BCA/PAC AC/06/2017/12

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

BOMET COUNTY ASSEMBLY
CLERK
14 NOV 2017
P.O. Box 590-20400 BOMET

Table
Mzee.
[illegible]
14/11/17

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF BOMET

BOMET COUNTY ASSEMBLY
TABLE & JOURNALS OFFICE
13 NOV 2017
P.O. Box 590 - 20400 BOMET

Read/tabled on
15/11/2017
at 9.00am
[illegible]

FOR THE YEAR ENDED 30 JUNE 2016

OFFICE OF THE AUDITOR GENERAL
P.O. Box 30084 - 00100, NAIROBI
2 3 MAR 2017
RECEIVED

COUNTY GOVERNMENT OF BOMET

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2016

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

14 FEB 2017

Table of Content

Page

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

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

(b) Key Management

The County Government of Bomet day-to-day management is under the following key organs:

- The County Executive Committees;
- The Ministries/Departments;
- The County Treasury; and
- The County Assembly.

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2016 and who had direct fiduciary responsibility were:

Designation	Name
1. Governor	Hon. Isaac Ruto
2. Deputy Governor	Hon. Stephen Mutai
3. County Secretary	Mr. Jonathan Soi
4. CECM – Agribusiness	Hon. Beatrice Kirui
5. CECM – Finance, ICT & Economic Planning	Hon. Dr. Peter Koros
6. CECM – Education & Vocational Training	Hon. Samson Barchok
7. CECM – Roads, Public Works & Transport	Hon. Eddah Biegon
8. CECM – Culture, Gender, Sports, Youth & Social Services	Hon. Rachel Ngeno
9. CECM – Medical Services	Hon. Dr. Stanley Cheruiyot
10. CECM – Water & Irrigation	Hon. Dr. Joseph Langat
11. CECM – Energy, Tourism, Trade & Industry	Hon. David Cheruiyot
12. CECM – Environment, Land, Housing & Urban Development	Hon. Alex Kirui
13. Clerk – County Assembly	Mr. Isaac Kitur

Fiduciary Oversight Arrangements

The County Government of Bomet has the following bodies for fiduciary oversight arrangements:

i) Audit and finance committees
ii) County Assembly committees
iii) Other oversight arrangements including internal audit examination teams

(d) County Government of Bomet Headquarters

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

(e) County Government of Bomet Contacts

Telephone: (+254) 0202084070
E-mail: info@bomet.go.ke
Website: www.bomet.go.ke

(f) County Government of Bomet 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

FORWARD BY THE CEC

This is the second annual report for Financial year 2015/16 under the COK, County Govt Act and PFMA,2012. It provides for annual performance for the county under the PFMA section 163 that requires county treasury to consolidate the annual financial statements in respect of county government entities in format prescribed by Accounting Standard Board. The report includes appropriation accounts and statements prepared by accounting officers and receivers of revenue. The financial statements are being presented in line with PFMA section 164(4) which states this must be presented not later than four months after the end of the financial year.

The county budget allocation for the financial year 2015/2016 was Kshs. 5,170,956,630 comprising Kshs. 5,015,924,688 being funds released from the exchequer, Danida, fuel levy, free maternity, user fee and other local sources of revenue. The expenditure captured as at end of 30th June 2016 was Kshs. 5,012,304,487. However we did not exhaust the total commitments due to IFMIS challenges that did not allow for all expenditures to go through. This came as a result of delays in releasing the allocation for the month of June.

Bomet County's performance was good given the top rating in terms of absorption as well as amount spent on development. This has led to improved welfare and living standards for most of the Counties citizens. Further, due to the county putting in place implementation monitoring and social audit units, value for money has been greatly achieved. The County has remained commited to working with all stakeholders to further develop the county.

Though the county is progressing well in implementation of the County Development Intergrated Plan; challenges did not miss since most of the activities are new. Some of this included; the allocation/transfers being inadequate compared with the needs, the National Treasury releasing funds monthly resulting in delays of activities that need large amount of money; and challenges in passing payments through IFMIS due to poor network connectivity.

To ensure that this challenges are overcome, we recomend that: transfers should be made quarterly to improve management of funds and also enable settlement of bigger requirements; the National Treasury should put in place mechanisms to ensure that activities should not stop because of delay of funds; the intergovernmental meetings should be held frequently to iron out some of the problems facing counties; and the IFMIS networking should be extended to sub counties.

We note that even with the above challenges, Bomet County still achieved a 97% absorption rate at the end of the year.

Thank you.

COUNTY EXECUTIVE COMMITTEE MEMBER
HON. Dr PETER KOROS
FINANCE, ICT & ECONOMIC PLANNING
BOMET COUNTY GOVERNMENT

II. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 163,164 and 165 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the County Treasury shall prepare financial statements of each County Government entity, receiver of revenue and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year nded on June 30, 2016. 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 Government; (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 Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government'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 CEC member for finance is of the opinion that the County Government's financial statements give a true and fair view of the state of the County Government's transactions during the financial year ended June 30, 2016, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which ve been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government'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 CEC member for finance confirms that the County Government's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The County Government's financial statements were approved and signed by the CEC member for finance on 30/09/ 2016.

County Executive Committee member – Finance

III. REPORT OF THE INDEPENDENT AUDITORS ON THE *BOMET COUNTY GOVERNMENT.*

We have audited the accompanying (consolidated) financial statements of Bomet County Government *for the year ended June 30, 2016*, which comprise: (i) a statement of receipts and payments; (ii) a statement of financial assets and liabilities; (iii) a statement of comparative budget and actual amounts; (iv) a statement of pending bills as at June 30, 2016; and (v) a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The County Government of Bomet Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County Government of Bomet preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bomet County's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Bomet County as at June 30, 2016, and its receipts and payments, as well as cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Auditor General

Date

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.oagkenya.go.ke

P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF BOMET FOR THE YEAR ENDED 30 JUNE 2016

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of County Executive of Bomet set out on pages 6 to 30, which comprise the statement of financial assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows and a summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report 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. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County Executive's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I am not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

1.0 Use of Goods and Services

The cost of goods and services increased from Kshs.649, 026,219 during the year ended 30 June 2015 to Kshs.852,563,751 during the year under review. This was an increase of Kshs.203,537,532 representing thirty-one (31%) percent rise over the previous year. However, the balance of Kshs.852,563,751 has not been supported by schedules a part from what is highlighted in Note 13 to the financial statements. In the circumstance, the expenditure cannot be confirmed as having been properly incurred and charged to public funds.

1.1 Domestic Travel

During the year under review, domestic travel expenditure increased from Kshs.67,059,695 to Kshs.115,805,900.This expenditure was not supported by a schedule to confirm who travelled, place travelled and cost involved in each trip. The journeys could not be confirmed to have been duly authorized and that the allowances paid were put to the intended use. In the circumstance, the propriety of this expenditure cannot be confirmed.

1.2 Foreign Travel

Foreign travel expenditure of Kshs.32,267,630 incurred during the year was not supported by a schedule to confirm journeys to foreign countries, names and cadres of the officers on the trips and costs for each trip. In the circumstance, the propriety of this expenditure cannot be confirmed.

1.3 Training Expenses

Training expenses rose from Kshs.40,240,817 in the previous year to Kshs.66,858,347. However, the expenditure was not supported by a schedule to confirm persons trained, needs assessment, costs of training, training venues and the benefits arising from the training. In the absence of documentation, the expenditure cannot be confirmed as having been properly incurred against public funds.

1.4 Specialized Materials and Services

Expenditure on specialized materials and services rose from a nil balance in the previous year to Kshs.219,584,075 in the year ended 30 June 2016. However, no schedule of expenditure has been presented for audit verification to confirm that procurement, delivery of materials and rendering of services of specialized nature incurred during the year under review. In the absence of documentation, the expenditure cannot be confirmed as properly incurred against public funds.

1.5 Fuel, Oil and Lubricants

Expenditure on fuel, oil and lubricants rose from a nil balance in the previous year to Kshs.34,730,265 in the year ended 30 June 2016. However, no schedule of expenditure was presented for audit to confirm procurement of fuel, oil and lubricants, drawings and eventual recording in work tickets as required. In the absence of documentation it was not possible to confirm which vehicles drew fuel against journeys shown as having been authorized. In the circumstance, the expenditure cannot be confirmed as having been properly incurred against public funds.

2.0 Pending Accounts Payable

Annex 1 to the financial statement reflects pending accounts payable of Kshs.188,494,461. As reported in Note 1 to the finanicial statements under the statement of compliance and basis of preparation, the financial statements have been prepared with particular emphasis on Cash Basis of Accounting and therefore commitments were recognized as having been made when cash to pay became available. On this basis therefore, the pending bills should not have arisen. In addition, the pending accounts payable have not been supported by local purchase and service orders (LPOs and LSOs), certificates and contracts to confirm how they arose and that they were due for settlement. In the circumstance, Note 1 to the financial statements has not been complied with and further the pending bills cannot be confirmed as authentic.

3.0 Bank and Cash Balances

The statement of assets reflects a bank balance of Kshs.43,078,028 as at 30 June 2016. However, there were no bank reconciliation statements presented for audit review to confirm the balances as reported. The reported balances were observed to be bank statement balances and cashbook balances. In addition, the County Government did not carry out bank reconciliations in Integrated Financial Management Information System (IFMIS) for all the bank accounts it operates. Aslo, the County Government did not present a board of survey certificate to confirm the balance of cash in hand as at 30 June, 2016. In the circumstance, the accuracy and validity of the cash and cash equivalent balance of Kshs.43, 078,028 could not be confirmed.

4.0 Transfers to Bomet Water Company

The statement of receipts and payments for the year ended 30 June 2016 reflects transfer to Other Government Entities of Kshs.412,962,351. Included in these transfers are disbursements totaling Kshs.119,400,000 to Bomet Water Company. However, the financial statements of Bomet Water Company reported receipt of Kshs.112,466,977 resulting to an unexplained and unreconciled variance of Kshs.6,933,032. In the circumstance, the amount reported under transfers to other Government Entities cannot be confirmed as fairly stated.

5.0 Transfers to Hospitals

Note 16 to the financial statements reported transfers to hospitals of Kshs.29,998,500. However, the schedule provided for audit review reflected transfers totalling Kshs.27,357,668. Included in the figure of Kshs.27,357,668 are amounts totaling Kshs.13,812,000 which appear twice in the schedule for same health facilities with same amounts transferred. The cash book presented for audit review indicated that only Kshs.13,026,300 was transferred to the hospitals leaving a balance of Kshs.16,972,200 unaccounted for. In the circumstance, the transfers of Kshs.29,998,500 cannot be confirmed as fairly stated.

6.0 Other Expenses

The statement of receipts and payments reflects other expenses balance of Kshs.366,990,313. Included in this schedule are payments appearing twice in the schedule in various sub items such as hire of transport, advertisement, trainee allowances, trade shows and exhibitions among others totaling Kshs.19,765,022 and Kshs.48,758,729. The payments shown twice in the schedule have the same payment voucher number, account charged and payee. No explanation has been provided on why the schedule in support of this expenditure would have double entries and therefore denote double payments. In the circumstance, the other expenses balance of Kshs.366,990,313 reflected in the statement of receipts and expenditure cannot be confirmed to have been properly incurred, recorded and reported.

7.0 Revenue Budget Analysis

According to the statement of receipts and payments, the County Government received a total of Kshs.5,052,595,137 in the financial year ended 30 June 2016 against a revenue budget of Kshs.5,170,956,630, resulting to a funding shortfall of Kshs.118,361,443. The shortfall arose from own sources of revenue which had a budget of Kshs.446,443,332 against actual collection of Kshs.328,081,937. The County Government therefore relied heavily on the exchequer releases and other transfers from National Government to finance its operations.

7.1 Collection of Local Revenue

The following table shows the performance of budgeted revenue streams against actuals realized.

Revenue Stream	Budget Kshs.	Actual Kshs.	Variance Kshs.
Markets and Slaughter	3,677,471	11,668,305	7,990,834
Miscellaneous Receipts	7,403,544	9,036,634	1,633,090
Parking Charges	11,638,883	12,301,750	662,867
Rental Income	4,086,818	3,675,959	410,859
Property Rates	10,710,113	9,275,843	(1,434,270)
Business Permits	32,438,620	27,350,252	(5,088,368)
HSSF	8,671,362	3,482,162	(5,189,200)
Cess Collections	18,105,034	4,243,031	(13,862,003)
Other Revenue Streams	6,010,162	9,361,598	3,351,436
Cheptalal Hospital	800,622	720,133	(80,489)
Unilever Tea (Land Rates)	12,815,615	11,527,221	(1,288,394)
Williamson Tea	2,882,780	2,592,965	(289,815)
James Finlay (Land Rates)	9,609,194	8,643,152	(966,042)
Kipsisgis Highlands	1,600,948	1,440,000	(160,948)
Sotik Tea (Land Rates)	3,975,714	3,576,023	(399,691)
Embomos Tea Farm	14,000,000	12,570,614	(1,429,386)
Sigor Hospital	4,400,000	3,934,625	(465,375)
Longisa Hospital	36,000,000	31,587,020	(4,412,980)
Total	**188,826,880**	**166,987,287**	**(21,839,593)**

From the above table, the following issues were noted during the audit.

7.2 Market and Slaughter

During the year under review, the County Executive had budgeted to collect Kshs.3,667,471 revenue from market and slaughter fees. However, actual collection was Kshs.11,668,305 which was three (3) times more than what was budgeted for. It therefore appears that the county government had under estimated the revenue potential from this category.

7.3 Property Rates

The revenue budget for property rates was Kshs.10,710,113 but actual collections totaled Kshs.9,275,843 thereby resulting to under-collection of revenue of Kshs.1,434,270. It therefore appears that revenue from this category can be realized in full were proper measures to be put in place as the collection rate attained was eighty seven (87%) percent of the amount budgeted.

7.4 Single Business Permits

The revenue budget for single business permits was Kshs.32,438,620 against an actual of Kshs.27,350,252 occasioning a shortfall of Kshs.5,088,368.The revenue from this source needs to be realized in full as the sources can be categorized and the charge-out rates clearly spelt out in the County Finance Act. It therefore appears that prudent mapping of businesses was not done during the budgeting process to determine revenue due from this stream.

7.5 Cess Collection

The budgeted revenue for this revenue stream was Kshs.18,105,034 but actual collection totaled Kshs.4,243,031. The collection represented a lowly twenty three (23%) percent of the budget. This implies there was gross under collection of revenue due lack of proper management of cess collection points, or other forms of revenue leakage. It is therefore evident that prudent management was not exercised during budgeting and actual collection of revenue from this stream.

7.6 Unilever Tea Kenya (Land Rates)

The budgeted revenue amount from land rates was Kshs.12,815,615 but actual collection totalled Kshs.11,527,221 for land acreage of 12,007.522 acres. However, explanation of bank statements revealed a total of Kshs.11,585,221.10 was received from Unilever Tea Kenya by the County Government of Bomet as shown in the table below. The actual revenue figure was therefore, understated by Kshs.58,000.

Date	**Amount Kshs.**
21/03/2016	58,000.00
29/01/2016	11,527,221.10
	11,585,221.10

According to Bomet County Government Finance Act, 2016, the prescribed percentage charging was 2.5% of the value of the land. However, the land rates were charged at 1.2%, resulting to undercharging of revenue amounting to Kshs.12,487,823. In the circumstance, the revenue collectable has been understated.

7.7 Williamson Tea Kenya (Land rates)

The budgeted revenue for land rates was Kshs.2,882,780 against actual of collection Kshs.2,592,965. The revenue was understated by Kshs.222,200 as bank statements revealed that Kshs.2,818,165.75 was deposited in the account for County Government of Bomet. The understatement has not been explained. The following shows the bank deposits from bank statements:

Date	Amount Kshs
29/04/2016	94,500.00
05/01/2016	127,700.00
21/01/2016	2,595,965.75
	2,818,165.75

According to Bomet County Government Finance Act, 2016 land rates are to be charged at 2.5% of the value of the land. However, the land rates were instead charged at 1.2%, resulting to undercharging of revenue by Kshs.2,809,046 .In the circumstance, the revenue collectable through the land rates has been understated.

7.8 Revenue from John Finlay Land Rates

Records indicate that the County Government of Bomet collected Kshs.8,643,152 from James Finlay Limited in respect of land rates for the year 2016. However, there was no valuation report to confirm how Kshs.8,643,152 was arrived at. Based on the tabulatioin below, the revenue collectable was Kshs.8,743,152, denoting under-collection by Kshs.100,000. In the absence of supporting documents, it was not possible to confirm whether the amount paid was calculated based on the correct site values and acreage. In addition according, to Bomet County Government Finance Act, 2016 the revenue percentage was to be 2.5% and not 1.2% and therefore, there was undercharging by Kshs.9,299,095 as tabulated below:

LR/No	Acreage	Site Value Kshs	Rate 1.2% Kshs	Rate 2.5% Kshs	Difference Kshs
5468	1938.996	155,119,688	1,861,436.26	3,877,992	2,016,556
5468	2159.011	172,720,880	2,172,650.56	4,318,022	2,145,372
5468	1509.039	120,733,120	1,448,797.44	3,018,328	1,605,209
5468	1471.999	117,759,920	1,413,119.04	2,943,998	1,530,879
5468	668.7085	53,496,680	641,960.16	1,337,417	695,457
7797	814.0267	65,122,136	781,465.63	1,628,053	846,588
7797/3	441.378	35,310,240	423,722.88	882,756	459,034
Total		**720,262,664**	**8,743,151.97**	**18,006,566**	**9,299,095**

7.9 Land Rates for Kipsigis Highlands

During the year 2015/2016, the County government of Bomet collected a total of Kshs.1,440,000 in respect of Kipsigis Highlands. However, no disclosure has been made on how the amount was arrived at as no documentary evidence was availed for audit review.

7.10 Unrealized Revenue under Land Rates for Sotik Tea

During the year 2015/2016, the County Government of Bomet collected revenue under land rates for Sotik tea totaling Kshs.3,576,023 from land measuring 3,694 acres and valued at Kshs.341,695,000. However, according to Bomet County Government Finance Act, 2016 the amount collected should have been Kshs.8,542,375 as the rate used to charge the amount due was 2.5%. It is not clear how the amount of Kshs.3,576,023 counted was arrived at the amount due for the year 2016 was Kshs.5,262,103. In the circumstance, the revenue due is understated.

7.11 Revenue on Property Rates

Verification of property rates collection records revealed that Kshs.7,693,039 was collected in respect of land rates and Kshs.553,254 on ground rates during the year under review. However the respective outstanding collections were that Kshs.129,935,114 and Kshs.21,059,810. In addition, the recent valuation report for the parcels of land were not provided for audit. In the absence of the valuation report, it was not possible to confirm whether the amount paid was calculated on the correct site values and acreage. Further, interest accrued amounting Kshs.27,179,086 had not been collected as at 30 June 2016:

Description	Kshs	Kshs	Kshs
Outstanding amount in Land Rates	129,935,114	Interest 18% p.a	23,388,320.50
Outstanding amount in Ground Rents	21,059,810	@18%p.a	3,790,765.80
Total	**150,994,924**		**27,179,086.30**

8.0 Expenditure Budget Analysis

8.1 Development Expenditure

During the year under review, the County Executives development budget of Kshs.2,422,686,282 against actual expenditure of Kshs.2,147,028,459 resulting to unutilized budgetary allocation of Kshs.275,657,823. The overall absorption of funds was eighty-eight point six (88.6%) percent. The departments of public health and environment and trade, energy, tourism and industry realized the lowest absorption of their respective budgetary allocations at zero (0%) and 18.7% percent respectively. The expenditure at the Office of the Governor was 217% of the budget, finance and economic was 404% and roads and public works was 112%.

Department	Approved Budgetary Allocation Kshs.	Actual Expenditure Kshs.	% Level of Implementation
Office of the Governor, Administration and Public Service	40,000,000	86,732,352.50	(217)
Finance and Economic Planning	29,678,114	119,926,265.00	(404)
Public Health and Environment	8,900,000	0	0
Social Services	412,094,505	390,369,509.00	95
Medical Services	538,214,826	391,643,604.00	73
Lands, Housing and Urban Planning	125,552,744	86,998,444.55	69
Agri-Business, Cooperatives and Marketing	175,913,346	101,824,970.45	58
Water Services	373,442,716	255,381,221.65	68
Education, and Vocational Trainings	281,510,069	266,616,732.90	95
Roads and Public Works	391,873,962	439,041,836.35	(112)
Trade, Energy, Tourism and Industry	45,506,000	8,493,523.00	19
Total	**2,422,686,282.00**	**2,147,028,459.40**	**89**

Management has not explained the sources of funds for the overexpenditures.

8.2 Recurrent Expenditure

During the year, the recurrent expenditure budget was Kshs.2,248,901,369 but actual expenditure totaled Kshs.2,903,258,248. Therefore the County Government realized an over-absorption rate of 132% percent. There were only two departments namely public health and environment and trade, energy, tourism and industry that spent within the approved budgetary allocations and 57.9% respectively while all the other departments over spent their budgetary allocations. The Office of the Governor overspent its budget by 16, finance and economic planning 41%, social services 48%), agribusiness 54%, water services, education and public works by 108%, 48% and 24% respectively. The source of funds for the over-expenditures has not been explained.

Department	Approved Budgetary Allocation Kshs.	Actual Expenditure Kshs.	% Level of Absorption
Office of the Governor, Administration and Public Service	699,058,865.00	816,597,910.55	(117)
Finance and Economic Planning	288,734,924.00	407,977,596.50	(141)
Public Health and Environment	195,943,894.00	90,442,712.55	46
Social Services	42,866,939.00	63,543,592.55	(148)
Medical Services	471,912,630.00	479,649,041.55	(102)
Lands, Housing and Urban Planning	66,223,465.00	71,744,475.80	(108)
Agri-Business, Cooperatives & Marketing	152,140,135.00	234,250,348.35	(154)
Water Services	37,579,812.00	78,124,878.10	(208)
Education, and Vocational Trainings	161,802,674.00	239,685,877.45	(148)
Roads and Public Works	117,903,727.00	145,875,807.80	(124)
Trade, Energy, Tourism and Industry	14,734,304.00	8,540,090.55	58
Total	**2,248,901,369**	**2,963,258,248.20**	**(132)**

9.0 Office of the Governor and Public Administration

9.1 Budget Appraisal Performance

The Office of the Governor was allocated a total of Kshs.739,058,865 (Kshs.40,000,000) development vote and Kshs.699,058,865 recurrent vote). The actual expenditures incurred, as recorded in the vote book, are analyzed as follows:

Expenditure Type	Approved Budget Kshs.	Actual Expenditure Kshs.	Absorption Rate %
Development	40,000,000.00	86,732,352.50	(216.8)
Recurrent	699,058,865.00	816,597,910.55	(116.8)
Total	**739,058,865.00**	**903,330,263.05**	**(122)**

The Office of the Governor exceeded the overall budget by twenty two (22%) percent. Apparently financial control and budgetary discipline was not exercised well in this department.

9.2 Construction of the Sotik Sub-county Offices

The contract was awarded to a company for a sum of Kshs.6,477,292 and at the time of this audit exercise the contractor had been paid a total of Kshs.1,751,290. Physical verification of the project on 29 September 2016 revealed that the contractor was not on site, roofing had been completed, window panes and window glasses had been fitted. However, the pavement around the entire building had not been done, wooden doors had not been fixed and some cracks appeared on the fitted window glasses. There was no sign post on site to identify the projects. Further, the building was constructed on land whose title deed was not presented for audit verification and thus it was not possible to confirm that the land was owned by the County Executive of Bomet. The offices were idle despite substantial works having been undertaken. In the circumstance, the project is yet to be completed and its costs could escalate.

9.3 Construction of Kembu Ward Office

The construction works started in the financial period 2014/2015 at a sum of Kshs.5,591,005 and as at the time of audit, the contractor had been paid Kshs.1,342,474 on 5 December 2015. A site visit on 27 September, 2016 revealed that window panes and wooden doors had been fixed, the ceiling done and grill doors fitted in the building. However, there was no sign post on site for identification and the compound was not fenced. The land is a public utility whose title deed was not presented for audit, casting doubts on the ownership of the project. Although the contractor was on site and the building is incomplete as final touches/finishing's are still being carried out, It was not made clear by management when the works would be completed and the building put to use.

9.4 Construction of the Chemaner Ward Office

This project was awarded for a sum of Kshs.6,897,806 and total payments totaling Kshs.1,841,655 made on 10 March, 2016 through payment voucher number 2442. Physical verification of the project carried out on 27 September, 2016 indicated that the building was incomplete (at lintel phase), the contractor was not on site. The project sign post at the site did not provide important details such completion period, the financial period in which the project was to be undertaken, the major financier and whether requisite approvals by National Environment Management Authority (NEMA), National Construction Authority (NCA) were sought and obtained. Further, the site was not fenced which made the building prone to encroachment and vandalism. The ownership of the land on which the building stands was not made clear by management since the title deed was not presented for audit verification. It is not known when the works will be completed and the building put to use.

9.5 Construction of Rongena Ward Office

The total amount paid for this project during the period under review was Kshs.2,722,122 against a contract sum of Kshs.6,362,660. Physical verification revealed that although the external structure was complete, there were no doors inside the building and the grill door was missing and no provision was made for visitor washrooms. Further, the septic tank and soak pit lacked manhole covers, exposing people around the building to risk of serious harm. The land is a public utility, as Chief's Office is located on the same compound and the title deed was not produced. There was no sign post on the site to identify the project and no fence had been erected on the front thus exposing the building to encroachment and vandalism. It was not made clear by management when the works would be complete and the building put to intended use.

10.0 Department of Social Services

10.1 Budget Appraisal Performance

During the year under review, the department of social services had a budget of Kshs.454,961,444 but an actual expenditure totalled Kshs.386,741,760 as tabulated below:

Expenditure	Budget Kshs.	Actual Kshs.	Variance Kshs.
Development	412,094,505	324,539,326	87,555,179
Recurrent	42,866,939	62,202,434	(19,335,495)
Total	**454,961,444**	**386,741,760**	**68,219,684**

The development vote was underspent by Kshs.87,555,179 and the recurrent vote by Kshs.14,193,405. The County Executive management have not explained the anomaly.

10.2 Violation of the Regulations on Age Limit

The regulations of the Old Persons and Persons with Disability Programme states that the persons to benefit from cash stipends should be seventy (70) or more years in age. However, from the list of old persons provided by the department there were a total of three hundred and twenty two (322) persons who were under the age of seventy (70) years old who benefitted from the program. In the circumstance, it appears there were persons who benefitted contrary established regulations. Consequently, the department paid a total of Kshs.654,626 as cash stipend and disbursed Kshs.96,600 to National Hospital Insurance Fund (NHIF) contrary to the regulations.

10.3 Payments of Persons with Disability Cash Stipend

Examination of expenditure records revealed that persons with disability (PWDs) were paid cash stipend of Kshs.2,000 per month. This was contrary to the regulations, which states that only persons with severe disabilities (PWSDs) should be provided with the cash stipend of Kshs.2,000 through a care taker. Consequently, the fund administrator seemed to have mixed up the terms Persons with Disability (PWDs) and Persons with Severe Disability (PWSDs) where by the regulations envisioned the latter to be the absolute beneficiaries. In addition, although payments amounting Kshs.5,082,500 were made, the list of persons with severe disabilities was not provided to confirm the disability after assessment. In the circumstance, the expenditure could not be confirmed as properly charged to public funds.

10.4 Bomet IAAF Stadium

Examination of payment records revealed that a sum of Kshs.84,499,998 was spent on construction of Bomet IAAF Stadium during the year under review. As previously reported, the construction works started on 4 March 2014 and the expected completion date was 22 October 2014. However, at the time of audit in October, 2016, construction works were still ongoing at the stadium. In addition, and as previously reported, the ownership documents for the land where the stadium is under construction were not presented for audit verification. It was therefore not possible to establish whether the land belongs to the County Government. The original contract sum of the stadium was Kshs.221,293,760.47, as per the bill of quantities, drawn by the Quantity Surveyor, Ministry of Public Works and Transport. The County Government of Bomet did not contract the works of the stadium, but instead, formed a committee to oversee the implementation of the project on labour based payments. At the time of this audit exercise, a total of Kshs. 281,030,074 had been spent on the construction and the stadium was approximately 60% complete. No explanation was given for failure to complete the project as expected on 22 October 2014. Evidently the cost of the project will keep on increasing while the quality may not be guaranteed due to the construction method applied in the project.

11.0 Department of Public Health and Environment - Budget Appraisal Performance

During the year under review, the department of public health and environment had a budget of Kshs.204,843,894 but an actual expenditure totalled Kshs.92,861,453 as tabulated below:

Expenditure	**Budget**	**Actual Kshs**	**Variance Kshs**
Development	8,900,000	3,589,680	5,310,320
Recurrent	195,943,894	89,271,773	106,672,121
Total	**204,843,894**	**92,861,453**	**111,982,441**

There was underspending in the development vote by Kshs.5,310,320 and by Kshs.106,672,212.50 in the recurrent vote. The rate of absorption of funds was therefore forty-five (45%) percent. The underspending denied the residents of the County the much needed public services.

12.0 Department of Water

12.1 Budget Performance Analysis

During the year under review, the department of water had an expenditure budget of Kshs.396,610,969, being Kshs.37,579,812 for recurrent expenditure and Kshs.359,031,157 for development expenditure. Comparison of actual expenditure with the budget revealed that there was over-expenditure of Kshs.38,217,528.15 on the recurrent vote and under-expenditure of Kshs.110,718,426.35 on the development vote resulting to net saving of Kshs.72,500,898 as detailed in the table below.

Vote	Budget Kshs.	Actual Kshs.	Variance Kshs.	% Age
Recurrent	37,579,812.00	75,797,340.15	38,217,528.15	202%
Development	359,031,157.00	248,312,730.65	(110,718,426.35)	69%
Total	**396,610,969.00**	**324,110,070.80**	**(72,500,898.20)**	

12.2 Payment to National Water Conservation and Pipeline Corporation

During the year under review, National Water Conservation and Pipeline Corporation was paid Kshs.1,011,118 to drill boreholes in the County. However, examination of the work plan maintained by the department of water specifying activities for the year under taken and paid for revealed that the activity was not in the work plan and was therefore not budgeted for. In the circumstance, the county government breached financial management laws that prohibit use of funds not budgeted for.

12.3 Payments Reflected in Cashbook as Paid yet Appearing as Pending Bill

Payment vouchers totaling Kshs.8,724,383 for development expenditure were reflected in the cash book as having been paid although they were outstanding as at 9 September 2016 as revealed in records maintained at the department of water. Management has not confirmed whether the bills have since been paid or are still pending.

13.0 Lands, Housing and Urban Planning

13.1 Budget Performance Analysis

During the year under review, the department of lands, housing and urban planning expenditure budget amounted to Kshs.191,776,209, given as Kshs.66,223,465 for recurrent vote and Kshs.125,552,744 for development vote. Comparison of actual expenditure with the budget revealed that there was an over-expenditure of

Kshs.4,785,953.60 under the recurrent vote whereas there was an under-expenditure of the by Kshs.38,716,799.45 under development vote. As a result, the recurrent budget was exceeded by seven (7%) percent while the development budget was underutilized by sixty nine (69%) percent as detailed below.

Vote	Budget Kshs	Actual Kshs	Variance Kshs	%Age
Recurrent	66,223,465	71,009,418.60	4,785,953.60	107
Development	125,552,744	86,835,944.55	(38,716,799.45)	69
Total	**191,776,209**	**157,845,363.15**	**(33,930,845.85)**	

The budget mix between recurrent and development expenditure does not appear to have been well thought out.

13.2 Failure to Acquire Land Titles

It was observed that ownership documents for 10 parcels of land valued at Kshs.15,832,000 purchased in 2015/2016 had not been obtained. The parcels of land were intended for various projects by the County Government of Bomet. However, Note 10 to the financial statements reflects acquisition of land at a cost of Kshs.34,991,548, but only of the expenditure Kshs15,832,000 was supported with a schedule. In the circumstance, it has not been possible to which of the two branches reflected in the financial statements is correct.

13.3 Delayed Project Implementation

Payments totaling to Kshs.20,182,340.85 were made for installation of pavement works and construction of modern kiosks at Sotik town by Lands, Housing and Urban planning department, in a project contracted to take six (6) months to complete. However, physical verification carried out on 29 September 2016 revealed that the project had not been completed nine (9) months after commencement. Management have not confirmed the date the works are expected to be completed.

14.0 Ministry of Agribusiness

14.1 Budget Performance Analysis

During the year under review, the approved budget for County Government Ministry of Agribusiness was Kshs.328,053,481 being Kshs.152,140,135 allocated to recurrent vote and Kshs.175,913,346 allocated to development vote. The actual expenditure for the recurrent vote was Kshs.234,250,348 resulting in over expenditure of Kshs.82,110,213. The actual expenditure for development vote was Kshs.101,824,970, resulting in under-expenditure of Kshs.74,088,376. The overall over expenditure was Kshs.8,021,837 as tabulated below:

Vote	Budget Kshs	Actual Kshs	Variance Kshs
Development	175,913,346	101,824,970	74,088,376
Recurrent	152,140,135	234,250,348	(82,110,213)
Total	**328,053,481**	**336,075,318**	**8,021,837**

The budget utilization mix does not reflect prudence in fund allocation.

14.2 Unsupported Expenditure

According to the cashbook maintained at the County Treasury during the year 2015-2016, Bomet County Government transferred Kshs.34,330,000 to various cooperative societies from the development vote.. Out of the amount disbursed, Kshs.23,120,623 was confirmed as having been received by the cooperative societies while a balance of Kshs.11,209,377 was not accounted for. In the circumstance, it has not been possible to confirm whether the amount disbursed was received by the cooperative societies.

15.0 Ministry of Trade and Industrialization

15.1 Budget Performance Analysis

During the year under review, the approved budget for the Ministry of Trade and Industrialization was Kshs.60,240,304 being Kshs.14,734,304 allocated to the recurrent expenditure and Kshs.45,506,000 allocated to development expenditure. The actual expenditure for the recurrent was Kshs.8,540,090 resulting to under expenditure of Kshs.6,194,214 and the actual-expenditure for the development vote was Kshs.8,494,523 resulting to under expenditure of Kshs.37,012,477. The overall under-expenditure was Kshs.43,206,691 or 71.7 % as tabulated below:

Vote	Budget Kshs.	Actual Kshs.	Variance Kshs.
Development	45,506,000	8,493,523	37,012,477
Recurrent	14,734,304	8,540,090	6,194,214
Total	**60,240,304**	**17,033,613**	**43,206,691**

This indicates that the requisite services to the residents were not given.

15.2 Payment Vouchers Reported as Pending Bills and yet they are shown as payments in the Development Cashbook

Payments totaling Kshs.6,499,511 were reported by the department as pending bills yet they appeared in the cash book as paid. Therefore, the pending bills as reported are overstated.

Evidently, the book keeping at the County finance office is poor and this could lead to loss of funds through double payments.

16.0 Ministry of Health

16.1 Budget Performance Analysis

During the year under review, the approved budget for the County Ministry of Health was Kshs.1,023,127,456 with Kshs.471,912,630 allocated to recurrent expenditure and Kshs.551,214,826 allocated to development expenditure. The actual expenditure for recurrent was Kshs.479,649,041, resulting in over-expenditure of Kshs.7,736,411 and the actual expenditure for development vote is Kshs.391,643,604 resulting to under-expenditure of Kshs.159,571,222.

Expenditure	Budget Kshs	Actual Kshs	Variance Kshs
Development	551,214,826	391,643,604	159,571,222
Recurrent	471,912,630	479,649,041	(7,736,411)
Total	**1,023,127,456**	**871,292,645**	**151,834,811**

The Ministry of Health was only able to utilize 70% of the development funds effectively yet there were several projects that were partly paid, incomplete or abandoned for lack of payment. No explanation has been given by management as why suppliers under this Ministry were not paid even though the vote was not exhausted.

16.2 Purchase of Medical and Dental Equipment

Examination of the budget and vote book maintained at the County office revealed that a total of Kshs.23,233,707 was budgeted for purchase of medical and dental equipment and paid for as confirmed by the cash book. Payment vouchers made available for audit review in respect of this expenditure revealed that paid bills amounting Kshs.22,290,000 at the close of the year were reflected as pending bills. No reason or explanation has been made for including the amounts paid as pending bills. Evidently the pending bills record is not accurate and reconciliation is necessary to avoid double payments in the future.

17.0 Incomplete Projects

17.1 Construction at Itembe dispensary

During the audit exercise, it was observed that an amount of Kshs.2,000,000 was disbursed for construction of a dispensary block at Itembe. However, no documents were presented for audit examination to confirm how the contractors were identified, selected, and notified of the contract award. Further, no opening tender minutes and technical evaluation reports were provided for audit examination. Physical verification of the project on 22 September 2016, and from the examination of documents presented, revealed that the contractor had carried out the work up to the roofing level but was not on site and the project appeared abandoned. It is possible that the residents may not enjoy the benefit from the proposed construction of the dispensary because it has stalled and the sum paid may go to waste.

17.2 Stalled Project at Ndanai Health Centre

The County Government disbursed a sum of Kshs.6,214,320 for construction of a theatre at Ndanai Health Center. However, there were no tender opening minutes and technical evaluation reports provided for audit examination.

Physical verification of the project on 22 September 2016 revealed that the contractor had done up to roofing level but no plastering had been done, and windows and doors prescribed in the contract had not been fitted. The contractor was not on site and the project appeared to have been abandoned, even though a sum of Kshs.6,214,320 had been paid out. In the circumstance, it is unlikely that the residents of Bomet County will enjoy the benefits expected from the project which has since been abandoned.

17.3 Construction at Chebole Dispensary

Kipsonoi Ward

The County disbursed Kshs.1,500,000 for construction of proposed Chebole Dispensary at Chebole Ward. However, no documents were presented for audit examination to confirm how the contractors were identified, selected, awarded and notified of the project. Physical verification of the project on 02 September 2016 examination of documents provided revealed that the contractor had carried out the work up to the roofing level. The contractor was not on site and the work appears to have been abandoned.

Further, the ownership of the land on which the dispensary was under construction could not be established in the absence of land title documents. It is possible that the residents of the County may not enjoy the benefit from the proposed construction of the dispensary because it has stalled even though a sum of Kshs.1,500,000 has been paid and could therefore go to waste.

18.0 Ministry of Education

18.1 Budget Performance Analysis

During the year under review, the approved budget for the County Ministry of Education was Kshs.433,312,743 with Kshs.161,802,674 allocated to recurrent vote and Kshs.271,510,069 to vote. The actual expenditure for recurrent vote was Kshs.239,685,877 resulting to over-expenditure of Kshs.77,883,203 while actual expenditure for development vote was Kshs.286,616,732 resulting to over-expenditure of Kshs.15,106,663:

Expenditure	Budget Kshs	Actual Kshs	Variance Kshs
Development	271,510,069	286,616,732	(15,106,663)
Recurrent	161,802,674	239,685,877	(77,883,203)
Total	**433,312,743**	**526,302,609**	**(92,989,866)**

The Ministry over-spent by forty eight (48%) percent largely under recurrent expenditure. It's not clear whether this was as a result of underfunding or lack of effective expenditure control. The county treasury should institute expenditure control measures in all ministries to avoid adverse variations.

18.2 Incomplete ECD Projects

The County awarded contracts for building 26 ECD classes sub-counties. Construction of the classrooms started in year 2014/2015 and 2015/2016. Each class was allocated Kshs.933,000 with total allocation of Kshs.24,258,000. Examination and physical verification of the ECD classrooms revealed that contractors had carried out the construction to slab and roofing levels but, were not on site during the day of physical verification. No work appeared to be on as the sites visited were abandoned even though a total of Kshs.13,981,500 had been spent. The completion of classrooms appears to have been delayed due to underfunding. The project may therefore fail to realize value-for-the-money spent on it.

18.3 Sigor High School

Examination of expenditure records revealed that Sigor High School was allocated Kshs.30,595,065 for construction of a new school as the old school was shifted to give space for Bomet University. It was however observed that funds for construction of this school were reallocated from ECD funds. Examination of payments vouchers and other supporting documents revealed that the request for quotation method was used. Additionally, matters of secondary school education are a national government function in accordance with the Fourth Schedule to the Constitution of Kenya. No explanation was given why the County Government undertook the task. Further, the project was implemented by the County Government through casual labour using materials bought from suppliers as evidenced by payments made to the suppliers and casual labourers. No bills of quantities were presented to confirm the cost of the project and as at the time of audit in September 2016, the percentage completion was unknown as no documentation was presented to confirm ration of project completion. In the circumstances, the propriety of the expenditure cannot be confirmed.

19.0 Department of Finance and Economic Planning

19.1 Budget Appraisal Performance

The department of finance and economic planning had a budgetary allocation of Kshs.318,413,038 (Kshs.29,678,114 being development vote and Kshs.288,734,924 recurrent vote) as per the approved Bomet County Supplementary Appropriation Act No.2 of 2016. The actual expenditure as per the vote book was Kshs.407,977,596.50 for recurrent vote and Kshs.119,926,265 for the development vote:

Expenditure	Budget Kshs	Actual Kshs	Variance Kshs
Development	29,678,114	119,926,265	(90,248,151)
Recurrent	288,734,924	407,977,597	(119,242,673)
Total	**318,413,038**	**527,903,862**	**(209,490,824)**

The department of finance and economic planning overspent its budget by 66% which demonstrates lack of financial control as the custodian of financial resources in the County. No explanation has been given for the excess expenditure.

19.2 Procurement of Revenue Collection Software

Expenditure records made available for audit indicated that the finance department acquired revenue collection software at a total cost of Kshs.9,046,265. However, comparison of revenue collections prior and after acquisition and installation of the software revealed a declining trend in revenue collections after the installation contrary to the expectations that procurement of the software would enhance the collections. The analysis is as follows:

Period	Total Revenue Collected Kshs.	Remarks
January to June, 2015	145,173,790	Prior installation of the revenue software
January to June, 2016	80,674,249	After installation of the software revenue collection declined by Kshs.64,499,541

From the analysis, acquisition of revenue collection software has resulted in decline in revenue by Kshs.64,499,544 or 44% compared to the manual system. In the circumstance, the benefit expected from the purchase of the software has not been achieved and therefore the software did not add value for the money spent.

20.0 Department of Roads and Public Works - Budget Appraisal Performance

The department of roads and public works had a budgetary allocation of Kshs.509,777,689 comprised of Kshs.391,873,962 development vote and Kshs.117,903,727 recurrent vote. The total actual expenditure as per the vote book for the department was Kshs.584,917,644.10 revealing over-expenditure of Kshs.75,139,955.10 which the management could not explain.

Expenditure	Budget Kshs	Actual Kshs	Variance Kshs
Development	391,873,962	439,041,836	(47,167,874)
Recurrent	117,903,727	145,875,808	(27,972,081)
Total	**509,777,689**	**584,917,644**	**(75,139,955)**

The department over-spent its votes and therefore the source of extra funding has not been explained and supported.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

30 August 2017

I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015-2016	2014-2015
RECEIPTS			
Tax Revenues	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	17,620,000	12,570,000
Transfers from National Treasury	4	4,706,893,250	4,123,084,263
Transfers from Other Government Entities	5	119,866,449	-
Proceeds from Domestic Borrowings	6	-	-
Proceeds from Foreign Borrowings	7	-	-
Balance brought forward	8	42,497,607	155,725,962
Reimbursements and Refunds	9	-	-
Returns of Equity Holdings	10	-	-
Other Receipts	11	165,717,831	205,971,892
TOTAL REVENUES		**5,052,595,137**	**4,497,352,117**
PAYMENTS			
Compensation of Employees	12	2,029,072,192	1,669,702,726
Use of goods and services	13	852,563,751	649,026,219
Subsidies	14	-	-
Transfers to Other Government Units	15	412,962,351	371,446,282
Other grants and transfers	16	41,002,466	58,999,950
Social Security Benefits	17	262,823,659	256,050,432
Acquisition of Assets	18	1,043,763,168	1,375,478,522
Finance Costs, including Loan Interest	19	100,000	-
Repayment of principal on Domestic and Foreign borrowing	20	-	-
Other Expenses	21	366,990,313	73,087,575
TOTAL PAYMENTS		**5,009,277,900**	**4,453,791,705**
SURPLUS/DEFICIT		**43,317,237**	**43,560,412**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. Bomet County financial statements were approved on __________ 2016 and signed by:

Chief Officer	Head of Treasury

II. STATEMENT OF ASSETS

	Note	2015-2016 Kshs	2014-2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	22A	43,078,027.86	43,594,089.87
Cash Balances	22B	110,443.00	
Total Cash And Cash Equivalents		43,188,470.86	43,594,089.87
Accounts Receivables - Outstanding Imprest and Clearence Accounts	23	128,766.00	865,810.00
TOTAL FINANCIAL ASSETS		43,317,236.86	44,459,899.87
LESS: FINANCIAL LIABILITIES			
Accounts Payables – Deposits	24	-	-
NET FINANCIAL ASSETS		43,317,236.86	44,459,899.87
REPRESENTED BY			
Fund balance b/fwd	25		899,488.00
Surplus/Defict for the year		43,317,236.56	43,560,412.16
Prior year adjustments			
NET FINANCIAL POSSITION		43,317,236.56	44,459,900.16

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. Bomet County financial statements were approved on ___________ 2016 and signed by

Chief Officer	Head of Treasury

III. STATEMENT OF CASHFLOW

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
Receipts for operating income			
Tax Revenues	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	17,620,000	12,570,000
Transfers from National Treasury	4	4,706,893,250	4,123,084,263
Transfers from Other Government Entities	5	119,866,449	-
Reimbursements and Refunds	9	42,497,607	155,725,962
Returns of Equity Holdings	10	-	-
Other Revenues	11	165,717,831	205,971,892
		5,052,595,137	4,497,352,117
Payments for operating expenses			
Compensation of Employees	12	2,029,072,192	1,669,702,726
Use of goods and services	13	852,563,751	649,026,219
Subsidies	14	-	-
Transfers to Other Government Units	15	412,962,351	371,446,282
Other grants and transfers	16	41,002,466	58,999,950
Social Security Benefits	17	262,823,659	256,050,432
Finance Costs, including Loan Interest	19	100,000	-
Other Expenses	21	366,990,313	73,087,575
		3,965,514,732	3,078,313,183
Adjusted for:			
Changes in receivables		(737,044)	865,810
Adjustments during the year		-	-
Net cashflow from operating activities		[redacted]	-
CASHFLOW FROM INVESTING ACTIVITIES		1,086,343,361	1,419,904,744
Proceeds from Sale of Assets	8		
Acquisition of Assets	18		
Net cash flows from Investing Activities			
CASHFLOW FROM BORROWING ACTIVITIES		(1,043,763,168)	(1,375,478,522)
Proceeds from Domestic Borrowings	6		
Proceeds from Foreign Borrowings	7	-	-
Repayment of principal on Domestic & Foreign borrowing	20	-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		42,580,193	44,426,222
Cash and cash equivalent at BEGINNING of the year	25	865,810	899,488
Cash and cash equivalent at END of the year		43,078,028	43,594,090

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. Bomet County financial statements were approved on ___________ 2016 and signed by:

Chief Officer	Head of Treasury

IV. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Tax Receipts	4,674,885,819	32,007,479	4,706,893,298	4,706,893,250	48	100%
Social Security Contributions	-	230,871,427	230,871,427	119,866,499	111,004,928	52%
Exchequer releases	-	-	-	-	-	
Transfers from Other Government Entities	15,350,000	2,270,000	17,620,000	17,620,000	-	100%
Proceeds from Domestic Borrowings	-	-	-	-	-	
Proceeds from Foreign Borrowings	-		-	42,497,607	-	100%
Proceeds from Sale of Assets	-	-		-	-	
Reimbursements and Refunds	-					
Returns of Equity Holdings						
Other Receipts and balance b/f	230,000,000	(14,428,095)	215,571,905	165,717,831	(49,854,074)	77%
Total Receipts	**4,920,235,819**	**250,720,811**	**5,170,956,630**	**5,052,595,137**	**61,150,902**	98%
Payments						
Compensation of Employees	2,058,673,973	1,210,896	2,059,884,869	2,029,072,192	30,812,677	99%
Use of goods and services	637,447,761	152,142,863	878,989,249	852,563,751	26,425,400	97%
Subsidies	-	-	-	-	-	0%
Transfers to Other Government Units	547,001,999	(133,601,249)	413,400,750	412,962,351	438,399	100%
Other grants and transfers	90,800,000	(45,341,234)	45,458,766	41,002,466	4,456,300	90%
Social Security Benefits	336,562,000	(73,735,761)	262,826,239	262,823,659	2,580	100%
Acquisition of Assets	868,011,966	193,415,218	1,061,427,184	1,043,763,168	17,664,016	98%
Finance Costs, including Loan Interest	100,000	-	100,000	100,000	-	100%
Other Expenses	381,638,120	156,630,078	448,869,573	366,990,313	81,879,260	82%
Total	**4,920,235,819**	**250,720,811**	**5,170,956,630**	**5,009,277,900**	**161,678,632**	**97%**

Bomet County financial statements were approved on ____________ 2016 and signed by:

Chief Officer

Head of Treasury Accounts

V. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						0%
Tax Receipts	-		-	-	-	0%
Social Security Contributions	-		-	-	-	
Proceeds from Domestic and Foreign Grants	-		-	-	-	0%
Exchequer releases	2,671,575,853	56,314,687	2,727,890,540	2,711,608,300	16,282,240	99%
Transfers from County Treasury	0	0	0	0	0	0%
Reimbursements and Refunds	-	0	-		0	0%
Returns of Equity Holdings	-	0	-	-	0	0%
Other Receipts Balance b/f	-	0	26,745,025	0	26,745,025	0%
Total Receipts	**2,671,575,853**	**56,314,687**	**2,754,635,565**	**2,711,608,300**	**43,027,265**	**98%**
		-				
Payments		-				
		-				
Compensation of Employees	2,058,673,973	1,210,896	2,059,884,869	2,029,072,191	30,812,678	99%
Use of goods and services	507,283,760	80,205,157	587,488,917	665,645,081	11,242,363	98%
Acquisition of Assets	15,300,000	1,546,596	16,846,596	16,791,028	55,568	100%
Finance Costs	100,000	-	100,000	100,000	-	100%
Other Expenses	90,218,120	97,063	90,315,183		916,648	99%
Totals	**2,671,575,853**	**83,059,712**	**2,754,635,565**	**2,711,608,300**	**43,027,257**	**98%**

(a) *The 159% utilization level on other receipt is due to opening balance for the F/Y 2015/2016.*

Bomet County financial statements were approved on ________ 2016 and signed by:

Chief Officer Head of Treasury Accounts

VI. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

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 %
RECEIPTS						
Tax Receipts	-		-	-	-	0%
Social Security Contributions	-		-	-	-	0%
Proceeds from Domestic and Foreign Grants	-		-	-	-	0%
Exchequer releases	2,018,659,966	73,596,351	2,092,256,317	1,994,465,270	97,791,047	95%
Transfers from Other Government Entities	-	0	230,871,427	119,866,499	111,004,928	52%
Proceeds from Domestic Borrowings	-	0	-	-	0	0%
					42,497,607	
Proceeds from Foreign Borrowings	-	0	17,620,000	17,620,000	0	100%
Other Receipts	230,000,000	-41,173,120	188,826,880	165,717,831	23,109,049	88%
Total Receipts	**2,248,659,966**	**32,423,231**	**2,529,574,624**	**2,297,669,600**	**274,402,631**	**91%**
Payments	-	-	-	-	-	0%
Compensation of Employees	130,164,001	71,937,706	202,101,707	186,918,670	15,183,037	92%
Use of goods and services	547,001,999	-133,601,249	413,400,750	412,962,351	438,499	100%
Transfers to Other Government Units	90,800,000	-45,341,234	45,458,766	41,002,466	4,456,300	90%
Other grants and transfers	336,562,000	-73,735,761	262,826,239	262,823,659	-	100%
Social Security Benefits	852,711,966	191,868,622	1,157,834,147	1,026,972,140	130,864,584	89%
Acquisition of Assets	291,420,000	156,533,015	447,953,015	366,990,313	80,962,612	82%
Other Expenses						
Totals	**2,248,659,966**	**167,661,099**	**2,529,574,624**	**2,297,669,600**	**231,905,032**	**91%**

Bomet County financial statements were approved on ________ 2016 and signed by:

Chief Officer

Head of Treasury Accounts

VII. 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 and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of Bomet County and all values are rounded to the nearest thousand (Kshs'000). The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts.

2. Recognition of revenue and expenses

Bomet County recognises all revenues from the various sources when the event occurs and the related cash has actually been received by Bomet County. In addition, Bomet County recognises all expenses when the event occurs and the related cash has actually been paid out by Bomet County.

3. In-kind contributions

In-kind contributions are donations that are made to Bomet County 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, Bomet County includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. 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.

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

6. **Accounts Payable**
For the purposes of these financial statements, deposits and retentions held on behalf of third parties has been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements.

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

8. **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 Bomet County 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.

9. **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. Bomet County's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of Bomet County's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

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

11. **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.

VIII. NOTES TO THE FINANCIAL STATEMENTS

1 TAX REVENUES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Taxes on Income, Profits and Capital Gains	-	-
Taxes on Property	-	-
Taxes on Goods and Services	-	-
Taxes on International Trade and Transactions	-	-
Other Taxes (not elsewhere classified)	-	-
Total	-	-

2 SOCIAL SECURITY CONTRIBUTIONS

	2015-2016 Kshs	2014-2015 Kshs
Receipts for Health Insurance Contribution	-	-
Receipts to NHIF for Health Insurance Contributions	-	-
Receipts from Govt Employees to Social & Welfare Schemes in Govt	-	-
Total	-	-

3 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2015 - 2016	2014 – 2015
			Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)				
(Insert name of donor)	-	-	-	-
(Insert name of donor)	-	-	-	-
Grants Received from Multilateral Donors (International Organisations)				
Danida	-	-	17,620,000	12,570,000
(Insert name of donor)	-	-	-	-
Grants Received from other levels of government				
(Insert name of donor)	-	-	-	-
(Insert name of donor)	-	-	-	-
Total			17,620,000	12,570,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 EXCHQUER RELEASES

	2015 – 2016	2014 - 2015
	Kshs	Kshs
Total Exchequer Releases for quarter 1	800,171,861	1,195,694,436
Total Exchequer Releases for quarter 2	1,576,809,207	1,072,001,909
Total Exchequer Releases for quarter 3	800,171,861	1,113,232,752
Total Exchequer Releases for quarter 4	1,529,740,321	742,155,166
Total	4,706,893,250	4,123,084,263

5 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2015 – 2016	2014 - 2015
	Kshs	Kshs
Transfers from Central government entities		
Free maternity	43,192,500	
Fuel levy	59,793,199	
User Fee	16,880,750	
Transfers from Counties		
TOTAL	**119,866,449**	**0**

6 PROCEEDS FROM DOMESTIC BORROWINGS

	2015-2016	2014-2015
	Kshs	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	-	-

7 PROCEEDS FROM FOREIGN BORROWINGS

	2015 - 2016 Kshs	2014 - 2015 Kshs
Foreign Borrowing – Draw-downs Through Exchequer	-	-
Foreign Borrowing - Direct Payments	-	-
Foreign Currency and Foreign Deposits	-	-
Total	-	-

8 PROCEEDS FROM SALE OF ASSETS

	2015-2016 Kshs	2014-2015 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	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Total	-	-

9 REIMBURSEMENTS AND REFUNDS

	2015-2016 Kshs	2014-2015 Kshs
Refund from World Food Programme (WFP)		
Reimbursement of Audit Fees	-	-
Reimbursement on Messing Charges (UNICEF)	-	-
Reimbursement from World Bank – ECD	-	-
Reimbursement from Individuals and Private Organisations		-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Reimbursement within Central Government	-	-
Unutilized funds balance brought forward	42,497,607	155,725,962
Total	**42,497,607**	**155,725,962**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 RETURNS OF EQUITY HOLDINGS

	2015-2016 Kshs	2014-2015 Kshs
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	-	-
Total	-	-

11 OTHER REVENUES

	2015-2016 Kshs	2014-2015 Kshs
Interest Received	-	-
Profits and Dividends	12,570,614	8,814,687
Rents	3,675,959	3,414,991
Other Property Income	36,473,979	49,466,815
Sales of Market Establishments		-
Receipts from Administrative Fees and Charges		-
Receipts from Administrative Fees and Charges - Collected as AIA	105,122,176	143,512,607
Receipts from Incidental Sales by Non-Market Establishments		-
Receipts from Sales by Non-Market Establishments	-	-
Receipts from Sale of Incidental Goods	-	-
Fines Penalties and Forfeitures	107,925	762,792
Receipts from Voluntary transfers other than grants	-	-
Cesses [redacted]	[redacted]	-
Poll rates	-	-
Plot rents	-	-
Transfers from reserve funds	-	-
Donations	-	-
Other health & sanitation	-	-
Technical services fees	-	-
Other Miscellaneous Revenues	7,767,178	-
	165,717,831	**205,971,892**

12 COMPENSATION OF EMPLOYEES

	2015-2016 Kshs	2014-2015 Kshs
Basic salaries of permanent employees	1,695,435,773	1,524,124,585
Basic wages of temporary employees	44,055,393	71,442,380
Personal allowances paid as part of salary	170,767,553	-
Personal allowances paid as reimbursements	33,467,350	-
Personal allowances provided in kind	3,753,500	-

15 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	**2015 - 2016**	**2014-2015**
	Kshs	**Ksh.**
Transfers to Central government entities		
Transfers to Counties		
BIDP	81,917,000	
Transfer to bomet water company	119,400,000	-
Cooperative Societies (Wards)	25,499,538	
Cash transfer for health facilities	148,747,313	
Transfers to Tea farm (Embomos)	7,400,000	
Transfers to hospital	29,998,500	
Current transfers		272,866,752
Hospital infrastructures		68,668,968
Other civil works		29,910,562
TOTAL	**412,962,351**	**371,446,282**

16 OTHER GRANTS AND OTHER PAYMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Scholarships and other educational benefits	41,002,466	58,999,950
Emergency relief and refugee assistance		-
Subsidies to small businesses, cooperatives, and self employed		-
Total	**41,002,466**	**58,999,950**

17 SOCIAL SECURITY BENEFITS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Government pension and retirement benefits	-	-
Social security benefits in cash and in kind	262,823,659	256,050,432
Employer Social Benefits in cash and in kind	-	-
Total	262,823,659	256,050,432

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18 ACQUISITION OF ASSETS

Non Financial Assets	**2015 – 2016** Kshs	**2014 - 2015** Kshs
Purchase of Buildings		
Construction of Buildings	87,586,002	215,314,820
Refurbishment of Buildings	8,493,100	22,998,586
Construction of Roads	348,616,262	428,432,170
Construction and Civil Works	37,804,901	347,189,704
Overhaul and Refurbishment of Construction and Civil Works	248,490,028	43,094,045
Purchase of Vehicles and Other Transport Equipment	23,894,250	31,266,600
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	31,321,254	9,235,185
Purchase of Office Furniture and General Equipment	10,170,682	40,940,583
Purchase of Specialised Plant, Equipment and Machinery	59,533,713	3,695,740
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	45,316,587
Purchase of Certified Seeds, Breeding Stock and Live Animals	31,203,560	-
Research, Studies, Project Preparation, Design & Supervision	4,326,000	11,300,000
Rehabilitation of Civil Works	-	122,192,022
Acquisition of Strategic Stocks and commodities	20,901,080	-
Acquisition of Land	34,991,548	35,994,755
Acquisition of Intangible Assets	18,154,173	8,635,944
Other Infrastructure and Civil Works	66,234,810	9,871,781
Purchase of ICT Equipment	12,041,805	-
Financial Assets		-
Domestic Public Non-Financial Enterprises		-
Domestic Public Financial Institutions		-
Foreign financial Institutions operating Abroad		-
Other Foreign Enterprises		-
Foreign Payables - From Previous Years		-
Total	**1,043,763,168**	**1,375,478,522**

19 FINANCE COSTS, INCLUDING LOAN INTEREST

	2015 – 2016 Kshs	2014 – 2015 Kshs
Exchange Rate Losses	-	-
Finance cost	100,000	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	100,000	-

20 REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING

	2015 - 2016 Kshs	2014 - 2015 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	-	-

21 OTHER EXPENSES

	2015 - 2016 Kshs	2014 – 2015 Kshs
Budget Reserves	-	
Civil Contingency Reserves	-	-
Other expenses	366,990,313	73,087,575
Total	**366,990,313**	**73,087,575**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22A: Bank Accounts

Name of Bank, Account No. & currency	2015-2016	2014 – 2015
Central Bank of Kenya,Recurrent Account no.1000171049	0	26,272,492
Central Bank of Kenya,Development Account no.1000170964	1,396,985	472,533
Central Bank of Kenya,County Assembly Account no. 1000239727	137,088	
Central Bank of Kenya,Revenue Account no.1000171545	28,419,293	15,752,582
Central Bank of Kenya,Fuel levy Account no.1000268379	128,518	-
Co-operative Bank Imprest Account no. 01141356757900	13,307	20,570
Kenya Commercial Bank Account no. 1173490019	1,034,759	-
KONOIN SUB-COUNTY STANDING IMPREST-1150773111	-	500
sigor Hospital-1117679012	317,741	939,328
Longisa Hospital	225,592	124,420
LONGISA COUNTY HOSPITAL DEVELOPMENT ACCOUNT - 1001090484700	-	894
BOMET EAST SUB-COUNTY-1150773561	-	290
social services standing imprest account-1157999689	660	770
MINISTRY OF LANDS, HOUSING AND URBAN DEVELOPMENT-0117298000	3,700	3,700
Trade,Energy,Tourism And Industry	2,600	-
Bomet county safety net	323,453	-
COUNTY ASSEMBLY-1220264453628	-	1
BOMET CENTRAL SUB-COUNTY STANDING IMPREST ACCOUNT-1150773391	-	1,790
BOMET SOTIK SUB-COUNTY STANDING IMPREST ACCOUNT-1150773715	-	220
BOMET COUNTY EDUCATION STANDING IMPREST ACCOUNT-171613001	-	104
CHEBALUNGU SUB COUNTY STANDING IMPREST ACCOUNT-1150773839	-	1,590
BOMET WATER AND IRRIGATION DEPARTMENT-1220262711083	39,495	910
ROADS, PUBLIC WORKS AND TRANSPORT-1142688011	-	1,090
ENVIRONMENT department-01141357941400	175	175
agribusiness & marketing-171614-001	16,620	65
office of the governor AND ADMNISTRATION-01141357823700	2,425	67
Health and sanitation Standing imprest	2,601	-
Bomet County Assembly-Equity ac no 1220261153628	-	-
Cheptalal sub-county Hospital	356,340	-
EquityBank, Account No. 1220261153628- standing imprest	2,889,499	-
KCB Bank Bomet County Revenue Collection Account- 1143078756	7,767,178	-
Total	**43,078,028**	**43,594,090**

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

No.	Brief Transaction Description	Original Amount	Outstanding Balance 2015	Outstanding Balan 2016
		KSHS	KSHS	KSHS
	INFRASTRUCTURE / DEVELOPMENT PROJECTS			
1.	County Assembly	4,060,000.00		4,060,000.00
2.	Office of the Governor	16,099,974.00		16,099,974.00
3.	Administration	-		-
4.	County Public Service Board	-		-
5.	Treasury Services	1,175,000.00		1,175,000.00
6.	Health	24,494,308.00		24,494,308.00
7.	Agriculture, Livestock, Fisheries & Marketing	21,261,262.00		21,261,262.00
8.	Education & ICT	10,388,108.00		10,388,108.00
9.	Transport and Infrastructure	25,703,666.48		25,703,666.48
10.	Lands, Housing & Urban Development	19,380,253.32		19,380,253.32
11.	Water & Irrigation	14,647,949.00		14,647,949.00
12.	Public Health Environment & Natural Resources	2,222,065.00		2,222,065.00
13.	Tourism, Co-operatives, Enterprise Development and Trade	9,416,312.00		9,416,312.00
14.	Youth, Gender & Social Security Services	16,141,449.00		16,141,449.00
	RECURRENT	-		-
15.	COMPENSATION TO EMPLOYEES-HR Statutory Dues	-		-
16	USE OF GOODS & SERVICES(Service Provision & Utilities	23,504,114.00		23,504,114.00
	TOTAL	188,494,460.80		188,494,460.80

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	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							