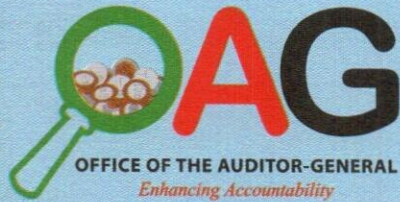


REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

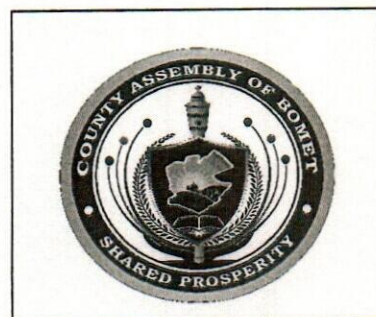
COUNTY ASSEMBLY OF BOMET

**FOR THE YEAR ENDED
30 JUNE, 2025**



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BOMET COUNTY ASSEMBLY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Transitional Financial Statements /Prepared in accordance with the Accrual Basis of Accounting Method Under International Public Sector Accounting Standards (IPSAS)

Bomet County Assembly
Annual Report and Financial Statements for the year ended June 30, 2025.

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1. Acronyms, Abbreviations and Definition of Key Terms

A. Acronyms and Abbreviations

<i>ADP</i>	<i>Annual Development Plan</i>
<i>AIE</i>	<i>Authority to Incur Expenditure</i>
<i>CA</i>	<i>County Assembly</i>
<i>CARA</i>	<i>County Allocation of Revenue Act</i>
<i>CBK</i>	<i>Central Bank of Kenya</i>
<i>CECM</i>	<i>County Executive Committee Member</i>
<i>CE</i>	<i>County Executive</i>
<i>CG</i>	<i>County Government</i>
<i>CIDP</i>	<i>County Integrated Development Plan</i>
<i>COG</i>	<i>Council of Governors</i>
<i>CRA</i>	<i>Commission on Revenue Allocation</i>
<i>CRF</i>	<i>County Revenue Fund</i>
<i>CT</i>	<i>County Treasury</i>
<i>IPSAS</i>	<i>International Public Sector Accounting Standards</i>
<i>MCA</i>	<i>Member of County Assembly</i>
<i>OAG</i>	<i>Office of the Auditor General</i>
<i>OCOB</i>	<i>Office of the Controller of Budget</i>
<i>OSR</i>	<i>Own Source Revenue</i>
<i>PFM</i>	<i>Public Finance Management</i>
<i>PSASB</i>	<i>Public Sector Accounting Standards Board</i>
<i>NT</i>	<i>National Treasury</i>
<i>WB</i>	<i>World Bank</i>
<i>KRB</i>	<i>Kenya Roads Board</i>
<i>Kshs</i>	<i>Kenya Shillings</i>
<i>FY</i>	<i>Financial Year</i>

B. Definition of Key Terms

<i>Fiduciary Management</i>	<i>The key management personnel who had financial responsibility</i>
-----------------------------	--

2. Key Entity Information and Management**(a) Background information**

The County Assembly is constituted as per article 177 of the Constitution of Kenya 2010. It is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes twenty-five (25) Members of County Assembly (MCAs) elected and thirteen members nominated to represent members of the public from their respective wards. The MCAs are responsible for making laws for effective performance of the County Government, approving plans and policies, and playing the oversight role over the County Executive.

(b) Key Management Team

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

No.	Designation	Name
1.	Speaker of the County Assembly	Cosmas Kipnetich Korir
2.	Clerk of the County Assembly	Isaac Kiplangat Kitur
3.	Deputy Clerk –Corporate Affairs	Isaiah Kirui
4.	Deputy-Legislative Affairs	Gloria Kenyatta
5.	Director Financial Services	Geofrey Maritim
6.	Director Supply Chain Management	Richard Maritim
7.	County Assembly Counsel	Oscar Sang
8.	Director Public Affairs	Clement Kirui
9.	Head of Human Resource	Diana Ngeno
10.	Director Administrative Services	Gideon Terer

(c) Fiduciary Management

The key management personnel who held office during the year ended 30th June 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer- Clerk	Isaac Kiplangat Kitur
2.	Deputy Clerk-Corporate Affairs	Isaiah Kirui
3.	Deputy Clerk –Legislative Services	Gloria Kenyatta
4.	Director Financial Services	Geofrey Maritim
5.	Director Supply Chain Management	Richard Maritim
6.	Deputy Director Accounting Services	Clarah Chebet
7.	Assistant Director Human Resources	Diana Ngeno

Bomet County Assembly

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(d) Fiduciary Oversight Arrangements

County Assembly Audit Committee.

The Audit and Finance Committee play a crucial role in overseeing the financial management of the county. Its primary responsibilities include reviewing the County's budget, monitoring expenditure, examining audit reports, and ensuring compliance with financial regulations. The committee scrutinizes financial statements, evaluates internal controls, and makes recommendations to the County Assembly on financial matters. They also oversee the implementation of audit recommendations and ensure that corrective actions are taken to address any identified weak

During the year under review the committee held 4 four meetings to review the County Assembly internal controls and made recommendation to the County Assembly Service Board. (CASB)

Senate Public Accounts Committee

While the Bomet County Assembly operates at the county level, the Senate also has oversight functions that indirectly impact us. The Senate Public Accounts Committee, for instance, can scrutinize the financial performance of County Assemblies, including the Bomet County Assembly. They review audit reports from the Auditor-General and investigate any irregularities or mismanagement of public funds. Additionally, Parliament can legislate on matters related to county finances and governance, setting the legal framework within which the County Assembly operates. This provides an additional layer of oversight and accountability.

During the year under review, the Senate Public Accounts Committee interrogated the financial statement for the year 2023/2024.

County Assembly

The County Assembly, through its plenary sessions, provides a vital platform for oversight and accountability. During these sessions, Members of the County Assembly (MCAs) debate and approve the County's budget, review financial reports, and scrutinize the activities of the County Executive. MCAs have the opportunity to ask questions, move motions, and conduct investigations into matters of public concern.

During the year the County Assembly held 100 sittings to deliberate on issues touching on their mandate.

Bomet County Assembly
Annual Report and Financial Statements for the year ended 30 June 2025

(e) County Assembly Headquarters

P.O. Box 590-20400

County Assembly

Nairobi-Kisii Highway

BOMET, KENYA

(f) County Assembly Contacts

Telephone: (254) 727887146

E-mail: info@bometassembly.go.ke

Website: www.bometassembly.go.ke

(g) County Assembly Bankers

1. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

NAIROBI, KENYA

2. Equity Bank (Kenya)

Hospital Road, Upper Hill,

P.O Box 75104-00200,

NAIROBI, KENYA

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(h) Independent Auditor

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

(i) Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
NAIROBI, KENYA

(j) County Assembly Legal Counsel.

The County Assembly Legal Counsel
Directorate of Legal Services
County Assembly Headquarters
P.O. Box 590-20400
BOMET-KENYA

Bomet County Assembly
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3. Governance Statement

a. Background and roles

The County Assembly is constituted by the MCAs of Bomet County Government. It is headed by the Speaker who is elected by the MCAs. The speaker is also the Chairperson of the County Assembly Service Board while the county assembly clerk is the secretary. Section 10 (4) of the County Governments Act 2012 provides that a county assembly shall observe the following order of precedence.

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

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

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

b. Profiles

Name	Details
 Cosmas Korir Speaker of the County Assembly Masters in Agrieconomics,bachelor in Agribusiness Management.	Serves as the presiding officer during Assembly sittings, ensuring that debates are conducted in an orderly manner and in accordance with the Standing Orders. He acts as the official representative and ceremonial head of the Assembly, safeguarding its independence and authority. The Speaker makes rulings on points of order and procedural matters, facilitates the legislative process by guiding discussions and voting on bills, motions, and resolutions, and oversees the formation and functioning of committees.

Bomet County Assembly

Annual Report and Financial Statements for the year ended 30 June 2025



Mr. Isaac Kitur

Clerk of the Assembly

Bachelor of Laws (LLB), Diploma in Law,
advocate of the High Court.

The Clerk of the County Assembly serves as the accounting officer and procedural advisor to the Assembly. His key functions include providing expert guidance on assembly procedure, keeping official records and proceedings, managing the Assembly's staff and resources, facilitating committee work, preparing the order of business, and ensuring proper documentation and communication of decisions and legislation. The Clerk also supports the Speaker and members to ensure the smooth and lawful running of the Assembly's operations.



Mr Paul Kirui

Majority Leader of the Assembly.

The Majority Leader of the County Assembly is responsible for coordinating and guiding the legislative agenda of the majority party or coalition. Their functions include planning and prioritizing business to be discussed, mobilizing members to support the majority's position, liaising between the Speaker, committees, and members, and representing the majority party in official functions. They also play a key role in building consensus, defending the party's policies in debates, and ensuring smooth flow of the Assembly's legislative work.



Mr Kibet Ngetich

Minority Leader of the Assembly

The Minority Leader of the County Assembly leads and coordinates the activities of the minority party or coalition. Their functions include articulating and defending the interests and policies of the minority side, providing alternative views on legislation and motions, mobilizing members of the minority party during debates and voting, liaising with the Speaker and other leaders on Assembly business, and ensuring that the minority's voice is effectively represented in the legislative process.

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c. Sectoral Committees

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

The County Assembly has the following Select and Sectoral committees:

- Committee of Powers and Privileges
- Committee on Delegated Legislation
- Public Accounts/Investment Committee
- Budget and Appropriations Committee
- Committee on Petitions
- Committee on Infrastructure (Roads, Transport, and Public Works)
- Committee on Lands, Urban Planning and Housing
- Committee on Agriculture, Fisheries and Livestock
- Committee on Energy, Environment, Water and Natural Resources
- Committee on Labour and Public Service

d. Select Committees

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

i. Committee of Powers and Privileges

There is established committee known as the Committee of Powers and Privileges consisting of the Speaker, who shall be the chairperson of the Committee; and such other members of the county assembly as may be provided in the Standing Orders of the county assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the county assembly members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held 20 meetings in FY 2024/2025. The committee members during FY 2024/25 were:

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

Bomet County Assembly**Annual Report and Financial Statements for the year ended 30 June 2025****ii. Public Accounts/Investment Committee**

The committee was formed to provide oversight on the County's finances. The committee held quarterly mandatory meetings during the year. Additionally, it also held 5 five extra sittings to deal with arising matters. The members who served in the committee during the year were:

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

iii. Budget and Appropriations Committee

The budget and appropriations committee provide guidance in the budgetary process. It is charged with the budget making process and ensuring that there is public participation in the budget process. The members who served in the committee during the period were:

Member	Designation	Ward
Hon Eric Kirui	Chairperson	Kimulot
Hon. Robert Langat	Member	Mutarakwa
Hon. Josphat Kipkirui	Member	Singorwet
Hon. Cheptoo Roseline	Member	Rongena
Hon. Peter Kipkorir Langat	Member	Merigi
Hon. Paul Kirui	Member	Ndanai/Abosi
Hon. Benard Rotich	Member	Chebunyo
Hon. Stephen Changmorik	Member	Longisa
Hon. Benard Langat	Member	Kembu
Hon. Kiprotich Wesley	Member	Chebchabas
Hon. Kibet Ngetich	Member	Siongiroi
Hon. Ernest Rotich	Member	Mogogosiek
Hon. Mutai Peter	Member	Sigor

iv. Committee on Petitions

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

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

Bomet County Assembly**Annual Report and Financial Statements for the year ended 30 June 2025**

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

v. Committee on Infrastructure (Roads, Transport and Public Works)

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

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

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

vi. Committee on Lands, Urban Planning, and Housing

Consider all matters relating to land survey and mapping, boundaries and fencing, housing, urban planning including planning in towns, urban areas, firefighting services and disaster management, cemeteries, funeral parlours and crematoria and refuse removal, refuse dumps and solid waste disposal.

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

Member	Designation	Ward
Hon. Anne Chepkemai,	Chairperson	Silibwet
Hon. Dennis Busienei	Member	Chemagel
Hon. Benard Langat	Member	Kembu
Hon. Charles Langat	Member	Boito
Hon. Joseah Samoei	Member	Nyongores

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e. 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 February 2025 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.

The County Assembly also subjected four (4) bills through public participation.

f. Risk Management and Internal Control

The assembly risk management and internal control arrangements are evaluated by examining several key components. These include the presence of a risk management framework, the allocation of responsibilities, the integration of risk management into decision-making processes, and the monitoring and review mechanisms in place. The robust system put in place by management encompass policies, procedures, and practices designed to provide reasonable assurance that the assembly's objectives are achieved, risks are managed effectively, and resources are used efficiently and economically. The Public Finance Management Act 2012 and Regulations 2015 provide a legal framework for financial management and internal controls within the assembly which must be adhered to.

Formal Processes to Identify and Assess Risks

The assembly has formal processes for identifying and assessing risks to ensure that there is an effective risk management. These processes involve:

Risk Identification: This stage involves systematically identifying potential events or circumstances that could affect the achievement of the assembly's objectives.

Risk Assessment: Once risks are identified, they need to be assessed in terms of their likelihood of occurrence and potential impact.

Risk Register: A risk register is a central repository for documenting identified risks, their assessments, and planned responses. It serves as a key tool for monitoring and managing risks over time.

g. Compliance

The County Assembly ensure that it adhere to relevant laws which include Public Finance Management Act 2012, Public Procurement and Disposal Act 2015. Reports under these laws are submitted quarterly to comply with these Acts.

Bomet County Assembly
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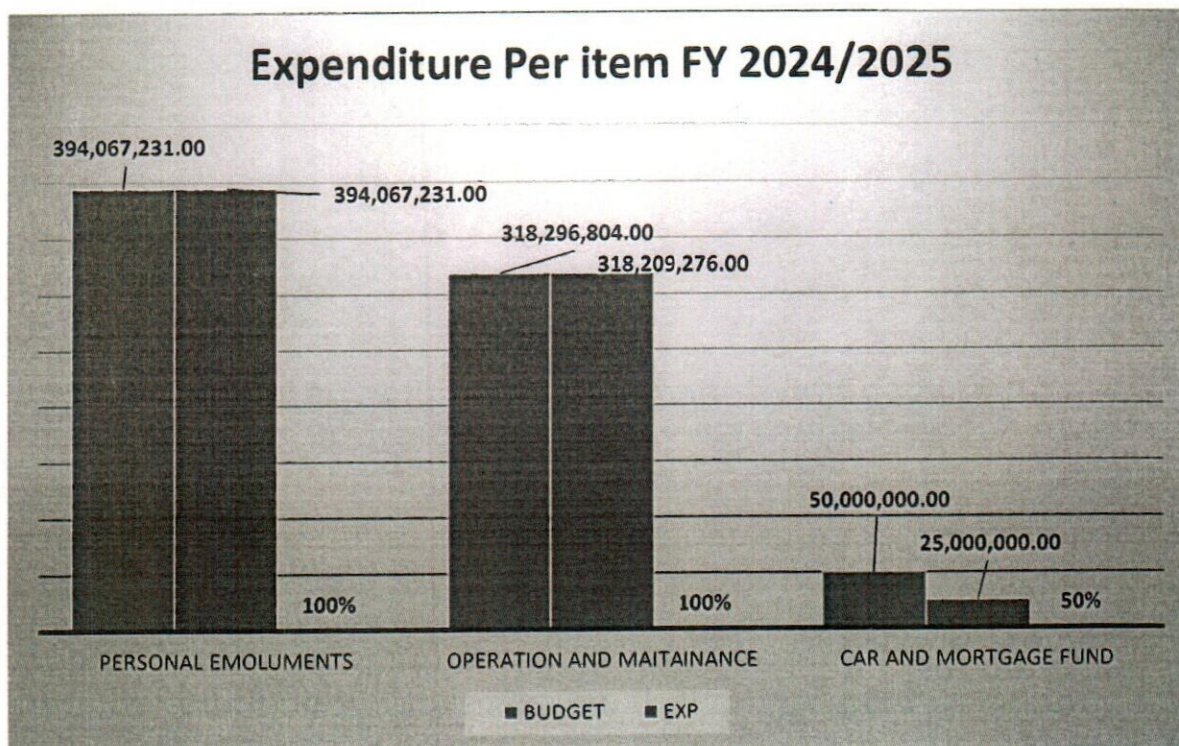
4. Forward by Clerk of the County Assembly

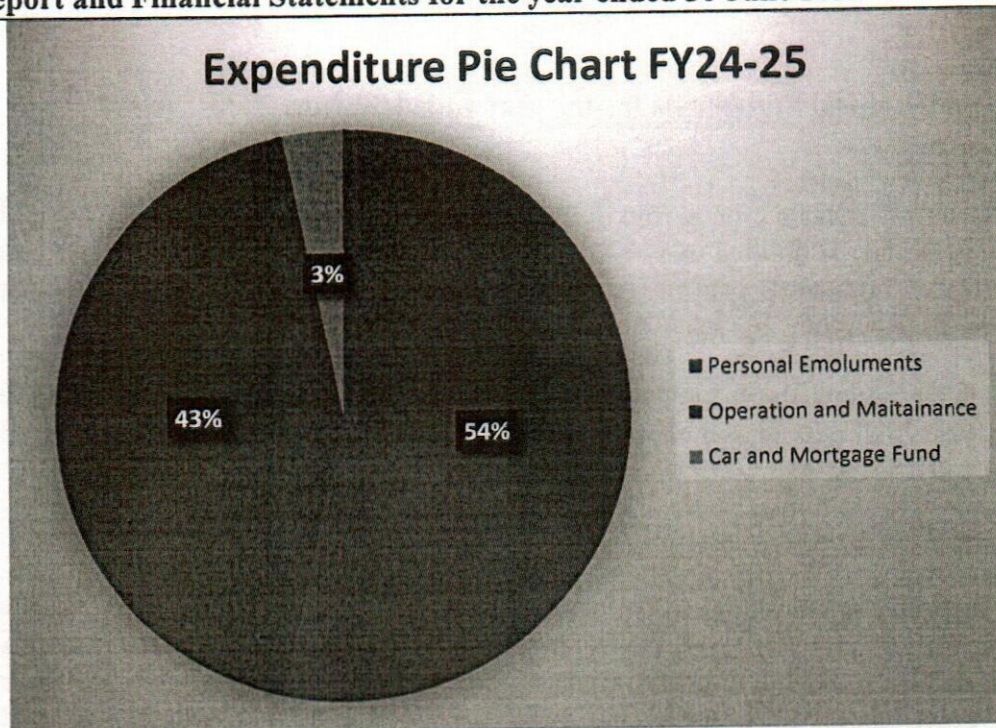
(i) Budget performance

The County Assembly's total budget for the fiscal year comprised three main components namely recurrent expenditure, capital expenditure, and car and mortgage fund transfers.

The budget execution for recurrent expenditure was 100%. This indicates efficient absorption of funds allocated for salaries, operations, and routine services, reflecting strong financial planning and execution without underutilization or overspending.

Additionally, the budget absorption for development expenditure was 96%, which demonstrates a strong commitment by the management to build robust infrastructure.





(ii) Operational Performance

Laws and Policies

The Bomet County Assembly is responsible for enacting laws and policies aimed at improving the county's governance and the well-being of its residents. The specific number of laws and policies passed during the period under review were four (4) which include; Bomet County Appropriation Bill 2024, Bomet County Finance Bill 2024, Bomet County Revenue Administration Bill 2024 and Bomet County Supplementary Appropriation Bill 2024. These reports are included in the County Assembly's official website, the County Government's website, and publications from the Controller of Budget.

These laws and policies are designed to enhance the efficiency of county operations and benefit the population in various ways. The Finance Bill is a critical tool for ensuring the county generates adequate revenue to finance essential services and development projects. It sets out the taxes, levies, fees, and other charges that the county government will impose to fund its operations for the coming financial year. The bill must align with both national fiscal policies and local economic realities to promote fairness, equity, and sustainable development.

The Revenue Administration Bill seeks to give effect to the Fourth Schedule of the Constitution, to provide for the general administration, collection of certain levies and fees, enforcement of the laws relating to revenue, and for matters connected therewith and incidental thereto. It seeks to establish a legal and institutional framework for revenue administration in order to ensure effectiveness, efficiency and transparency in Revenue Administration.

An appropriation Bill authorizes the spending of public funds by the county government. It plays a key role in the county budgeting and financial management process.

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County Budget Process

The County Assembly plays a crucial role in the budget process. The process is governed by the Constitution (2010) and the Public Finance Management Act 2012. It follows a structured Medium Term Expenditure Framework (MTEF) and involves both technical and public participation phases to ensure transparency and accountability.

For the year under review, both budgets underwent the proper process. The County Budget estimates for 2024-2025 was passed on August 14, 2024, and the County Supplementary Budget was passed on April 17, 2025.

Oversight Role of the County Assembly

The County Assembly has undertaken oversight over the functions of the county executive as enshrined in the Constitution of Kenya, the County Governments Act, 2012 and the Public Finance Management Act, 2012. This is to ensure transparency, accountability, and good governance at the county level. It has also monitored and evaluated the actions and policies of the County Executive Committee to ensure that they are implemented according to the law and budget and that public funds are used efficiently and effectively. The county assembly approved the county budgets and appropriation bills and monitored expenditure to ensure that funds are used as intended. It also scrutinized the County Fiscal Strategy Paper, the Debt Management Strategy Paper and Supplementary Budget. Lastly, the County Assembly vetted and approved various office holders to ensure their suitability to hold office.

(iii) Performance of key development projects

Physical Progress of County Assembly Programs

The County Assembly of Bomet has undertaken several key development projects aimed at improving its operational efficiency and providing a conducive environment for its members and staff. These projects, outlined in the Assembly's strategic plan, procurement plan, and work plan, include the construction of essential infrastructure and the acquisition of necessary equipment. The progress of these projects, along with the anticipated impacts, are crucial for the effective functioning of the Assembly.

Key Development Projects and Progress

The County Assembly of Bomet's major programs encompass several key projects. These projects are designed to enhance the Assembly's operational capabilities and create a more functional environment.

a) **Construction of the Main Chamber:** The construction of the main chamber is a significant undertaking, providing a dedicated space for legislative proceedings. The progress of this project is crucial for ensuring that the Assembly has a suitable venue for its sittings and debates. The completion of the main chamber will facilitate more efficient and effective legislative processes.

Speaker's Residence: The construction of the Speaker's residence is another key project. This project aims to provide the Speaker with appropriate accommodation, thereby supporting his role

Bomet County Assembly

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in leading the Assembly. The provision of a dedicated residence enhances the Speaker's ability to perform their duties effectively.

Boundary Wall: The construction of a boundary wall is essential for securing the Assembly's premises. This project enhances security and helps to protect the Assembly's assets and personnel. A secure environment is vital for the smooth operation of the Assembly.

Installation of Hansard Equipment: The installation of Hansard equipment is a critical component of the Assembly's operations. This equipment is used to record and transcribe the Assembly's proceedings, ensuring an accurate record of debates and decisions. The availability of Hansard equipment is essential for transparency and accountability.

Networking of the Main Chamber: Networking the main chamber involves setting up a modern communication and information technology infrastructure. This project aims to improve communication and information sharing within the Assembly. Enhanced networking capabilities will facilitate more efficient operations and enable members to access information more readily.

b) Key Development Projects in Strategic, Procurement, and Work Plans: The Assembly's strategic plan, procurement plan, and work plan outline the key development projects. These plans are essential for guiding the Assembly's activities and ensuring that projects are implemented effectively.

Progress Made and Impact on Operations: The progress made on these projects will significantly improve the effectiveness and efficiency of the Assembly's operations. For example, the completion of the main chamber will provide a suitable venue for legislative proceedings, while the installation of Hansard equipment will ensure accurate record-keeping. The boundary wall will enhance security, and networking will improve communication.

c) Efforts to Ensure Responsible Competition and Supplier Responsibility: The County Assembly of Bomet is committed to ensuring responsible competition practices and treating its suppliers responsibly.

Anti-Corruption Measures: The Assembly implements anti-corruption measures to ensure transparency and accountability in its procurement processes. These measures include adhering to relevant laws and regulations, conducting due diligence, and promoting ethical conduct among staff and suppliers.

Responsible Political Involvement: The Assembly ensures that political involvement does not compromise the integrity of its procurement processes. This includes avoiding conflicts of interest and ensuring that all suppliers are treated fairly.

Fair Competition: The Assembly promotes fair competition by providing equal opportunities to all suppliers. This involves transparent procurement processes, open bidding, and fair evaluation of bids.

Respect for Competitors and Their Products: The Assembly respects competitors and their products by treating all suppliers with fairness and impartiality. This includes avoiding any form of discrimination and ensuring that all suppliers are given a fair chance to compete.

Bomet County Assembly

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Treating Suppliers Responsibly: The Assembly treats its suppliers responsibly by honouring contracts and respecting payment schedules. This helps to build trust and maintain good working relationships with suppliers.

(iv) Comment on value-for-money achievements

The completion of projects like the main chamber, speaker's residence, installation of hansard equipment, and boundary walls, as listed, can significantly improve the lives of citizens in various ways. These projects, when executed effectively, represent investments in good governance, transparency, and security, ultimately contributing to a better quality of life. The value-for-money aspect hinges on efficient resource allocation, adherence to budgets, and the delivery of high-quality infrastructure and services that meet the needs of the community.

The value-for-money achievements of the listed projects can be assessed by examining their impact on citizens' lives.

The construction of the debating chamber and offices is central to effective governance, providing a space where elected leaders can debate, pass laws, and oversee the executive arm of government. A modern, well-equipped chamber enhances transparency and citizen engagement through features such as audio-visual systems for broadcasting proceedings. This openness fosters accountability and encourages public participation, leading to better policymaking and improved service delivery. Similarly, the speaker's residence supports leadership efficiency by offering a secure and functional space for hosting meetings, attending to official duties, and representing the county.

Investing in hansard equipment strengthens transparency by accurately recording and transcribing legislative proceedings, enabling citizens to track decisions, understand debates, and hold leaders accountable. This record also serves as a valuable historical resource.

(v) Challenges and recommended way forward

The County Assembly being, a crucial pillar of devolved governance, often encounter obstacles in achieving its strategic goals due to internal challenges, external pressures, and limited resources. These factors can hinder effective lawmaking, oversight, and representation. Recognizing these barriers, the County Assembly has embraced a comprehensive strategy to enhance its institutional effectiveness and responsiveness to citizens' needs.

Key initiatives include strengthening capacity building through continuous training for members and staff in critical areas such as legislative drafting, financial management, and policy analysis.



.....
ISAAC K KITUR

Clerk of the County Assembly

Bomet County Assembly
Annual Report and Financial Statements for the year ended 30 June 2025

5. Statement of Performance against Predetermined Objective

Strategic development objectives

The key mandate of the County Assembly of Bomet is legislation, oversight, and representation. To achieve this, the Assembly's program was documented in terms of objective, key performance indicators, and output. Below is the performance of the Assembly in FY 2024/2025.

Program 1	Strategic Objective	Outcome	Indicator	Performance	Remarks
Legislation	6 Bills passed into Acts of the County Assembly	Improved service delivery to citizens	No of bills passed in the County Assembly	In FY 2024/2025 4 number of bills were passed into Acts of the County Assembly	The County Assembly experienced budget cuts during the financial year.
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	Increase in efficient Assembly operation	The 3 rd edition standing orders were reviewed and resulted to improved oversight	The reviewed Standing orders enabled the County Assembly to invite the County Executive Committee Members to appear before its plenary sittings to explain policy issues and respond to questions and statements on issues affecting their respective departments.
Program 2					
Oversight	To enhance the oversight mandate of the County	Improved accountability and transparency	Number of reports adopted, questions,	The county assembly adopted a total of 20 reports	The county assembly performed optimally

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	Assembly and its committees	in the management of public resources	motions, petitions, statements asked and site visits done through the county	presented by different select committees of the county assembly on various sectorial areas, questions, statements and petitions presented. The Assembly was also in a position to remove three (3) County Executive Committee members from office for failure to pass the accountability test.	well on this aspect because of enhanced capacity and strict adherence to statutory and regulatory provisions of the law. This was done despite the budgetary cuts that was witnessed during the financial year.
Program 3					
Representation	To enhance representation of the people in the county assembly	Improved involvement of the people in legislative process through public participation, motions, questions, statements, public petitions and civic education.	Number of public participations done, plans, policies and budgets passed, questions and statements asked, public petitions processed and motions passed in the County Assembly.	The County Assembly conducted seven (7) public participations, Annual Development Plan, County fiscal Strategy Paper, budget estimates and its supplementary, 35 questions and statements, 4 petitions and a number of questions and statements.	The county assembly performed well on this aspect based on the enhanced capacity of members despite the budgetary constraints that could not allow for a more decentralized approach in public participation and civic education.

6. Environmental and Sustainability Reporting

The County Assembly functions as a legislative and oversight body within the County Government of Bomet. Its core mandate involves enacting local laws and policies, approving budgets, and overseeing the executive arm of the county government. This ensures the effective and accountable delivery of public services to its citizens.

The Assembly's sustainability strategy is closely tied to this mandate, focusing on the long-term viability and effectiveness of its operations and the well-being of the county's residents. This strategy incorporates principles of environmental stewardship, social equity, and economic prudence into its decision-making processes and legislative agenda. The ultimate goal is to maintain and enhance the county's capacity to provide essential services, manage resources responsibly, and adapt to future challenges, thereby securing a sustainable future for the entire community it serves.

a) Sustainability strategy and profile

The top management especially the accounting officer should refer to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.

b) Environmental performance

The County Assembly's hiring process is generally guided by principles of fairness, transparency, and meritocracy, as outlined in Human Resource Manuals and policies. These policies are designed to ensure equal opportunity and prevent discrimination. In terms of gender ratio, the assembly is committed to achieving gender balance and diversity within its workforce, often through affirmative action policies or targeted recruitment efforts to encourage applications from underrepresented groups. Stakeholder engagements are also increasingly crucial for policy development within public institutions. The frequency of policy improvement is determined by internal review cycles, legislative changes, and feedback mechanisms. Best practices recommend regular reviews to adapt to evolving legal frameworks, technological advancements, and organizational needs.

Furthermore, significant efforts are made to improve skills and manage careers within the county assembly to maintain a competent and motivated workforce. This includes providing access to continuous professional development (CPD) programs, workshops, seminars, and opportunities for further education relevant to their roles. Career management involves mentorship programs, internal promotion pathways, and succession planning to ensure a pipeline of skilled individuals for leadership positions. Appraisal systems are typically designed to evaluate employee performance against set objectives, provide constructive feedback, identify areas for improvement, and acknowledge achievements. Reward systems, while often limited by public sector salary scales, may include performance-based increments,

Bomet County Assembly

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non-monetary recognition (e.g., commendations, awards), and opportunities for professional growth.

c) Employee welfare

The County Assembly policy on safety and compliance with the Occupational Safety and Health Act of 2007 (OSHA) is paramount.

To uphold this commitment, the County Assembly management implement comprehensive safety policies, conduct regular risk assessments, provide personal protective equipment (PPE) where necessary, offer safety training, and have established clear procedures for reporting accidents and incidents.

Compliance with OSHA 2007 requires strict adherence to specific regulations concerning workplace hazards, machinery safety, chemical handling, fire safety, and emergency preparedness. We also conduct regular audits and inspections to ensure ongoing compliance.

d) Marketplace practices-

Marketplace Practices

Bomet County Assembly's marketplace practices are crucial for demonstrating its commitment to sustainability and ethical governance. These practices encompass how the assembly interacts with suppliers, manages its procurement processes, and ensures the responsible use of resources.

a) Responsible Supply chain and supplier relations-

The County Assembly of Bomet is committed to ensuring a responsible supply chain and strong supplier relations. Our efforts include implementing policies and procedures for supplier selection that prioritize environmental, social, and governance (ESG) criteria.

Specifically, the Assembly ensures that;

- Suppliers adhere to labor laws, environmental regulations, and ethical business practices.
- It Conduct due diligence on potential suppliers to assess their sustainability performance.
- It Perform regular audits and performance reviews of existing suppliers to ensure ongoing compliance with these standards.

b) Responsible ethical practices.

The County Assembly is committed to ethical governance and is demonstrated through several key initiatives:

- Robust code of conduct through established a comprehensive code of conduct for all staff and elected officials, emphasizing integrity, transparency, and accountability in all actions.

- Regular training programs to ensure adherence to the code and regularly conducting training programs focused on ethical conduct, identifying and managing conflicts of interest, and anti-bribery measures.
- Clear reporting mechanisms by implementing clear and accessible mechanisms for reporting ethical breaches, alongside robust protections for whistleblowers to encourage open communication and accountability.
- Transparency and disclosure by reinforcing ethical governance framework and public disclosure of financial interests by officials and transparent decision-making processes.

These practices collectively ensure that our operations are conducted with the highest standards of ethics and public trust.

c) Anti-corruption Measures

The Assembly is committed to ensuring transparency and accountability in its procurement processes through robust anti-corruption measures. These measures include strict adherence to relevant laws and regulations, thorough due diligence, and the promotion of ethical conduct among all staff and suppliers.

Specifically, the management implement competitive bidding processes, establish clear procurement guidelines, and utilize independent oversight bodies to review all contracts and expenditures. Regular internal and external audits of financial transactions and procurement decisions are conducted to identify and prevent corruption. Furthermore, the Assembly maintains a register of all contracts awarded and payments made, enhancing transparency and allowing for public scrutiny.

d) Stewardship of goods and services

The management is dedicated to safeguarding the rights and interests of its citizens through responsible stewardship of goods and services. This commitment extends to ensuring that all goods and services procured and utilized by the assembly are done so efficiently, effectively, and with minimal environmental impact.

Its efforts include adopting green procurement policies that prioritize energy-efficient products, recycled materials, and products with lower carbon footprints. The County Assembly also focus on reducing waste generation, promoting recycling within our facilities, and extending the lifespan of our assets through proper maintenance and repair. Furthermore, the assembly is committed to ensuring that public services are delivered equitably and are accessible to all citizens, thereby safeguarding their rights and interests.

e) Community Engagements

The County Assembly plays a crucial role and influence on community social investment initiatives. It plays a crucial role in county government through its functions of oversight, legislation, and representation. As the executive arm of government implements its mandate of providing essential services, including education, sports, healthcare, staff training and

Bomet County Assembly

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development, and water and sanitation initiatives, the Assembly directly influences and supports these efforts.

Evidence of community social investment includes funding for local clinics, support for vocational training centers, and the initiation of projects to improve access to clean water and sanitation in underserved areas. To ensure that community needs and priorities are addressed, regular public consultations and feedback mechanisms are also actively utilized.

7. Management Discussion and Analysis

County Assembly's key programs/projects and investment decisions implemented

The County Assembly's development programs, as outlined, encompass several key projects aimed at enhancing its operational capabilities and infrastructure. These projects include the completion of the speaker's residence, construction of the main chamber, the boundary wall, and the installation of hansard equipment. These initiatives align with the strategic objectives of the County Assembly, which likely include improving legislative processes, providing adequate facilities for members and staff, and ensuring the security and integrity of the Assembly's premises. The completion of the speaker's residence suggests a focus on providing appropriate accommodation for the leadership, while the construction of the main chamber and installation of hansard equipment indicate efforts to modernize and improve the legislative process. The boundary wall project aims to enhance security and define the Assembly's physical boundaries.

County Assembly's compliance with statutory requirements

The County Assembly's compliance with statutory requirements is essential for maintaining the integrity and credibility of the assembly. By adhering to the relevant laws and regulations, the Assembly can ensure that its operations are transparent, accountable, and effective, ultimately serving the best interests of the county's residents.

The County Assembly's adherence to statutory requirements is fundamental to its effective operation and the overall governance of the county.

Major risks facing the County Assembly

County Assembly being a legislative body faces significant risks that could impact the operations and financial stability. These risks include financial risks (e.g., budget shortfalls due to abolition of the finance bill 2024), operational risks (e.g., disruptions to essential services, social media misinformation, cybersecurity threats), and strategic risks (e.g., changes in demographics, shifts in public policy e.g. the introduction of the new systems in government). The potential impact of these risks has been assessed so that appropriate mitigation strategies are put in place. This proactive approach helps the assembly to understand the challenges it faces and make informed decisions to address them.

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Material arrears in Statutory and Other Financial Obligations

The County Assembly did not meet all its financial obligations for the 2024/2025 financial year due to several challenges encountered during the year under review.

The Assembly has since implemented measures and strategies to address these outstanding obligations in the new financial year.

Review of the Economy and Sector:

The funding of County Assemblies is closely tied to the country's overall economic health. A strong national economy generally leads to increased tax revenues, which in turn expands the funds available for distribution. The Commission on Revenue Allocation (CRA) is crucial in this process, as it determines the equitable division of revenue between the National Government and County Governments using a pre-determined formula.

This formula considers factors such as population, poverty levels, and land area to ensure a fair allocation of resources. The amount each county assembly receives directly impacts its ability to fund operations, implement development projects, and provide essential services to its constituents. Understanding these financial dynamics is vital for effective planning and decision-making at the county level.

Future Developments:

The County Assembly's strategic plan for 2021-2027 outlines several key future initiatives. These include constructing a health club, drilling water sources, and establishing ward offices in each of the twenty-five wards. The County Assembly is committed to proactive planning and decision-making to achieve these goals and recognizes potential financial constraints. The County Assembly will collaborate with the County Executive to overcome any challenges. This forward-looking perspective, as detailed in our strategic plan, is designed to guide the legislative arm in making informed decisions and planning for the future.

Other information relevant to the users of the financial Statements

The Assembly is currently developing a Corporate Social Responsibility (CSR) policy. This policy will focus on community initiatives to ensure that the policies and bills passed by the house are effectively implemented and that the Assembly's mandate is felt at the grassroots level. Our aim is to keep citizens well-informed about the ongoing activities within the Assembly.

8. Statement of Management Responsibilities

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

The County Assembly Clerk is responsible for the preparation and presentation of the Assembly financial statements, which give a true and fair view of the state of affairs of the County Assembly for and as at the end of the financial year ended on June 30, 2025. 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 Executive/assembly; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the county Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the Assembly financial statements give a true and fair view of the state of the County Assembly's transactions during the financial year ended June 30, 2025, and of its financial position as at that date.

The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Assembly funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Bomet County Assembly

Annual Report and Financial Statements for the year ended 30 June 2025

Further the Clerk confirms that the County Assembly's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The County Assembly 's financial statements were approved and signed by the Clerk on 20th August 2025.



Isaac K Kitur

Clerk of County Assembly

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF BOMET FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of County Assembly of Bomet set out on pages 1 to 57, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts 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 transitional IPSAS financial statements present fairly, in all material respects, the financial position of County Assembly of Bomet as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the County Government's Act, 2012 and the Public Finance Management Act, 2012, and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unsupported Opening Balances

The statement of financial position reflects total assets and total liabilities opening balances of Kshs.80,615,345 and Kshs.93,299,323, respectively, resulting in negative net assets opening balance of Kshs.12,683,979. However, these balances were not supported by transition project co-ordination committee report. The listing of the assets and liabilities was also not provided for audit review.

Further, the statement reflects property, plant and equipment opening balance of Kshs.74,198,812. However, the amount differs with the previous year Nil balance reflected in Annex 1 to the financial statements resulting in unexplained variance of Kshs.74,198,812. Similarly, the amount differs with the prior year audited property, plant and equipment totalling Kshs.752,669,382 resulting in unreconciled variance of Kshs.678,470,570.

In the circumstances, the accuracy and completeness of the net assets opening balance of negative Kshs.74,198,812 could not be confirmed.

2. Inaccuracy of Transfer from County Revenue Fund (CRF)

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects transfers from County Revenue Fund (CRF) amounting to Kshs.959,677,768. However, the amount differs with the transfers from the CRF final budget amounting to Kshs.984,677,768 reflected in the statement of comparison of budget and actual amounts resulting in unexplained variance of Kshs.25,000,000.

Further, the amount includes transfer to other Government entities Car Loan and Mortgages amounting to Kshs.25,000,000 as disclosed in Note 6 to the financial statements which is not a receivable from the CRF. The amount also includes Kshs.105,720,091 received after 30 June, 2025 which ought to have been presented as a receivable.

In the circumstances, the accuracy and completeness of transfers from County Revenue Fund (CRF) amounting to Kshs.959,677,768 could not be confirmed.

3. Inaccuracy of Domestic Travel and Subsistence

The statement of financial performance and Note 10 to the financial statements reflects use of Goods and Services expenditure of Kshs.318,209,276 which includes domestic travel and subsistence expenses amounting to Kshs.102,069,000. However, the Domestic Travel expense as per the IFMIS ledger is Kshs.100,149,422 resulting in an unreconciled and unexplained variance of Kshs.1,919,578.

Further, review of the IFMIS payments under domestic travel shows payments totalling Kshs.71,263,608 made to Equity Bank suspense salary account amounting to Kshs.62,382,308; Bomet County Assembly salary suspense (Family) Kshs.2,916,000; KCB Bomet County salary suspense Kshs.2,264,000; Cooperative Bank suspense salary account Kshs.1,925,300; and Transnational Bank – Bomet Kshs.1,776,000 all totalling Kshs.71,263,608. However, the daily subsistence allowances were routed to bank suspense/payroll accounts without underlying beneficiary details.

In the circumstances, the accuracy and completeness of domestic travel and subsistence expenses amounting to Kshs.102,069,000 could not be confirmed.

4. Inaccuracy of Foreign Travel and Subsistence

The statement of financial performance and Note 10 to the financial statements reflects use of Goods and Services expenditure of Kshs.318,209,276. The amount includes foreign travel expenditure amounting to Kshs.29,000,000. However, the total foreign travel expenditure differs with the IFMIS ledger amounts totalling Kshs.28,039,932 resulting in unexplained variance of Kshs.960,068.

In addition, the IFMIS payments under foreign travel shows payments totalling Kshs.10,332,817 made to Equity Bank suspense salary account Kshs.7,383,159; Transnational Bank – Bomet Kshs.1,363,889; Cooperative Bank suspense salary account Kshs.1,234,769; and KCB Bomet County salary suspense Kshs.351,000 all totalling Kshs.10,332,817. However, the foreign travel subsistence allowances were routed to bank suspense/payroll accounts without underlying beneficiary details.

Further review of the foreign travel expenditure revealed that the County Assembly incurred substantial costs on various international trips during the year under review. Records show that 19 officers traveled to South Africa to attend the Policy Makers Conference on Building Trust at a cost of Kshs.6,492,260; 18 officers traveled to India to attend the 38th Edition of the Surajkund-Mela Fair at a cost of Kshs.7,435,523; and 13 officers traveled to Cairo, Egypt to attend the UN Habitat World Forum at a cost of Kshs.4,847,240 all totalling Kshs.18,775,023. The total airline cost incurred for these trips amounted to Kshs.9,232,967. However, no evidence was availed to confirm that the travels were necessary, cost-effective and that there were no local service providers for the subject services. Documentation such as invitation letters, approved travel itineraries, post-travel reports, and evidence of knowledge sharing with the Assembly were not

provided for audit verification. In the absence of the above documentation, the prudence and effectiveness of spending public funds amounting to Kshs.18,775,023 on foreign travel could not be confirmed.

In the circumstances, the accuracy and completeness of foreign travel expenditure of Kshs.29,000,000 could not be confirmed.

5. Undisclosed Accommodation Allowance

Review of the IFMIS payment details shows expenditure totalling Kshs.17,739,512 classified as Accommodation Allowance paid to various institutions, hotels, training organizations, and individual officers. However, this expenditure was not reflected in the statement of financial Performance or the supporting notes to the financial statements for the year ended 30 June, 2025.

In the absence of disclosure or reconciliation between IFMIS records and the financial statements, the accuracy and completeness of reported expenditure on use of goods and services could not be confirmed.

6. Undisclosed Catering Services

Review of the IFMIS payment details shows expenditure totalling Kshs.4,544,241 classified under Catering Services paid to various suppliers, suspense accounts, and individual officers. However, this expenditure was not reflected in the statement of financial Performance or the accompanying notes to the financial statements for the year ended 30 June, 2025.

In the absence of corresponding disclosure or reconciliation between IFMIS records and the financial statements, the completeness and accuracy of the reported expenditure could not be confirmed.

7. Unsupported Routine Maintenance – Vehicle and Other Transport Equipment

The statement of financial performance reflects use of goods and services amounting to Kshs.318,209,276. The amount includes routine maintenance on vehicles and other transport equipment amounting to Kshs.3,500,000 as disclosed in Note 10 to the financial statements. Included in the routine maintenance on vehicles and other transport equipment expenditure is an amount of Kshs.1,816,293 incurred on maintenance of motor vehicles. However, the expenditure was not supported by pre and post mechanical inspection reports to confirm the works done on the motor vehicles.

In the circumstances, the accuracy and completeness of routine maintenance on vehicles and other transport equipment amounting to Kshs.1,816,293 could not be confirmed.

8. Inaccuracy of Property, Plant and Equipment

The statement of financial position and as disclosed in Note 26 to the financial statements reflects property, plant and equipment totalling Kshs.254,557,860. The amount includes opening balance of Kshs.82,443,124. However, the opening balance differs with the

corresponding balance of Kshs.74,198,812 reflected in the statement of financial position resulting in unexplained variance of Kshs.8,244,312.

Further, amount includes additions during the year amounting to Kshs.201,231,142. However, the amount differs with purchase of property, plant and equipment amounting to Kshs.230,274,832 reflected in the statement of cash flows resulting in unexplained variance of Kshs.29,043,690. Documentary evidence in support of purchase of property, plant and equipment was also not provided for audit review.

In addition, the amount is net of accumulated depreciation amounting to Kshs.29,116,406. However, the accumulated depreciation includes depreciation and impairment amounting to Kshs.8,244,312 which was not supported or explained.

In the circumstances, the accuracy and completeness of property, plant and equipment totalling Kshs.254,557,860 could not be confirmed.

9. Inaccuracy of Refundable Deposits and Prepayments

The statement of financial position and as disclosed in Note 33 to the financial statements reflects refundable deposits and prepayments totalling Kshs.8,885,560. The amount includes negative prepayments totalling Kshs.8,566,552 which ought to have been disclosed as a receivable.

In the circumstances, the accuracy and completeness of refundable deposits and prepayments totalling negative Kshs.8,566,552 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly of Bomet Management in accordance with ISSAI 130 on the 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 judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, ten (10) issues were raised under Emphasis of Matter, Other Matter, and Report on Lawfulness and Effectiveness in Use of Public Resources as shown in the table below:

Report of the Auditor-General on County Assembly of Bomet for the year ended 30 June, 2025

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Number	Financial Year	Issue
		Emphasis of Matter
1	2023/2024	Late Exchequer Releases
2	2023/2024	Budgetary Control and Performance
		Report on Lawfulness and Effectiveness in the Use of Public Resources
3	2023/2024	Salaries Paid Outside Integrated Personnel and Payroll Database (IPPD)
4	2023/2024	Non-Compliance with the One-Third Basic Salary Rule
5	2023/2024	Non-Compliance with the One-Third Gender Rule and Law on Ethnicity Diversity
6	2023/2024	Irregular Payment of Subscriptions
7	2023/2024	Delayed Construction of County Assembly Chambers
8	2023/2024	Delayed Construction of the Speaker's Residence
9	2023/2024	Delayed Construction of Perimeter Wall and Gate House at the Main County Assembly
10	2023/2024	Installation of Hansard Production and Audio-Visual System

However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

Other Information

Management is responsible for the Other Information set out on page iii to xxviii which comprise of Key Entity Information and Management, Governance Statement, Forward by the Clerk of the County Assembly, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting, Management Discussion and Analysis, and statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the County Assembly's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with Requirements on Ethnic Diversity

Review of personnel records revealed that the County Assembly had a total of eighty-nine (89) employees out of whom eighty-eight (88) or ninety nine percent (99 %) of the employees were members of one ethnic community. This was contrary to Section 65 (1) (e) of the County Governments Act, 2012 which requires that at least thirty percent (30%) of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the County.

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

2. Non-Compliance with One Third Basic Salary Rule

Review of payroll revealed that seventy-six (76) employees earned net salaries that were less than one-third of their basic salaries. This was contrary to Section 19 (3) of the Employment Act, 2007 which requires total amount of all deductions which may be made by an employer from the wages of his employee at any one time shall not exceed two-thirds of such wages or such additional or other amount as may be prescribed by the Minister either generally or in relation to a specified employer or employee or class of employers or employees or any trade or industry.

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

3. Non-Compliance with Law on One-Third Gender Rule

Review of personnel records revealed that the County Assembly had ninety (90) employees out of which twenty-eight (28) or thirty-one (31%) were female and sixty-two (62) or sixty nine percent (69 %) were male. This was contrary to Part B.26 (2) of the County Public Service Human Resource Manual May, 2013 which states that the County Government shall endeavor to have a non-discrimination in the County Public Service by ensuring that not more than two-thirds (2/3) of vacant posts are filled by either gender in the County Public Service.

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

4. Delayed Completion of Perimeter Wall and Gate House at the Main County Assembly

As previously reported, the County Assembly entered into a contract with a local contractor for the construction of the perimeter wall and a gate house at the County Assembly entrance at a contract sum of Kshs.26,615,540. The contract period was to be executed within a period of thirty-two (32) weeks with an estimated initial completion date of 20 February, 2024. However, as at 8 September, 2025, the construction had not been completed despite the completion period having elapsed. Records availed for audit revealed that the project was at 75% completion with a total of Kshs.14,887,020 having been certified for payment.

In the circumstances, value for money on the expenditure amounting to Kshs.14,887,020 incurred on the construction of a perimeter wall and gate house could not be confirmed.

5. Delayed Construction of the County Assembly Main Chambers

As previously reported, review of contract records revealed that a local contractor was awarded the tender for the construction of the main chambers at a contract sum of Kshs.473,477,177 for a period of one hundred and sixty (160) weeks commencing 19 March, 2020 and expected completion date of 14 April, 2023. Payments totalling Kshs.380,386,366 or eighty percent (80%) of the contract sum had been paid as at 30 June, 2025. However, physical inspection carried out on 8 September, 2025, more than twenty-eight (28) months after the expected completion date, revealed that installation and commissioning of lifts had not been completed and the project had not been put into use.

In the circumstances, value for money on the expenditure amounting to Kshs.380,386,366 incurred on the construction of the main chambers could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Ineffective Internal Audit Function

Review of the County Assembly's organization structure revealed that the Assembly had established a Directorate of Audit, Risk and Compliance and an Audit Committee. However, the Internal Audit Directorate had only two (2) staff members against six (6) staff members in the approved staff establishment.

Further, there was no approved Internal Audit workplan nor were there any quarterly or annual internal audit reports. This was contrary to Regulation 166 of the Public Finance Management (County Governments) Regulations, 2015 which requires each head of internal audit Unit to prepare a quarterly internal audit report which shall cover areas provided for in guidelines and shall be in a format issued by the Cabinet Secretary.

In the circumstances, the effectiveness of the Internal Audit Directorate could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the County Assembly's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with Governance are responsible for overseeing the County Assembly's, financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective

processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

28 November, 2025

Bomet County Assembly**Annual Report and Financial Statements for the year ended June 30, 2025.****10. Statement of Financial Performance for the year ended 30 June 2025**

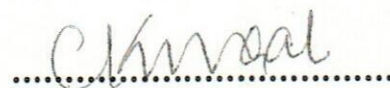
	Notes	2024-2025
		Kshs
Revenue from non-exchange transactions		
Transfers from CRF	6	959,677,768
Miscellaneous Revenue	7	-
Total		959,677,768
Revenue from exchange transactions		
Other income	8	-
Total revenue		959,677,768
Expenses		
Employee cost	9	394,067,231
Use of goods and services	10	318,209,276
Transfers to other Government Entities	11	25,000,000
Depreciation and amortization expense	12	20,872,093
Other Grants and Subsidies	13	-
Finance costs	14	-
Social Benefits	15	-
Total expenses		758,148,601
Gain/(loss) on sale of assets	16	-
Gain/Loss on Foreign Exchange	17	-
Gain/Loss on fair value of investments	18	-
Impairment loss	19	-
Surplus/Deficit for the year		201,529,167
Taxation	20	-
Net Surplus/Deficit		201,529,167

The Financial Statements set out on pages 1 to 8 were signed by:


.....

Isaac Kiplangat Kitur

Clerk of the County Assembly


.....

Geoffrey Maritim

**Director Accounting
Services**

ICPAK M/No 12685

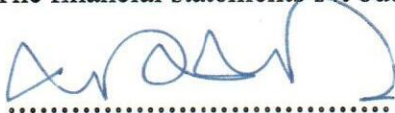
11. Statement of Financial Position as at 30 June 2025

	Notes	2024-2025	Opening Statement 1 st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	21	8,973,088	6,416,532
Receivables from Exchange Transactions	22	-	-
Receivables from Non-Exchange Transactions	23	-	-
Inventories	24	-	-
Current portion of investments	25	-	-
Total Current Assets		8,973,088	6,416,532
Non-Current Assets			-
Receivables from Exchange Transactions	22(b)	-	-
Non- Current portion of investments	25	-	-
Property, Plant and Equipment	26	254,557,860	74,198,812
Intangible Assets	27	-	-
Investment Property	28	-	-
Right-of-use assets	29	-	-
Biological Assets	30	-	-
Tangible Natural Resources	31	-	-
Total Non- Current Assets		254,557,860	74,198,812
Total Assets (A)		263,530,948	80,615,345
Liabilities			-
Current Liabilities			-
Trade and Other Payables	32	65,871,577	86,957,737
Refundable Deposits and Prepayments	33	8,885,560	6,341,586
Current Provision	34	-	-
Lease Liabilities	35	-	-
Deferred Income	36	-	-
Employee Benefit Obligation	37	-	-
Current Portion of Borrowings	38	-	-
Total Current Liabilities		74,757,137	93,299,323
Non-Current Liabilities			-
Non-Current Provisions	34	-	-
Lease Liabilities	35	-	-
Deferred Income	36	-	-

Bomet County Assembly**Annual Report and Financial Statements for the year ended June 30, 2025.**

	Notes	2024-2025	Opening Statement 1 st July 2024
		Kshs	Kshs
Non-Current Employee Benefit Obligation	37	-	-
Borrowings – Non-Current Portion	38	-	-
Service Concession Liability	39	-	-
Total Non- Current Liabilities		-	-
Total Liabilities (B)		74,757,137	93,299,323
Net Assets(A-B)		188,773,811	(12,683,979)
Represented By:			-
Reserves		-	-
Accumulated Surplus		188,773,811	(12,683,979)
Capital Fund		-	-
Net Assets		188,773,811	(12,683,979)

The financial statements set out on pages 1 to 8 were signed by:



Isaac Kiplangat Kitur

Clerk of the Assembly



Geoffrey Maritim

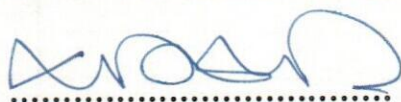
Director Accounting Services

ICPAK M/No 12685

12. Statement of Changes in Net Assets for the year ended 30 June 2025

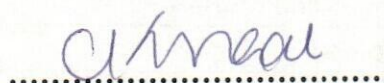
	Accumulated Surplus	Reserves	Capital Fund	Total
As at 30 th June 2024 (cash basis)	74,946	-	-	74,946
Adjustments:				-
Recognition of assets	-			
Recognition of liabilities	(12,758,925)	-	-	(12,758,925)
As at July 1, 2024	-	-	-	-
Return to CRF	(71,377)			(71,377)
Surplus/ deficit for the year	201,529,167			201,529,167
As at June 30, 2025	188,773,812	-	-	188,773,812

The financial statements set out on pages 1 to 8 were signed by:



Isaac Kiplangat Kitur

Clerk of the Assembly



Geoffrey Maritim

Director Accounting Services

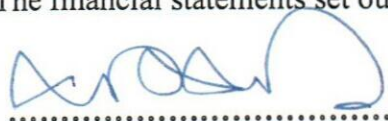
ICPAK M/No 12685

Bomet County Assembly
Annual Report and Financial Statements for the year ended June 30, 2025.

13. Statement of Cash Flows for the year ended 30 June 2025

		FY 2024-2025
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Transfers from CRF		959,677,768
Miscellaneous Revenue		-
Other income		-
Total receipts		959,677,768
Payments		
Employee costs		394,067,231
Use of goods and services		307,707,772
Transfers to other Government Entities		25,000,000
Other Grants and Subsidies		-
Finance costs		-
Social Benefits		-
Total payments		726,775,003
Net cash flows from/ (used in) operating activities	40	232,902,765
Cash flows from investing activities		
Purchase of PPE		(230,274,832)
Proceeds from sale of PPE		-
Sale of investments		-
Net cash flows from/(used in) investing activities		(230,274,832)
Cash flows from financing activities		
Returns to CRF		(71,377)
Repayment of borrowings		-
Net cash flows from financing Activities		(71,377)
Net increase/(decrease) in cash & Cash equivalents		2,556,555
Cash and cash equivalents at 1 July	21	6,416,533
Cash and cash equivalents at 30 June	21	8,973,088

The financial statements set out on pages 1 to 8 were signed by:



Isaac Kiplangat Kitur
Clerk of the Assembly



Geoffrey Maritim
Director Accounting Services
ICPAK M/No 12685

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****14. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025****Recurrent and Development Budgets Combined**

Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	1,049,282,573	(64,604,805)	984,677,768	959,677,768	25,000,000	1
Other receipts	-	-	-	-	-	
Total Receipts	1,049,282,573	(64,604,805)	984,677,768	959,677,768	25,000,000	1
Payments						
Compensation of employees	400,387,231	(6,320,000)	394,067,231	394,067,231	-	1
Use of goods and services	348,071,324	(64,291,248)	283,780,076	283,741,590	38,486	0.8
Transfers to other government units	50,000,000	-	50,000,000	25,000,000	25,000,000	0.5
Social security benefits	-	-	-	-	-	-
Acquisition of assets	250,824,018	6,006,443	256,830,461	256,781,419	49,042	1
Total	1,049,282,573	(64,604,805)	984,677,768	959,593,595	25,087,528	0.9
Surplus	-	-	-	87,528	-	

Reconciliation table

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	87,528
1	Retentions	8,885,560
2	Total	8,973,088
	Closing Cash and Cash Equivalent as per the statement of Cash flows	8,973,088

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

15. Notes to the Financial Statements

1. General Information

Bomet County Assembly is established by and derives its authority and accountability from The Constitution of Kenya 2010. The County Assembly is domiciled in Kenya and its principal activities are oversight, representation and legislation.

2. Statement of Compliance and Basis of Preparation

Statement of compliance

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st/ 2nd/ 3rd/ year's financial statements are transitional financial statements and the following elements of the financial statements have not been recognised as the entity has taken advantage of the transition provisions outlined in IPSAS 33. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).

These financial statements were authorised for issue by the accounting officer on 20th August 2025

Basis of Preparation

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. These financial statements have been prepared on an accrual basis unless otherwise specified (for example, the Statement of Cash Flows). Under an accrual basis, revenues are recognised when rights to assets are earned or levied rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Assembly. The accounting policies adopted have been consistently applied to all the years presented.

Reporting period

The reporting period for these financial statements is for the period ended 30 June 2025.

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the financial statements

Critical accounting judgements

IPSAS requires accounting judgements to be made in determining accounting policies that impact the presentation of these financial statements. The most critical of these judgements, and their impact, are:

Recognition of revenue

Revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria (probable inflow of resources and ability to reliably measure their value) are met. Judgment is required to determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned.

Recognition of non-exchange expenses and liabilities

A liability is a present obligation of an entity for an outflow of resources that results from a past event. Expenses (and other liabilities) are recognized when there is a present obligation (legal or constructive) as a result of a past event. An outflow of resources embodying economic benefits will probably be required to settle the obligation and a reliable estimate of the obligation can be made. Judgment is required in assessing each of these conditions, and therefore reporting if an expense and a present obligation should be reported.

The County Assembly pursues a number of policy targets and outcomes. However, the commitment to these targets and outcomes, generally, do not of themselves constitute a present obligation unless the County Assembly *is* clear on the cost it intends to incur, when payment will be made, and to whom and as a consequence has raised a valid expectation. As a consequence, liabilities are not reported for costs associated with the Assembly policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the Assembly's future actions, expenses (and other related liabilities) are recognized for that policy.

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis.

Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

business-as-usual scenario of 143 MtCO₂eq. Entities commitment to climate change action does not constitute a present obligation on the balance sheet but are disclosed separately.

Physical assets

An asset is a resource presently controlled by the entity as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows. Because of the types of services provided, a significant proportion of assets used by public sector entities including roads, national parks, heritage buildings etc are specialized in nature. There may be a limited market for such assets and so judgement is required on measurement. Judgment is also required whether assets are held for commercial purposes or public benefit purposes.

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****3. Adoption of New and Revised Standards****i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.***

Standard	Effective date and impact:
IPSAS 43	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45- Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

Standard	Effective date and impact:
IPSAS 46 Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: - Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. - Clarifying transaction costs guidance to enhance consistency across IPSAS; - Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.

ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025

Standard	Effective date and impact:
IPSAS 47- Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	<i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

Standard	Effective date and impact:
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year.

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Entity and can be measured reliably. Recurrent grants are recognized in the statement of financial performance. Development/Capital grants are recognized in the statement of financial performance after meeting revenue recognition criteria. Conditional grants are recognized as revenue upon fulfilment of the set conditions.

ii) Revenue from exchange transactions

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Entity's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2024-2025 was approved by the County Assembly on 14th August 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Assembly upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Assembly recorded additional appropriations of 2025 on the 2024/2025 budget following the County Assembly 's approval. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

Notes to the Financial Statements (Continued)**Budget information (continued)**

The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented under section 14 of these financial statements.

c) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an 8-year period. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. Transfers are made to or from investment property only when there is a change in use.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

Notes to the Financial Statements (Continued)**e) Right of use asset**

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

f) Tangible Natural Resources

The entity recognises a tangible natural resource recognized if, and only if: It is probable that service potential associated with the natural resource will flow to the entity; the entity controls the tangible natural resource as a result of past events; and the tangible natural resource can be measured reliably. Where this criterion is not met, the entity discloses the tangible natural resource in the notes to the financial statements. Where a tangible natural resource is recognized as an asset as the result of an event that is not a transaction in an orderly market, including non-exchange transactions, the asset shall be measured initially at its deemed cost. An entity shall apply IPSAS 46, Measurement, when measuring the deemed cost of such a recognized tangible natural resource. A recognized tangible natural resource acquired through an exchange transaction shall be measured at its cost. Historical cost model is applied after initial recognition less any depreciation and impairment losses.

Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

h) Research and development costs

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale;
- ii) Its intention to complete and its ability to use or sell the asset;
- iii) How the asset will generate future economic benefits or service potential;
- iv) The availability of resources to complete the asset;
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate). A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

i. Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortized cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note 26.

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.
Notes to the Financial Statements (Continued)

ii. Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through surplus or deficit

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Assembly

k) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

l) Contingent liabilities

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

m) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

n) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

p) Employee benefits

Retirement benefit plans

The Assembly provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

q) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

The County Assembly regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the entity, or vice versa. Members of key management are regarded as related parties and comprise Speaker of the county assembly and, Clerk of the county Assembly, directors and senior managers.

t) Service concession arrangements.

The Assembly analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the assembly recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Assembly also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

u) 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.

v) Comparative figures

In preparing these financial statements the entity has elected to apply paragraph 79 of IPSAS 33, which allows for the election by an entity to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an opening statement of financial position as at the time of first-time adoption of the accrual basis of accounting.

w) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur.

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Useful lives and residual value**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xx. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

6. Transfers from CRF

Nature of Transfer	Amount recognized to Statement of financial performance. Kshs	Amount deferred under deferred income. Kshs	Total transfers Current FY
			Kshs
Recurrent	677,847,307	-	677,847,307
Development	256,830,461	-	256,830,461
Transfer to other Government Entities(Car Loan and Mortgages)	25,000,000	-	25,000,000
Total	959,677,768	-	959,677,768

7. Miscellaneous Revenue

Nature of Revenue	2024-2025
	Kshs
In kind grants and donations	-
Refunds & Reimbursements	-
Revenues not classified anywhere else	-
Total	-

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.

8. Other Incomes

Description	2024-2025
	Kshs
Insurance recoveries	-
Sale of tender documents	-
Services concession income	-
Other incomes not specified elsewhere	-
Total other income	-

9. Employee Costs

Description	2024-2025
	Kshs
Basic salaries of permanent employees	174,427,476
Basic wages of temporary employees	50,145,100
Personal allowances – part of salary	135,452,537
Pension and other social security contributions	32,444,798
Employer contributions to compulsory national social security schemes	1,597,320
Employer contributions to compulsory national health insurance schemes	-
Employer contribution to compulsory housing scheme	-
Other social benefit schemes	-
Other personnel costs	-
Total Employee costs	394,067,231

10. Use of Goods and Services

Description	2024-2025
	Kshs
Utilities, supplies and services	1,700,000
Communication, supplies and services	2,850,000
Domestic travel and subsistence	102,069,000
Foreign travel and subsistence	29,000,000
Printing, advertising, and information supplies & services	7,000,000
Rentals of produced assets	1,200,000
Training expenses	32,142,000
Hospitality supplies and services	7,665,114
Insurance costs	23,018,189
Specialized materials and services	2,700,000
Other operating expenses	47,972,000
Office and general supplies and services	4,571,287

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

Description	2024-2025
	Kshs
Fuel Oil and Lubricants	4,800,000
Routine maintenance – vehicles and other transport equipment	3,500,000
Routine maintenance – other assets	5,234,000
Research, Feasibility Studies, project Preparation and Design and Supervision	25,000,000
Repairs and maintenance of non-residential buildings and offices	17,786,686
Total	318,209,276

Cash flow on use of goods and Services

Descriptions	Amount
Total	318,209,276
Adjusted for	
Trade payables paid	4,514,613
Trade payables for the period	(15,016,117)
Total	307,707,772

11. Transfers to Other Government Entities

Description	2024-2025
	Kshs
Transfers to other County Government entities	25,000,000
Total	25,000,000

12. Depreciation and Amortization Expense

Description	2024-2025
	Kshs
Property, plant and equipment	20,872,094
Total	20,872,094

13. Other Grants and Subsidies

Description	2024-2025
	Kshs
Membership dues and subscriptions to international organizations	-
Scholarships and other educational benefits	-
Emergency relief and refugee assistance	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****14. Finance Costs**

Description	2024-2025
	Kshs
Interest Payments on Guaranteed Debt Taken over by Govt	-
Interest on Domestic Borrowings (Non-Govt)	-
Interest on Borrowings from Other Government Units	-
Interest on loans from commercial banks	-
Total finance costs	-

15. Social Benefits

Description	2024-2025
	Kshs
Gratuity/Pension	-
Total social benefit expenses	-

16. Gain/Loss on Sale of Assets

Description	2024-2025
	Kshs
Property, plant and equipment	-
Intangible assets	-
Total gain on sale of assets	-

17. Gain/Loss on Foreign Exchange

Description	2024-2025
	Kshs
Gain or loss on foreign exchange transactions	-
Gain or loss on balances in foreign exchanges	-
Total	-

18. Gain/Loss on Fair Value Investments

Description	2024-2025
	Kshs
Investments at Fair Value	-
Total Gain	-

19. Impairment Loss

Description	2024-2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

Total Impairment Loss	-
------------------------------	---

20. Taxation

Description	2024-2025
	Kshs
Current income tax charge	-
Tax charged on rental income	-
Tax charged on interest income	-
Original and reversal of temporary differences	-
Income tax expense reported in the statement of financial performance	-

21. Cash and Cash Equivalents

Description	2024-2025	Opening Statement 1st July 2024
	Kshs	Kshs
CBK Recurrent Account	35,131	29,156
CBK Development Account	49,042	42,222
CBK Deposits Account	8,885,560	6,341,586
Equity Bank	3,355	3,569
Total	8,973,088	6,416,533

21 (a) Detailed Analysis of the Cash and Cash Equivalents

		2024-2025	Opening Statement 1st July 2024
Financial Institution	Account number	Kshs	Kshs
Central Bank Recurrent	1000239727	35,131	29,156
Central Bank Development Accounts	1000304804	49,042	42,222
Central Bank Deposits Accounts	1000458917	8,885,560	6,341,586
Equity Bank	1220261153628	3,355	3,569
Total		8,973,088	6,416,533

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****22. Receivables from Exchange Transactions**

Description	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Total receivables	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total receivables	-	-
a) Current receivables	-	-
b) Non-current receivables	-	-
Total Receivables (a+b)	-	-

i) Ageing analysis for Receivables

Description	2024-2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	-	-	-	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	-	-	-	-

ii) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment allowance	2024-2025
	Kshs
At the beginning of the year	-
Additional allowance during the year	-
Recovered during the year	-
Written off during the year	-
At the end of the year	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****23. Receivables from Non-Exchange Transactions**

Description	2024-2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Other debtors (non-exchange transactions)	-		-	
Less: impairment allowance	-		-	
Total receivables from non- exchange transactions	-		-	
Ageing Analysis- Receivables from non-exchange transactions	2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

i. Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	2024-2025
	Kshs
At the beginning of the year	-
Additional provisions during the year	-
Recovered during the year	-
Written off during the year	-
At the end of the year	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****24. Inventories**

Description	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Spare parts	-	-
Goods held for distribution	-	-
Less: allowance for impairment	-	-
Total	-	-

Detailed disclosure on inventories

	2024-2025
Opening balance	-
Additional Inventory in the year	-
Inventory expensed in the year	-
Write-downs in the year	-
Others specify	-
Closing balance	-

25. Investments

Description	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
a) Investment in Treasury bills and bonds		
Financial institution		
CBK	-	-
Sub- total	-	-
b) Investment with Financial Institutions/ Banks		
Sub- total	-	-
c) Equity investments		
Sub- total	-	-
Grand total	-	-
Analysed as:		
Current portion of Investment	-	-
Non-current portion of investment	-	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****d) Movement of Equity Investments**

	2024-2025
	Kshs
At the beginning of the year	-
Purchase of investments in the year	-
Sale of investments during the year	-
Increase /(decrease) in fair value of investments	-
At the end of the year	-

e) Shareholding in other entities

For investments in equity share listed under note 25 above, list down the equity investments under the following categories.

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding			
	%	%	%	Kshs	Current year	Opening Statement 1 st July 2024
					Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.
Notes to the Financial Statements (Continued)

26. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Other Plant and Equipment	Total
Depreciation Rate		2%	17%	3%	12.5%	33.3%	10%	
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	-	-	82,443,124	82,443,124
Additions	-	90,215,956	-	-	21,855,000	-	89,160,186	201,231,142
As At /Jun 2025	-	90,215,956	-	-	21,855,000	-	171,603,310	283,674,266
Depreciation And Impairment								
Depreciation for the year	-	(1,804,319)	-	-	(2,731,875)	-	(16,335,900)	(20,872,094)
As At Jun 2025	-	(1,804,319)	-	-	(2,731,875)	-	(24,580,212)	(29,116,406)
Net Book Values								
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	74,198,812	-
As At 30 th June, 2025	-	88,411,637	-	-	19,123,125	-	147,023,098	254,557,860

Cash flow on purchase of PPE

Descriptions	Amount
Additions during the year	201,231,142
Trade Payables paid during the year	82,443,124
Trade payables for the year	(50,855,460)
Retention held	(2,543,994)
Total	230,274,832

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****27. Intangible Assets**

Description	2024-2025
	Kshs
Cost/Opening balance at the beginning of the year	-
Additions	-
Disposal	-
At end of the year	-
Additions—internal development	-
Disposal	-
At end of the year	-
Amortization and impairment	-
At beginning of the year	-
Amortization	-
At end of the year	-
Impairment loss	-
At end of the year	-
NBV	-

28. Investment Property

Description	2024-2025
	Kshs
Cost/Opening balance at the beginning of the year	-
Additions	-
Disposal during the year	-
Depreciation	-
Impairment	-
At end of the year	-

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

29. Right-of-use assets

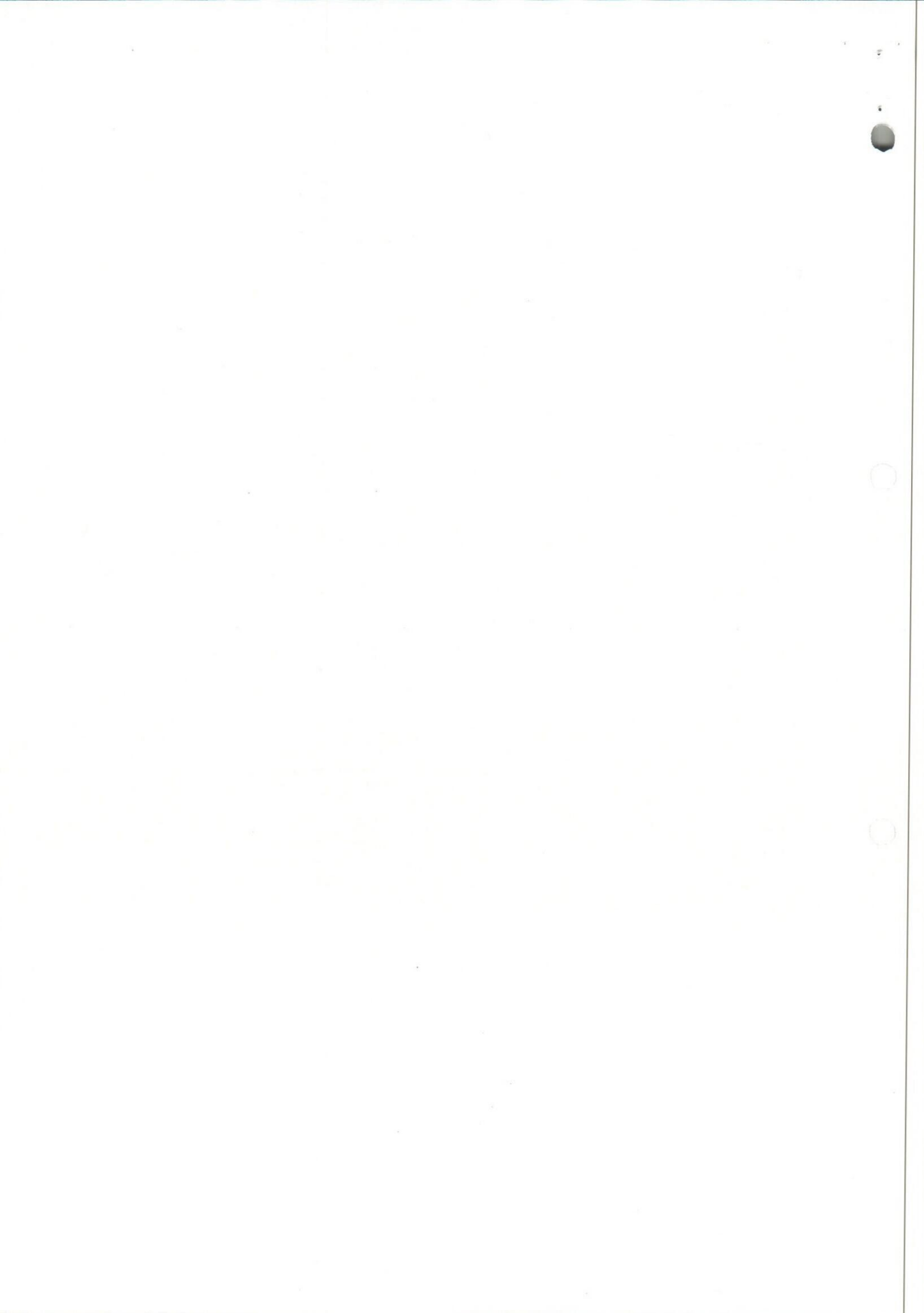
	Buildings	Motor vehicles	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at June 2025	-	-	-	-
Accumulated Depreciation				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at June 2025	-	-	-	-
Carrying Amount				
As at June 2025	-	-	-	-

30. Biological Assets

	2024-2025	Opening Statement 1st July 2024
Description	Kshs	Kshs
Specify	-	-
Specify	-	-
Total	-	-

31. Tangible Natural Resources

	Sub- soil assets	Water	Wildlife	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at June 2025	-	-	-	-
Accumulated Depreciation				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at June 2025	-	-	-	-
Carrying Amount				

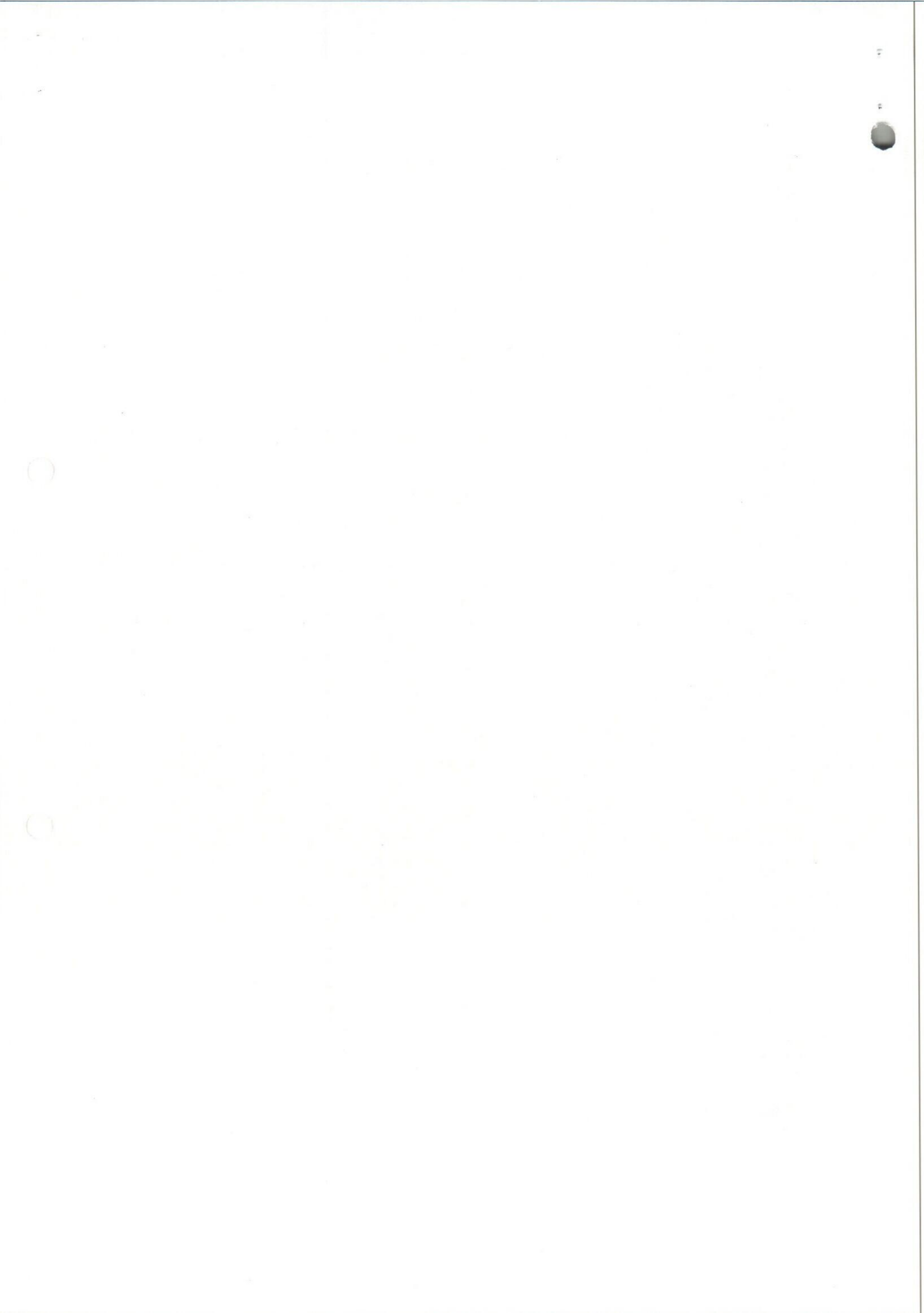


BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****32. Trade and Other Payables**

Description	2024-2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Trade payables on use of goods	15,016,117		4,514,613	
Trade payables on PPE	50,855,460		82,443,124	
Payments received in advance	-		"	
Employee payables	-		-	
Third-party payments	-		-	
Other payables	-		-	
Total trade and other payables	65,871,577		86,957,737	
Ageing analysis:				
(Trade and other payables)	2024-2025	%	Opening balance	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

33. Refundable Deposits and Prepayments

Description	2024-2025	Opening Statement 1 st July 2024		
	Kshs	Kshs		
Customer deposits	6,341,586	6,341,586		
Prepayments	(8,566,552)	-		
Other deposits	11,110,526	-		
Total deposits	8,885,560	6,341,586		
Ageing analysis: (Refundable deposits)	2024-2025	% of the Total	Opening Balance	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	



BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****34. Provisions**

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance b/f	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
Total provisions year end	-	-	-	-
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-

35. Lease Liabilities

Description	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

Maturity Analysis

Period	Amount
Year 1	-
Year 2	-
Year 5 and onwards	-
Less: unearned Interest	-
	-

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****36. Deferred Income**

Description	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
National Government	-	-
International Funders	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

The deferred income movement is as follows:

	National government	Internationa l funders	Public contribution s and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	-	-	-	-
Additions	-	-	-	-
Transfers To Capital Fund	-	-	-	-
Transfers To Income Statement	-	-	-	-
Other Transfers	-	-	-	-
Balance Carried Forward	-	-	-	-

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

Notes to the Financial Statements (Continued)

37. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Benefits	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total Employee Benefits Obligation	-	-	-	-	-

Retirement benefit Asset/ Liability (Applicable to Pensions)

The Entity operates a defined benefit scheme for all full-time employees from July 1, 2024.
The principal assumptions used for the purposes of valuation are as follows:

	2024-2025	Opening Statement 1 st July 2024
Discount Rates	-	-
Future Salary Increases	-	-
Future Pension Increases	-	-
Mortality (Pre- Retirement)	-	-
Mortality (post-retirement)	-	-
Withdrawals	-	-
Ill Health	-	-
Retirement	-	-

Notes to the Financial Statements (Continued)

38. Borrowings

Description	2024-2025
	Kshs
a) External borrowings	
Balance at beginning of the year	-
External borrowings during the year	-
Repayments of during the year	-
Balance at end of the year	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****Recognition of Retirement Benefit Asset/ Liability**

a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

	2024-2025	Opening Statement 1 st July 2024
Description	Kshs	Kshs
The return on defined plan assets	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-
Actuarial gains/ losses arising from changes in financial assumptions	-	-
Actuarial gains and losses arising from experience adjustments	-	-
Others (specify)	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Remeasurement of the net defined benefit liability (asset)	-	-

b) Amounts recognized in the Statement of Financial Position

	2024-2025	Opening Statement 1 st July 2024
Description	Kshs	Kshs
Present value of defined benefit obligations(a)	-	-
Fair value of plan assets(b)	-	-
Funded status(=a-b)	-	-
Restrictions on asset recognised	-	-
Others	-	-
Net asset or liability arising from defined benefit obligation	-	-

The County Assembly contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Assembly's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs. 360 per employee per month. Other than NSSF the County Assembly also has a defined contribution scheme operated by CPF and Lapfund Pension Fund. Employees contribute 12.5 % while employers contribute 15 % of basic salary.

BOMET COUNTY ASSEMBLY
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Notes to the Financial Statements (Continued)

38. Borrowings

Description	2024-2025
	Kshs
a) External borrowings	
Balance at beginning of the year	-
External borrowings during the year	-
Repayments of during the year	-
Balance at end of the year	-
b) Domestic borrowings	-
Balance at beginning of the year	-
Domestic borrowings during the year	-
Repayments during the year	-
Balance at end of the year	-
Balance at end of the period- domestic and External borrowings c = (a+b)	-

39. Service Concession Arrangements Liability

Description	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	-	-
Net carrying amount	-	-
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	-	-
Service concession liability at end of the year	-	-

40. Cash Generated from Operations

	2024-2025
	Kshs
Surplus for the year before tax	201,529,167
Adjusted for:	
Depreciation	20,872,094
Non-cash grants received	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

	2024-2025
	Kshs
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	-
Increase in inventory	-
Increase in receivables	-
Increase in deferred income	-
Increase in payables	10,501,504
Increase in payments received in advance	-
Net cash flow from operating activities	232,902,764

41. Financial Risk Management

The Entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Entity's financial risk management objectives and policies are detailed below:

i) Credit risk

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

The carrying amount of financial assets recorded in the financial statements representing the Entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Trade payables		-	65,871,577	65,871,577
Deferred income	-	-	-	-
Total	-	-	65,871,577	65,871,577

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

Financial Risk Management

iii) Market risk

The Entity has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The Assembly has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Assembly manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****Financial Risk Management**

The carrying amount of the Entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Current FY

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities			
Net Foreign Currency Asset/(Liability)	-	-	-

Financial Risk Management

The following table demonstrates the effect on the Entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

b) Interest rate risk

Interest rate risk is the risk that the Entity's financial condition may be adversely affected as a result of changes in interest rate levels. The Entity's interest rate risk arises from bank deposits. This exposes the Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity's deposits.

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Financial Risk Management

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the *Entity's* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Assembly considers relevant and observable market prices in its valuations where possible.

Financial Risk Management

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.**

	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
	-	-	-	-

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

The objective of the Entity's capital risk management is to safeguard the Entity's ability to continue as a going concern. The Entity capital structure comprises of the following funds:

	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash And Bank Balances	-	-
Net Debt/(Excess Cash And Cash Equivalents)	-	-
Gearing	-	-

BOMET COUNTY ASSEMBLY**Annual Reports and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****42. Related Party Disclosures****Nature of related party relationships**

Entities and other parties related to the assembly include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the Entity, holding 100% of the Entity's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

Other related parties include:

- i) County Government Entities
- ii) National Government Entities
- iii) Key management.

	2024-2025
	Kshs
Transactions with related parties	
a) Sales to related parties	
Others (specify) e.g. interest and bank charges	-
Total	-
B) purchases from related parties	-
Purchases of electricity from KPLC	394,998
Purchase of water from govt service providers	593,063
Rent expenses paid to govt agencies	-
Training and conference fees paid to govt. Agencies	-
Others (specify)	-
Total	988,061
b) Grants /transfers from the government	-
Transfers from national govt	-
Transfers from county government	959,677,768
Donations in kind	-
Total	959,677,768
c) Expenses incurred on behalf of related party	-
Payments for goods and services	-
Total	-
d) Key management compensation	
Compensation to key management	109,362,730
Total	109,362,730

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.

43. Segment Information

Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an Entity to present segmental information of each geographic region or department to enable users understand the Entity's performance and allocation of resources to different segments

44. Contingent Assets and Contingent Liabilities

Contingent Assets

	2024-2025
	Kshs
Contingent Assets	
Insurance Reimbursements	-
Assets Arising from Determination Of Court Cases	-
Reimbursable Indemnities and Guarantees	-
Receivables From Other Government Entities	-
Others (Specify)	-
Total	-

Contingent Liabilities

45. Capital Commitments

Capital Commitments	2024-2025
	Kshs
Authorised for	-
Authorised and contracted for	-
Total	-

46. Events after the Reporting Period

There were no material adjusting and non- adjusting events after the reporting period.

47. Ultimate and Holding Entity

The Entity ultimate parent is the Government of Kenya.

48. Currency

The financial statements are presented in Kenya Shillings (Kshs).

BOMET COUNTY ASSEMBLY
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16. Appendix

Appendix 1: Implementation Status of Auditor-General's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No.	Issue / Observations from Auditor	Management comments	Status	Timeframe
395	Salaries Paid Outside Integrated Payroll and Personnel Database Review of the payroll records revealed that salaries amounting to Kshs. 72,335,009 were processed and paid to fifteen (15) employees and Members of the County Assembly outside the Integrated Payroll Personnel Database (IPPD) system contrary to The National Treasury Circular No. 13/2012, dated 28 August, 2019 which requires all allocations on personnel emoluments to be supported by IPPD. In the circumstances, Management was in breach of The National Treasury Circular	Management acknowledges the Manual payroll was necessitated by the absence of personal numbers for five (5) staff, ten (10) contractual staff, and six (6) Members of the County Assembly. This has been largely resolved, with only two (2) staff and five (5) Members pending reactivation. Their details have been forwarded to DPMS, and follow-up is ongoing. Management remains committed to processing all salaries through IPPD and HRIS systems going forward	Not resolved	End of this FY 2025-2026
396	Non-Compliance with One-Third of the Basic Salary Rule	Management acknowledges the concern and attributes		

BOMET COUNTY ASSEMBLY
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Reference No.	Issue / Observations from Auditor	Management comments	Status	Timeframe
	Review of the monthly payroll records revealed that nine (9) employees earned a net salary which was less than one-third (1/3) of their basic salary. This was contrary to Section 19(3) of the Employment Act, 2007 which provides that the total amount of deduction of the wages of an employee shall not exceed two-third (2/3) of such wages. In the circumstances, Management was in breach of the law.	the situation to the recent introduction of two statutory payroll deductions — the housing levy and the enhanced Social Health Authority contribution. These, in combination with existing third-party obligations such as loans and SACCO deductions, have significantly affected employees' net pay. The Assembly is actively reviewing the payroll structure and engaging affected staff to rationalize deductions where necessary. Furthermore, enhanced internal controls are being implemented to ensure full compliance with Section 19(3) of the Employment Act, 2007, and to safeguard	Not resolved	End of this FY 2025-2026

BOMET COUNTY ASSEMBLY
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Reference No.	Issue / Observations from Auditor	Management comments	Status	Timeframe
		employee welfare moving forward.		
397	Non-Compliance with Law on One-Third Gender Rule and Recruitment of Staff Composition Records provided revealed that the County Assembly had seventy-seven (77) employees out of which twenty-one (21) or 27% were female. This was contrary to Part B.26 (2) of the County Public Service Human Resource Manual May, 2013 which states that the County Government shall endeavour to have a non-discrimination in the County Public Service by ensuring that not more than two-thirds (2/3) of vacant posts are filled by either gender in the County Public Service. Further, the County Assembly recruited ten (10) new officers at the entry level out of which two (2) were of the female gender representing twenty percent (20%) and eight (8) were of the male gender representing eighty percent (80%) of the total. All the appointed officers were from the same dominant ethnic community. This was contrary to Section 65(1)(e) of the County Governments Act, 2012 which requires that at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the county.		Not resolved	No specific timeframe to resolved the issue.

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

Reference No.	Issue / Observations from Auditor	Management comments	Status	Timeframe
	In the circumstances, Management was in breach of the law			
398	Irregular Payment of Subscriptions The statement of receipts and payments and as disclosed in Note 5 reflects use of goods and services amounting to Kshs. 340,464,988. The amount includes other operating expenses totalling Kshs. 76,011,025 which further includes subscription fees to the County Assemblies Forum (CAF) and Society of Clerks-at-the-Table (SOCATT) totalling Kshs. 1,500,000 and Kshs. 1,200,000, respectively. However, the entities are not established or anchored on any law. This was contrary to Section 37 of Intergovernmental Relations Act, 2012 which provides that the operational expenses in respect of the structures and institutions established in the Act shall be provided for in the annual estimates of the revenue and expenditure of the National Government. In the circumstances, Management was in breach of the law.	Under Section 111 (d) of the County Assembly Service Act, the County Assembly Service Board is allowed to participate in programs that promote ideals of parliamentary democracy as set out in Article 127 6(d) of the Constitutions. This set the base for the assemblies to form associations such as County Assembly Forums and SOCATT. There was an approved budget for subscription and other related expenditure of Kshs 1,850,000 which supported the expenditure for payment of fees to SOCCAT and CAF	Not resolved	End of this FY 2025-2026
399	Delayed Construction of County Assembly Chambers	The Main Chamber Construction was	Resolved	

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.

Reference No.	Issue / Observations from Auditor	Management comments	Status	Timeframe
	The statement of receipts and payments and as disclosed in Note 10 reflects acquisition of assets amounting to Kshs. 183,994,075. The amount includes construction of buildings totalling Kshs. 87,338,932 which further includes payments totalling Kshs. 80,048,386 in respect of construction works at the County Assembly Main Chambers. Review of contract records revealed that a local contractor was awarded the tender for the construction of the main chambers at a contract sum of Kshs. 473,477,177 for a period of one hundred and sixty (160) weeks commencing 19 March, 2020 and expected completion date of 14 April, 2023. Payments totalling Kshs. 444,499,327 or ninety-four percent (94%) of the contract sum had been paid as at 30 June, 2024. However, physical inspection carried out on 5 September, 2024, more than sixteen (16) months after the expected completion date, revealed that installation and commissioning of lifts, interior design and decoration of the debating chambers all valued at Kshs. 32,870,000 had not been completed. 135 In the circumstances, value for money on the expenditure amounting to Kshs.444,499,327 in respect of construction works in the County Assembly Main Chambers could not be confirmed.	completed and the certificate of practical completion was issued on July 2024		

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.

Reference No.	Issue / Observations from Auditor	Management comments	Status	Timeframe
400	Delayed Construction of the Speaker's Residence The statement of receipts and payments and as disclosed in Note 10 reflects acquisition of assets amounting to Kshs. 183,994,075. The amount includes construction of buildings totalling Kshs. 87,338,932 which further includes payments totalling Kshs. 7,290,546 in respect of the construction and completion of speaker's residence. Review of records revealed that the tender for the construction of the Speaker's residence was awarded on 13 January, 2022 at a cost of Kshs. 34,500,000 for a period of twenty-four (24) weeks ending 16 September, 2022. The contractor had been paid a total of Kshs. 16,539,866 or forty-eight percent (48%) of the contract sum as at 30 June, 2024. However, physical inspection in the month of September, 2024, being over ten (10) months after the extended completion date of 7 November, 2023, revealed that the project was incomplete and the contractor was not on site. In the circumstances, value for money on the expenditure of Kshs.16,539,866 in respect of the completion of speaker's residence could not be confirmed.	The delayed completion has been due to delays in the disbursement of funds by the exchequer Currently Maralek Contractors Limited is on site and is determined to complete the project.	Not resolved	End of FY 2025-2026
401	Delayed Construction of Perimeter Wall and Gate House at the Main County Assembly	Management acknowledges the audit observation and clarifies that the	Not resolved	End of FY 2025-2026

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.

Reference No.	Issue / Observations from Auditor	Management comments	Status	Timeframe
	Disposal Regulation, 2020 which states that a procuring entity shall seek legal advice or clearance from the Attorney-General or such person designated in writing by the Attorney-General before terminating a contract under the Act or these Regulations. In the circumstances, value for money on the payments amounting to Kshs.15,176,129 incurred on the construction of a perimeter wall and gate house could not be confirmed.	also been compounded by delays in disbursement of development funds from the exchequer. The County Assembly continues to engage the relevant authorities to address this challenge and facilitate timely project completion		
402	Delayed Installation of Hansard Production and Audio-Visual System The statement of receipts and payments and as disclosed in Note 10 reflects acquisition of assets amounting to Kshs. 183,994,075. The amount includes purchase of specialized equipment and machinery totalling Kshs. 31,820,239 which relates to the contract for supply, installation, integration, testing and commissioning of a Hansard production and audio-visual system. Records audited revealed that the County Assembly awarded the tender for supply, installation, integration, testing and commissioning of a Hansard Production and Audio-Visual System at a contract sum of Kshs. 101,061,404 on 9 May, 2024 for a period of eight (8) weeks with an expected completion date of 9 July, 2024. The contractor had been paid Kshs. 31,820,239 or thirty-one percent (31%) of the	I wish to provide an update on the contract status. On a positive note I am pleased to inform that the supply, integration testing and commissioning of Hansard Production and audio-visual systems are now 100% complete and users have been trained on the manual and user guide	Resolved	

BOMET COUNTY ASSEMBLY
Annual Reports and Financial Statements for the year ended June 30, 2025.

Reference No.	Issue / Observations from Auditor	Management comments	Status	Timeframe
	contract sum as at 30 June, 2024. However, physical inspection in the month of September, 2024 revealed that the system had not been installed, two months after the contract period had elapsed. Further, the project plan encompassing the activities specified in the contract, the implementation schedule and the progress reports summarizing results accomplished during the period was not provided for audit review. This was contrary to Clause 19 of the contract agreement which required the vendor to present the project plan to the County Assembly within thirty (30) days from the effective date of the contract and periodic progress reports. In the circumstances, the value for money amounting to Kshs.31,820,239 spent on the Hansard system could not be confirmed.			


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ISAAC KITUR
20-08-2025

BOMET COUNTY ASSEMBLY

Annual Reports and Financial Statements for the year ended June 30, 2025.

Appendix II: Projects implemented by the County Assembly

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Status of Projects completion

Project	Total	project	Total	expended	to	Completion	% to date	Budget	Actual	Sources of funds
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-

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Appendix IV: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/ Development/ Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
						Deferred Income	Receivables	Others must be specific	
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

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Appendix VI: Reporting of Climate Relevant Expenditures

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

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Appendix VII: Disaster Expenditure Reporting Template

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related expenditure require reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
-	-	-	-	-	-	-
-	-	-	-	-	-	-

BOMET COUNTY ASSEMBLY
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Appendix VIII: Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year
Land	-		-	-	
Buildings and structures	-	90,215,956	-	-	90,215,956
Transport equipment	-		-	-	
Office equipment, furniture and fittings	-	21,855,000	-	-	21,855,000
ICT Equipment	-		-	-	
Machinery and Equipment	-	171,603,310	-	-	171,603,310
Biological assets	-	-	-	-	-
Infrastructure Assets- Roads, Rails	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Intangible assets	-	-	-	-	-
Work in Progress	-	-	-	-	-
Total	-	283,674,266	-	-	283,674,266

