staff Ethnic Composition

During the year under review, the Bomet County Executive had 3124 employees out of which 2968 or 95% were members of the ethnic community dominant in the County. This is contrary to Section 65 (e) of the County Government Act, 2012 which states that one third of county staff at entry level should be recruited from communities other than the one dominant in county.

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 audit procedures performed, except for the matter described in the Basis for Conclusions on Effectiveness of Internal Controls, Risk Management and Governance section of

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. 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 County Executive's 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

3. FINANCIAL STATEMENTS

3.1. STATEMENT OF RECEIPTS AND PAYMENTS

	Notes	2017-2018 KShs	2016-2017 KShs
RECEIPTS			
Exchequer releases	1	5,254,800,000	5,078,797,925
Proceeds from Domestic and Foreign Grants	2	48,065,933	8,810,000
Transfers from Other Government Entities	3	301,808,791	224,479,962
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	-
Proceeds from Sale of Assets	6	-	-
Reimbursements and Refunds	7	-	-
Returns of Equity Holdings	8	-	-
County Own Generated Receipts	9	181,675,343	234,230,199
Returned CRF issues	10	276,777,185	1,525,502
TOTAL RECEIPTS		**6,063,127,252**	**5,547,843,588**
PAYMENTS			
Compensation of Employees	11	2,221,097,999	2,181,569,537
Use of goods and services	12	939,223,116	677,613,985
Subsidies	13	-	-
Transfers to Other Government Units	14	1,005,075,514	1,101,483,091
Other grants and transfers	15	142,509,735	34,297,382
Social Security Benefits	16	-	62,978,459
Acquisition of Assets	17	684,076,569	1,114,980,225
Finance Costs, including Loan Interest	18	382,497	2,716,900
Repayment of principal on Domestic and Foreign borrowing	19	-	-
Other Payments	20	3,301,250	136,875,391
TOTAL PAYMENTS		**4,995,666,680**	**5,312,514,971**
SURPLUS/DEFICIT		**1,067,460,572**	**235,328,617**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 24 September 2018 and signed by:

Chief Officer
Name: CPA David Kikwai

Head of Treasury Accounts
Name: CPA Dora Maluche
ICPAK Member Number:

3.2. STATEMENT OF ASSETS AND LIABILITIES

	Notes	2017-2018 KShs	2016-2017 KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	21A	1,345,578,231	1,284,214,736
Cash Balances	21B	1,763	-
Total Cash and cash equivalent		**1,345,580,024**	1,284,214,736
Accounts receivables – Outstanding Imprests	22		-
TOTAL FINANCIAL ASSETS		**1,345,580,024**	**1,284,214,736**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	23	-	-
NET FINANCIAL ASSETS		**1,345,521,824**	1,284,214,736
REPRESENTED BY			
Fund balance b/fwd	24	278,120,252	1,046,253,568
Prior year adjustments	25	-	
Surplus/Deficit for the year		**1,067,460,572**	**237,795,456**
NET FINANCIAL POSITION		**1,345,580,024**	**1,284,214,736**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 24 September 2018 and signed by:

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Head of Treasury Accounts
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ICPAK Member Number

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Finance Costs	3,012,477	(1,871,000)	1,141,477	382,497	758,980	34%
Repayment of principal on Domestic and Foreign	-	-	-	-	-	0%
Other Payments	10,000,000	18,000,000	28,000,000	3,301,250	24,698,750	18%
TOTAL	**5,971,378,675**	**270,530,024**	**6,241,908,699**	**4,995,666,680**	**1,246,242,019**	**81%**
SURPLUS/(DEFICIT)	-	-	-	**1,067,460,562**	**(1,067,460,562)**	

[*Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization*

(a) The reduced finance costs resulted from the use of commercial banks that charged low bank charges.

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23 The total of actual on comparable basis should tie with the totals under receipts and payments where this is not the case, a reconciliation should between the two statements should be prepared and disclosed.)*

The entity financial statements were approved on 24 September 2018 and signed by:

Chief Officer
Name: CPA David Kikwai

Head of Treasury Accounts
Name: CPA Dora Maluche
ICPAK Member Number

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	0%
Other Payments	10,000,000	18,000,000	28,000,000	3,301,250	-	0%
TOTAL	**4,353,184,392**	**71,942,965**	**4,425,127,357**	**4,083191,090**	**317,236,516**	**93%**
SURPLUS/(DEFICIT)	**0**	**0**	**0**	**165,729,338**	**(165,729,338)**	

[Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]

a) *The low receipts on transfer from other government entities was occasioned by the budgeted lease of medical equipment of ksh 95,744,681 paid by the national treasury on behalf of counties hence the said amount was not received through county revenue fund account*
b) *The reduced finance costs resulted from the use of commercial banks that charged low bank charges.*

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23. The total figures on the recurrent budget execution statement and development budget execution should add up to the totals of the combined statement.*)

The entity financial statements were approved on 24 September 2018 and signed by:

Chief Officer
Name: CPA David Kikwai

Head of Treasury Accounts
Name: CPA Dora Maluche
ICPAK Member Number:

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Other Payments	-	-	-	-	-	0%
TOTAL	**1,618,194,283**	**198,587,059**	**1,816,781,342**	**874,025,470**	**942,755,872**	**48%**
SURPLUS/(DEFICIT)	**0**	**138,274,388**	**0**	**942,755,872**	**(942,755,871)**	

[Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]

(a) *Underutilization on acquisition of assets was occasioned by the delays in implementation of the major projects that were budgeted for in the financial year. The delay was brought about by the change in administration and transition process while building capacity which translated to late implementation of the projects towards the close of the financial year. Furthermore, during the same period there were prolonged rains which hampered the implementation of major projects i.e roads and water projects. Though the said projects were initiated during the financial year, they were completed after the close of the financial and is expected to be paid in the subsequent financial year 2018/19*

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23. The total figures on the recurrent budget execution statement and development budget execution should add up to the totals of the combined statement.*)

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ICPAK Member Number:

SP 4.1: Policy Development			1,341,000.00	624,000.00	717,000.00
SP 4.2: Civic Education and Public Participation	20,800,000.00	27,500,000.00	48,300,000.00	48,193,028.30	106,971.70
Sp 4.3 Personnel and Support Services	410,549,636.00	124,800,000.50	535,349,636.50	512,103,100.59	23,246,535.91
SP 4.4 Administrative Services	69,443,700.00	(1,462,806.00)	67,980,894.00	65,630,893.28	2,350,000.72
Sub Totals	**500,793,336.00**	**150,837,194.50**	**652,971,530.50**	**626,551,022.17**	**26,420,508.33**
Programme 5: Infrastructure Development and Equipment					
SP 5.1: Infrastructure Development	71,574,000.00	37,880,000.00	109,454,000.00	55,503,575.85	53,950,424.15
SP 5.2: Disaster Risk Reduction	4,000,000.00	(2,500,000.00)	1,500,000.00	957,000.00	543,000.00
Sub Totals	**75,574,000.00**	**35,380,000.00**	**110,954,000.00**	**56,460,575.85**	**54,493,424.15**
Programme 6: Information Communication Technology (ICT) Services					
SP 6.1 Administration Services	5,500,000.00	5,510,000.00	11,010,000.00	10,139,204.25	870,795.75
SP 6.2: Development of County ICT infrastructure	5,000,000.00	6,200,000.00	11,200,000.00	11,195,459.60	4,540.40
SP 6.3: ICT connectivity enhancement	3,520,000.00	1,480,000.00	5,000,000.00	-	5,000,000.00
SP 6.4: E-Government Services	-	8,000,000.00	8,000,000.00	3,213,882.75	4,786,117.25
Sub Totals	**14,020,000.00**	**21,190,000.00**	**35,210,000.00**	**24,548,546.60**	**10,661,453.40**
TOTAL	**1,078,593,826.00**	**121,449,077.50**	**1,201,383,903.50**	**1,099,728,502.74**	**101,655,400.76**
FINANCE					

Sub Totals	**20,397,093.00**	**(18,297,093.00)**	**2,100,000.00**	**2,060,000.00**	**40,000.00**
programme 4 (Budget preparation and management)					
SP 4.1 Budget preparation	-		-	-	-
Sub Totals	-	-	-	-	-
TOTAL	**67,014,163.00**	**45,613,576.00**	**110,577,739.00**	**95,322,937.93**	**15,254,801.07**
	LANDS,HOUSING AND URBAN PLANNING				
P1: Administration, Planning and Support Services					
SP 1.1 Administration Services	10,099,128.57	3,327,699.43	13,426,828.00	8,584,859.17	4,841,968.83
SP 1.2 Personnel Services(Institutions & Capacity Building)	201,746,434.00	12,200,000.00	213,946,434.00	211,442,492.46	2,503,941.54
SP 1.3 Financial & Procurement Services					-
SP 1.4 Use of Goods and Services					-
Sub Totals	**211,845,562.57**	**15,527,699.43**	**227,373,262.00**	**220,027,351.63**	**7,345,910.37**
P2: County Land Information Management Services					-
SP 2.1 County Statistical Information Service	58,000,000.00		13,900,000.00	7,241,050.00	6,658,950.00
SP 2.2 County Land Information Management System(CLIS)	2,479,406.00		2,000,000.00	-	2,000,000.00
SP 2.3 County Geo-spatial Information Management System					
Sub Totals					

YOUTH, SPORTS, GENDER AND CULTURE					
PROGRAMME 1. ADMINISTRATION, PLANNING AND SUPPORT SERVICES					
SP 1.1 Policy Development	1,398,000.00	1,361,860.00	2,759,860.00	2,572,059.00	187,801.00
SP 1.2 Capacity Building		-			-
SP 1.3 Human Resource Services	47,226,632.30	(0.30)	47,226,632.00	45,313,795.73	1,912,836.27
SP 1.4 Administrative and Financial Services	6,886,000.00	817,810.00	7,703,810.00	7,594,830.00	108,980.00
Sub Totals	**55,510,632.30**	**2,179,669.70**	**57,690,302.00**	**55,480,684.73**	**2,209,617.27**
Programme 2: Gender, Children and Social Protection Services					
SP 2.1 Gender Development and training	2,000,000.00	-	2,000,000.00	882,568.00	1,117,432.00
SP 2.2 Social protection, vulnerable groups and children services	62,000,000.00	(53,129,860.00)	8,870,140.00	7,384,011.05	1,486,128.95
Sub Totals	**64,000,000.00**	**(53,129,860.00)**	**10,870,140.00**	**8,266,579.05**	**2,603,560.95**
PROGRAMME 3 CULTURE AND LIBRARY SERVICES					
SP 3.1 Cultural Development	4,000,000.00	(2,000,000.00)	2,000,000.00	-	2,000,000.00
SP 3.2 Public Records & Archives	5,000,000.00	(755,850.00)	4,244,150.00	-	4,244,150.00
SP 3.3 Promotion of performing arts	1,000,000.00	(800,000.00)	200,000.00	-	200,000.00
Sub Totals	**10,000,000.00**	**(3,555,850.00)**	**6,444,150.00**	**-**	**6,444,150.00**
PROGRAMME 4 YOUTH AND SPORTS					

	294,609,348.50	**138,321,687.00**	**432,931,035.50**	**375,487,000.60**	**57,444,034.90**
Programme 3(Preventive and promotive health services)					
SP3.1 Community Health Services (UHC, community units, health education)	7,983,260.00	(7,423,260.00)	560,000.00	184,560.00	375,440.00
SP3.2 Communicable Disease Prevention &Control	1,040,000.00	(500,000.00)	540,000.00	-	540,000.00
SP3.3 Water Sanitation & Hygiene (WASH, +BIDP)	2,263,260.00	(1,000,000.00)	1,263,260.00	1,256,400.00	6,860.00
SP3.4 Nutrition Services					
Sub Totals	**11,286,520.00**	**(8,923,260.00)**	**2,363,260.00**	**1,440,960.00**	**922,300.00**
Programme 4(Reproductive health services)					
SP4.1 Family planning, Maternal New born & Child Health services	1,040,000.00	- 1,000,000.00	40,000.00	-	40,000.00
SP4.2Immunization	520,000.00	-	520,000.00	134,100.00	385,900.00
SP4.3 Family planning		-			-
Sub Totals	**1,560,000.00**	**(1,000,000.00)**	**560,000.00**	**134,100.00**	**425,900.00**
Programme 5 (Health Infrastructure)					
SP5.1 Development of Health Facilities	51,769,851.00	- 15,269,851.00	36,500,000.00	36,065,458.50	434,541.50
SP 5.2 Medical and other Equipment	11,000,000.00	24,900,000.00	35,900,000.00	35,078,972.80	821,027.20
SP 5.3 Emergency & Referral Services (Ambulance)	60,500,000.00	26,865,648.00	87,365,648.00	60,278,068.70	27,087,579.30
Sub Totals	**123,269,851.00**	**36,495,797.00**	**159,765,648.00**	**131,422,500.00**	**28,343,148.00**
TOTAL	**1,003,831,762.60**	**292,836,608.90**	**1,296,668,371.5**	**1,109,902,454.5**	**186,765,916.96**

SP4.1 Livestock Development	18,216,000.00	5,950,000.00	24,166,000.00	3,400,000.00	20,766,000.00
SP4.2 Fisheries Development	13,750,000.00	(10,816,229.00)	2,933,771.00	1,005,270.00	1,928,501.00
SP 4.3 Disease, Vector and pest control		14,566,000.00	14,566,000.00	3,400,000.00	11,166,000.00
SP 4.4 Veterinary services development	13,750,000.00	(8,750,000.00)	5,000,000.00	-	5,000,000.00
Sub Totals	**45,716,000.00**	**949,771.00**	**46,665,771.00**	**7,805,270.00**	**38,860,501.00**
TOTAL	**409,138,476.60**	**(115,766.00)**	**409,022,710.60**	**354,085,934.78**	**54,936,775.82**
WATER SANITATION AND ENVIRONMENT					
Programme 1: Policy, planning and administrative services					
SP1.1: Personnel Services	46,804,635.00	-	46,804,635.00	45,214,539.38	1,590,095.62
SP1.2: Administrative services	15,001,316.00	(1,028,433.00)	13,972,883.00	13,055,206.00	917,677.00
SP1.3: Development of enabling policies, laws and legislations	17,800,000.00	79,800,000.00	97,600,000.00	88,000,000.00	9,600,000.00
Sub Totals	**79,605,951.00**	**78,771,567.00**	**158,377,518.00**	**146,269,745.38**	**12,107,772.62**
Programme 2: Infrastructure Development					
SP2.1: Water supply infrastructure	303,000,000.00	(88,210,818.00)	214,789,182.00	107,154,054.64	107,635,127.36
SP2.2: Irrigation infrastructure	36,907,545.00	(33,907,545.00)	3,000,000.00	2,157,968.05	842,031.95
SP2.3: Waste water infrastructure		-			
Sub Totals	**339,907,545.00**	- **122,118,363.00**	**217,789,182.00**	**109,312,022.69**	**108,477,159.31**

and education					
SP2.1 ECD Infrastructure development	99,325,350.94	(17,332,499.94)	81,992,851.00	46,429,921.02	35,562,929.98
SP2.2 Furniture in ECD	8,129,000.00	1,396,800.00	9,525,800.00	-	9,525,800.00
SP2.3 Provision of ECD Teaching/learning materials	3,025,800.00	1,387,000.00	4,412,800.00	-	4,412,800.00
SP2.4 Ancillary Education Support	45,387,000.00	(21,387,000.00)	24,000,000.00	6,690,363.30	17,309,636.70
Sub Totals	**155,867,150.94**	**(35,935,699.94)**	**119,931,451.00**	**53,120,284.32**	**66,811,166.68**
Programme 3: Technical, vocational education and training					
SP3.1Purchase of workshop tools and Equipment	6,202,890.00	- 3,202,890.00	3,000,000.00	-	3,000,000.00
SP3.2 Infrastructure development and expansion	45,652,034.77	(502,922.77)	45,149,112.00	45,072,232.40	76,879.60
Sub Totals	**51,854,924.77**	**(3,705,812.77)**	**48,149,112.00**	**45,072,232.40**	**3,076,879.60**
TOTAL	**478,587,776.91**	**(35,797,503.91)**	**442,790,273.00**	**359,139,226.57**	**83,651,046.43**
ROADS, PUBLIC WORKS & TRANSPORT					
Programme 1(Policy Planning and General Administration Services)					
SP1.1 Personal Emoluments	52,642,775.00	-	52,642,775.00	47,487,520.35	5,155,254.65
SP1.2 Formulation of Roads Policy		-			-
SP1.3 Administrative services	81,515,839.00	(28,914,550.00)	52,601,289.00	51,688,397.15	912,891.85
Sub Totals	**134,158,614.00**	**(28,914,550.00)**	**105,244,064.00**	**99,175,917.50**	**6,068,146.50**

P2. Trade Development					
S.P. 2.1 Capacity Building of SMEs	2,000,000.00	3,500,000.00	5,500,000.00	4,390,750.00	1,109,250.00
S.P 2.2 Trade Awards	-	-	-	-	-
S.P. 2.3 County Enterprise Fund	-	-	-	-	-
S.P.2.4 Producer Business Groups	-	-	-	-	-
S.P 2.5 Market Development	1,000,000.00	(377,500.00)	622,500.00	-	622,500.00
S.P. 2.6 Fair Trade and Consumer Protection Practices	2,000,000.00	(800,000.00)	1,200,000.00	1,100,000.00	100,000.00
Support to Regional Economic block	10,000,000.00	(10,000,000.00)	-	-	-
Support To Joint Loans Board	2,000,000.00	(2,000,000.00)	-	-	-
Sub Totals	**17,000,000.00**	**(9,677,500.00)**	**7,322,500.00**	**5,490,750.00**	**1,831,750.00**
P3. Energy Development					
S.P. 3.1. Power Generation And Distribution Service	8,000,000.00	229,600.00	8,229,600.00	8,076,042.55	153,557.45
S.P. 3.2. Floodlights Installation	6,000,000.00	- 2,000,000.00	4,000,000.00	3,947,263.15	52,736.85
S.P.3.3 REA Matching funds	12,500,000.00	(4,500,000.00)	8,000,000.00	8,000,000.00	-
Sub Totals	**26,500,000.00**	**(6,270,400.00)**	**20,229,600.00**	**20,023,305.70**	**206,294.30**
P4. Tourism Development					
S.P. 4.1 Development of The Tourism Niche Products	4,000,000.00	(1,900,000.00)	2,100,000.00	591,724.00	1,508,276.00
S.P. 4.2 Tourism promotion and exhibition (Miss					

3.8. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The receivables and payables are disclosed in the Statement of Assets and Liabilities.

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 Government. The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

Transfers from the Exchequer

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensation of employees

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

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.

Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the County consolidated financial statements.

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. 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 *entity* 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.

10. 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 *entity'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 31st May, 2017 for the period 1st July 2017 to 30 June 2018 as required by law. There were two supplementary budgets passed in the year

11. Comparative figures

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

12. Subsequent events

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

13. Errors

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

14. Related party transactions

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2017 – 2018 KShs	2016 – 2017 KShs
Transfers from Central government entities		
Transfer from Ministry of Health		
Leasing of medical equipment	-	
Free maternity healthcare	-	84,677,500
Financing for level 5 hospitals	-	
Abolishment of user fees in health centers and dispensaries	14,191,766	14,191,766
Doctors, Nurses, Clinical Officers and Other Health Staff Allowances	-	47,575,000
KDSP	41,921,669	
Conditional Allocation for polytechnics	45,149,112	
Conditional Allocation to County Emergency Fund	-	-
Rehabilitation of class C roads	-	
Road maintenance fuel levy fund	200,546,244	78,035,696
TOTAL	**301,808,791**	**224,479,962**

(Give a brief description of what the transfers relate to and from whom they were received)

4. PROCEEDS FROM DOMESTIC BORROWINGS

	2017 - 2018 KShs	2016 – 2017 KShs
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
Total	-	-

(Give a brief description of the nature and sources of borrowings including any assets pledged as security)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. RETURNS OF EQUITY HOLDINGS

	2017 - 2018 KShs	2016 – 2017 KShs
Returns of Equity Holdings in Domestic Organisations	-	
Returns of Equity Holdings in International Organisations	-	-
	-	-
Total	-	-

(State briefly from which entities dividends or interest is derived from)

9. COUNTY OWN GENERATED RECEIPTS

	2017 - 2018 KShs	2016 – 2017 KShs
Interest Received	-	
Profits and Dividends	19,163,278	18,618,773
Rents	1,940,170	1,733,384
Other Property Income	30,537,717	30,253,041
Sales of Market Establishments	-	-
Receipts from Administrative Fees and Charges	-	-
Receipts from Administrative Fees and Charges - Collected as AIA	5,076,409	4,770,350
Receipts from Incidental Sales by Non-Market Establishments	-	-
Receipts from Sales by Non-Market Establishments	-	-
Receipts from Sale of Incidental Goods	-	-
Current Grants from International NGOs paid through Exchequer	-	-
Capital Grants from International NGOs paid through Exchequer	-	-
Current Grants from International NGOs collected as AIA	-	-
Capital Grants from International NGOs collected as AIA	-	-
Other Voluntary Transfers for Current purposes	-	-
Paid to Exchequer/CRF	-	-
Business Permits / Cesses	37,471,524	26,019,900
Poll Rates	-	-
Plot Rents	4,681,867	5,915,334
Other Local Levies	1,136,524	9,754,731
Administrative Service Fees	-	-
Various Fees	-	-
Natural Resources Exploitation	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. COMPENSATION OF EMPLOYEES

	2017 – 2018 KShs	2016 – 2017 KShs
Basic salaries of permanent employees	1,304,752,460	2,181,569,537
Basic wages of temporary employees	32,073,852	-
Personal allowances paid as part of salary	848,442,230	-
Personal allowances paid as reimbursements	12,778,065	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	17,979,191	-
Compulsory national social security schemes	5,072,200	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**2,221,097,999**	**2,181,569,537**

(Give brief explanation including the comparative number of employees)

12. USE OF GOODS AND SERVICES

	2017 – 2018 KShs	2016 – 2017 KShs
Utilities, supplies and services	17,185,307	21,314,054.90
Communication, supplies and services	5,582,699	11,175,648.00
Domestic travel and subsistence	126,529,701	83,765,849.00
Foreign travel and subsistence	26,264,110	20,555,072.00
Printing, advertising and information supplies & services	94,968,105	55,467,610.00
Rentals of produced assets	74,455,222	80,973,019.85
Training expenses	73,475,047	47,434,085.00
Hospitality supplies and services	23,262,050	38,037,559.00
Insurance costs	18,869,476	31,034,111.60
Specialized materials and services	186,971,783	54,100,784.00
Office and general supplies and services	46,042,581	7,627,087.00
Other operating expenses	145,703,210	34,000,000.00
Routine maintenance – vehicles and other transport equipment	42,282,492	110,487,036.00
Fuel, Oil and Lubricants	52,198,100	67,850,845.00
Others	5,433,231	13,791,224.00
Total	**939,223,116**	**677,613,985**

(Give a brief explanation of this category of expenses)

Total	**142,509,735**	**34,297,382**

(Provide explanation as to what other grants and payments relate to and who is the beneficiary)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. FINANCE COSTS, INCLUDING LOAN INTEREST

	2017 - 2018	2016 – 2017
	KShs	KShs
Bank charges	382,497	2,716,900
Exchange Rate Losses	-	-
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	**382,497**	**2,716,900**

19. REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING

	2017 – 2018	2016 – 2017
	KShs	KShs
Repayments on Borrowings from Domestic	-	-
Principal Repayments on Guaranteed Debt Taken over by Government	-	-
Repayments on Borrowings from Other Domestic Creditors	-	-
Repayment of Principal from Foreign Lending & On – Lending	-	-
Total	-	-

20. OTHER PAYMENTS

	2017 – 2018	2016 – 2017
	KShs	KShs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other payments	3,301,250	136,875,391
Total	**3,301,250**	**136,875,391**

(Provide explanation as to what each component of other expenses relate to)

Longisa Hospital					669,741
LONGISA COUNTY HOSPITAL DEVELOPMENT ACCOUNT - 100109048400				79,731	315,507
Sotik Health Centre				372,780	
Simbi Dispensary				106,579	
Kiricha Dispensary				418,587	
Chepchabas Dispensary				1,001,347	
Siomo Health Centre				402,030	
Satiet Dispensary				299,904	
Chemelet HSSF Account				197,930	
Itare Dispensary				1,209,546	
Kenyagoro Helth Centre				328,366	
Mogogosiek Health centre				1,521,473	
Kabisimba Dispensary				543,940	
Kamunduki Dispensary				499,695	
Olokyin Health Centre				391,177	
Bomet Health Centre				613,564	
Siongiroi Health Centre				367,926	
Mulot Health Centre				1,258,248	
social services standing imprest account-1157999689					
Bomet county safety net					
COUNTY ASSEMBLY-1220264453628					
BOMET WATER					

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	2017 – 2018	2016 – 2017
	KShs	KShs
Government Imprests	-	-
Clearance accounts	-	-
Total		-

[Include a breakdown of the outstanding imprest below or as an annex to the notes if the list is longer than 1 page.]

Name of Officer or Institution	*Date Imprest Taken*	*Amount Taken*	*Amount Surrendered*	*Balance*
		KShs	*KShs*	*KShs*
			-	

23. ACCOUNTS PAYABLE

	2017 – 2018	2016 – 2017
	KShs	KShs
Deposits	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

24. FUND BALANCE BROUGHT FORWARD

	2017 – 2018	2016 – 2017
	KShs	KShs
Bank accounts	**278,061,252**	42,732,635
Cash in hand	-	-
Accounts Receivables	-	-
Accounts Payables	-	-
Total	**278,061,252**	**42,732,635**

[Provide short appropriate explanations as necessary]

3.10. OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017 – 2018 KShs	2016 – 2017 KShs
Construction of buildings	26,320,531	
Construction of civil works	21,085,884	
Supply of goods	187,593,429	
Supply of services	61,240,303	
Total	**296,240,147**	**269,086,968**

2. PENDING STAFF PAYABLES (See Annex 2)

	2017 – 2018 KShs	2016 – 2017 KShs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (*specify*)	-	-
Total	-	-

3. OTHER PENDING PAYABLES (See Annex 3)

	2017 – 2018 KShs	2016 – 2017 KShs
Amounts due to National Government entities	-	-
Amounts due to County Government entities	-	-
Amounts due to third parties	-	-
Others (*specify*)	-	-
	-	-

(Provide explanations for the prior year adjustments made, their nature and effect on the fund balance of the County)

4. 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 Government:

- Key management personnel that include the Governor, the Deputy Governor, Members of the County Assembly, CECs and Chief Officers for various County Ministries and Departments;

5. ESTABLISHMENT OF OTHER COUNTY GOVERNMENT ENTITIES

The PFM Act, 2012 section 182 enables the County Government to establish and resolve County Corporations/ entities. For purposes of follow up on financial reporting, audit and disclosure, outlined below is a list of entities established by the County Government since inception.

Entity	Date Established	Location	Accounting Officer responsible
Bomet Water Company	2014/2015	Bomet town	David Koech
Bursary fund	2014/2015	Education department	Simion Langat
Xxx Board	xxx	Xxx	Xxx
Xxx project	xxx	Xxx	Xxx
XXX Scheme	xxx	Xxx	Xxx

ANNEXES

ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER

Period	Equitable Share	DANIDA	Level 5 hospitals allocation	Total Transfers from the National Treasury
Exchequer Releases for quarter 1	735,672,000	-	-	735,672,000
Exchequer Releases for quarter 1	972,138,000	13,589,799	-	985,727,799
Exchequer Releases for quarter 1	1,839,180,000	-	-	1,839,180,000
Exchequer Releases for quarter 1	1,707,810,000	-	-	1,707,810,000
Total	**5,254,800,000**	**13,589,799**	-	**5,268,389,799**

ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
		A	B	C	d=a-c		
Amounts due to National Govt Entities							
1.					-		
2.					-		
3.					-		
Sub-Total					-		
Amounts due to County Govt Entities							
4.					-		
5.					-		
6.					-		
Sub-Total					-		
Amounts due to Third Parties							
7.					-		
8.					-		
9.					-		
Sub-Total					-		
Others (*specify*)							
10.					-		
11.					-		
12.					-		
Sub-Total					-		
Grand Total					-		

Asset class	Historical Cost b/f (KShs) 2017/2018	Additions during the year (KShs)	Disposals during the year (KShs)	Historical Cost c/f (KShs) 2017/2018
Purchase of Certified Seeds, Breeding Stock and Live Animals	0	1,765,722	0	1,765,722
Research, Studies, Project Preparation, Design & Supervision	8,344,900	187,534	0	8,532,434
Acquisition of Strategic Stocks and commodities	0	2,147,908	0	2,147,908
Total	**2,020,807,304**	**690,236,893**	**0**	**2,711,044,197**

Additions during the year should tie to note 17 on acquisition of assets during the year.