

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY	
DATE: 15 NOV 2022	DAY: Tuesday
TABLED BY: OF	Hon Silvanus Oloo, MP Chief whip Majority
CLERK-AT THE-TABLE:	Halima Suliman

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND -
KACHELIBA CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2019**

OFFICE OF THE AUDITOR-GENERAL
NORTH RIFT REGIONAL OFFICE

30 MAY 2022

RECEIVED

P O Box 2774-30100, ELDORET

Revised Template 30th June 2019




**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -KACHELIBA
CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019**

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

 THE NATIONAL ASSEMBLY	
DATE: 15 NOV 2022	
DAY: <u>Tuesday</u>	
TABLED BY:	Hon. Silvanus Osiro, MP Chief Whip Majority
CLERK AT THE TABLE:	Holima Suleiman

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

The mandate of the Fund as derived from sec (3) of NG-CDF Act, 2015 is to:

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

To provide leadership and policy direction for effective and efficient management of the Fund

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

(b) Key Management

The NGCDF KACHELIBA Constituency day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Wilson K. Chemkenei
2.	Sub-County Accountant	Stephen N. Marigi
3.	Chairman NGCDFC	Aaron Toroitich Krole
4.	Member NGCDFC	John Losuko Boisio

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -KACHELIBA Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) NG-CDF KACHELIBA Constituency Headquarters

P.O. Box 221
Alale CDF Building Plaza
Kacheliba Road
KAPENGURAI, KENYA

(f) NGCDF KACHELIBA Constituency Contacts

Telephone: (254) 0721 730 821

E-mail: kacheliba@ngcdf.go.ke

Website: [www.ngcdfboard go.ke](http://www.ngcdfboard.go.ke)

(g) NGCDF KACHELIBA Constituency Bankers

1. Equity Bank of Kenya
Kapenguria Branch
P.O. Box 114
KAPENGURIA, Kenya

(h) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Include among others the following:

- NG-CDFC Kacheliba Budget allocation for 2018/2019 was Ksh 109,040,875.50 classified as follows: Administration/Recurrent expense Ksh6,542,452.50, Monitoring and Evaluation/Capacity building Ksh 3,271,226.50, Bursary Ksh 38,164,306, Primary school projects Ksh 19,362,262, Secondary school projects 10,000,000, Ngcdfc ksh 6,000,000, Security projects Ksh 5,000,000 Sports Activities Ksh 2,180,817.50 Emergency reserve Ksh 5,738,993.50, Environment ksh 2,180,817.50 and Kodich Technical Training College Ksh 10,000,000.
- Actual funds received this financial year from NGCDF Board is Ksh41 million against budget of Ksh109 million. This amount has enabled CDF management pay administration expenses, monitoring evaluation, emergency and part of bursary. The balance of Ksh76 million for the project fund still in the Board will be utilized in the financial year 2019/2020.
- Half of the ongoing projects in the Constituency will be completed once the Funds are released by the NG-CDF Board.

List of Emerging Issues:

1. Student population growth through application has rise up from 3000 in 2017/2018 to 4000 in 2018/2019 for both secondary and colleges.
2. On going projects to be fully completed in 2019/2020.
3. Political Interferences during implementation of the project.
4. High demand of educational projects e.g. classrooms and dormitories.

Project Implementation challenges and way forward Recommendation

- 1 . Many ongoing project to be completed within 2018/2019 and 2019/2020. The way forward for this challenge is to make sure funds were committed to a project to be completed as from 2020.
- 2 . Monitoring and Evaluation is a challenge because of the little funding which cannot be enough to cover six wards which are so big. Few projects to be funded to completion in every ward.
3. Project Management Committee have little capacity in implementing Projects. The way forward to curb this is to committee more money in capacity building for the project management committee(PMC).

more
Sign



CHAIRMAN NGCDF COMMITTEE

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

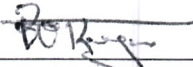
The Accounting Officer in charge of the NGCDF-KACHELIBA Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. 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 entity; (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 entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-KACHELIBA Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-KACHELIBA Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF-KACHELIBA Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity'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 NGCDF-KACHELIBA Constituency financial statements were approved and signed by the Accounting Officer on _____ 2019.



Fund Account Manager
Name: Wilson Chemkenei

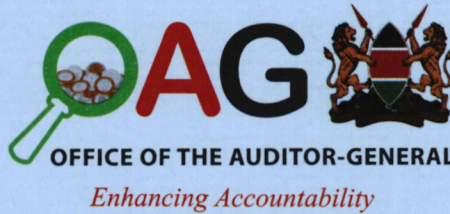




Sub-County Accountant
Name: Stephen N. Marigi
ICPAK Member Number: 1550

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 NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KACHELIBA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kacheliba Constituency set out on pages 6 to 34, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. 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 effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kacheliba Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Misstatements in the Financial Statements

The statement of receipts and payments shows total payments of Kshs.63,772,904. However, the recomputed amount of total payments is Kshs.63,574,904. Consequently, the total payments balance is overstated by Kshs.198,000 while the surplus for the year is understated by an equivalent amount.

Further, the statement of cashflows shows a cash and cash equivalents balance of Kshs.13,257,823 at the end of the year. However, the recomputed balance is Kshs.13,455,823 resulting into a difference of Kshs.198,000 which has not been explained.

In addition, the summary statement of appropriation - recurrent and development combined, reflects an actual total expenditure of Kshs.63,574,904 which differs with the

total expenditure balance of Kshs,63,772,904 as per the statement of receipts and payments by Kshs.198,000.

In the circumstances, the accuracy of the financial statements could not be confirmed.

2. Unsupported Budget Adjustments and Variance in Unutilized Funds

The summary statement of appropriation - recurrent and development combined reflects budget adjustments of Kshs.58,149,908 and a budget utilization difference of Kshs.103,615,879. However, the details of the projects approved in the prior year for implementation during the financial year 2018/2019 were not provided in support of the adjustments. Further, the budget utilization difference of Kshs.103,615,879 differed with the unutilized fund balance of Kshs.103,417,879 reflected under Note 15.3 to the financial statements and Annex 3 by Kshs.198,000. The variance was not reconciled.

In the circumstances, the accuracy of the budget adjustments and the unutilized funds as at 30 June, 2019, could not be confirmed.

3. Unsupported Expenditure on Construction

The statement of receipts and payments reflects transfers to other government units balance of Kshs.22,302,795 which as disclosed at Note 6 to the financial statements, includes Kshs.14,116,200 transferred to primary schools of which Kshs.2,740,000 was spent on construction of classrooms and a dormitory as shown below:

Date	Payee	Details	Amount (Kshs.)
07/09/2018	Mistin Primary School	Building of one (1) classroom from foundation to roofing	980,000
07/09/2018	Tarakit Primary School	Building of one (1) classroom from foundation to roofing	980,000
07/09/2018	Ng'eng'echwo Primary School	Finishing of dormitory from Lintel to roofing	780,000
		Total	2,740,000

However, the expenditure returns, procurement records, contract agreements with the contractors and the inspection reports were not provided for audit.

Consequently, it was not possible to confirm the accuracy and regularity of the expenditure of Kshs.2,740,000 transferred to primary schools.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kacheliba Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual receipts on comparable basis of Kshs.167,190,783 and Kshs.76,265,302 respectively, resulting into an under-funding of Kshs.90,925,481 or 54% of the budget. Similarly, the Fund spent Kshs.63,574,904 against an approved budget of Kshs.167,190,783 resulting into an under-expenditure of Kshs.103,615,879 or 62% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the people of Kacheliba Constituency.

2. Unresolved Prior Year Audit Matters

As disclosed under the progress on follow up of auditor recommendations section of the financial statements, some of the prior year audit issues remained unresolved as at 30 June, 2019. Management has not provided satisfactory reasons for the delay in resolving the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non - Implementation of Projects

During the financial year 2018/2019, the Fund had an approved budget of Kshs.99,443,325 for fifty-eight (58) development projects. However, according to the project implementation status report provided, only thirty-three (33) projects with a combined budget of Kshs.24,792,795 were funded.

Due to non-implementation of the projects, the residents of Kacheliba Constituency did not receive the benefits from the projects.

2. Delayed Disposal of Non-Functional Grader

As previously reported, the Fund purchased a motor grader registration number GKA 454T in the year 2007. The grader broke down in May 2015 and the District Mechanical

Officer was requested to assess and to provide mechanical services to the grader. The technical report issued on 22 June, 2016 revealed that repairing the grader would cost an estimated Kshs.3,074,500 which was un-economical.

On 12 October, 2016, the Fund wrote to the National Government Constituencies Development Fund Board requesting for the approval of the disposal of the grader. However, the grader was still lying at the Kapenguria Public Works yard at the time of audit, exposed to rust and vandalism contrary to Section 162(3) of Public Procurement and Asset Disposal Act, 2015 which provides that stores, inventory and assets that are procured by a public entity shall not be allowed to suffer deterioration from any preventable cause.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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 control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the Fund 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

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a

basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern or to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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



Nancy Gathungu
AUDITOR-GENERAL

Nairobi

01 October, 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019


IV. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
RECEIPTS			
Transfers from NGCDF board	1	76,265,302	43,405,172
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		76,265,302	43,405,172
PAYMENTS			
Compensation of employees	4	1,692,429	3,331,220
Use of goods and services	5	6,637,779	9,578,653
Transfers to Other Government Units	6	22,302,795	4,000,000
Other grants and transfers	7	31,045,350	23,890,767
Acquisition of Assets	8	-	4,400,000
Other Payments	9	1,896,551	-
TOTAL PAYMENTS		63,772,904	45,200,640
SURPLUS/(DEFICIT)		12,492,398	(1,795,468)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KACHELIBA Constituency financial statements were approved on _____ 2019 and signed by:


Fund Account Manager
Name: Wilson Chemkenci K.




Sub-County Accountant
Name: Stephen N. Marigi
ICPAK Member Number:1550

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KACHELIBA CONSTITUENCY

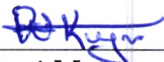
Reports and Financial Statements

For the year ended June 30, 2019


V. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2019

	Note	2018-2019 Kshs	2017-2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	13,257,823	765,425
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		13,257,823	765,425
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		13,257,823	765,425
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		=	=
NET FINANCIAL ASSETS		13,257,823	765,425
REPRESENTED BY			
Fund balance b/fwd	13	765,425	2,560,893
Surplus/Defict for the year		12,492,398	(1,795,468)
Prior year adjustments	14		
NET FINANCIAL POSITION		13,257,823	765,425

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KACHELIBA Constituency financial statements were approved on _____ 2019 and signed by:


Fund Account Manager
Name: Wilson Chemkenet K




Sub-County Accountant
Name: Stephen N. Marigi
ICPAK Member Number: 1550

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KACHELIBA CONSTITUENCY

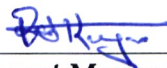
Reports and Financial Statements

For the year ended June 30, 2019


VI. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2019

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	76,265,302	43,405,172
Other Receipts	3	-	-
Total receipts		76,265,302	43,405,172
Payments			
Compensation of Employees	4	1,692,429	3,331,220
Use of goods and services	5	6,637,779	9,578,653
Transfers to Other Government Units	6	22,302,795	4,000,000
Other grants and transfers	7	31,045,350	23,890,767
Other Payments	9	1,896,551	-
Total payments		63,772,904	(40,800,640)
Total Receipts Less Total Payments		12,492,398	2,604,532
Adjusted for:			
Outstanding imprest	11	-	-
Retention Payable	12A	-	-
Gratuity Payable	12B	-	-
Prior year adjustments	14	-	-
Net Adjustments		-	
Net cash flow from operating activities		12,492,398	2,604,532
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	(4,400,000)
Net cash flows from Investing Activities		12,492,398	(4,400,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		12,492,398	(1,795,468)
Cash and cash equivalent at BEGINNING of the year	13	765,425	2,560,893
Cash and cash equivalent at END of the year		<u>13,257,823</u>	<u>765,425</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KACHELIBA Constituency financial statements were approved on _____ 2019 and signed by:


Fund Account Manager
Name: Wilson Chemkeni




Sub-County Accountant
Name: Stephen N. Marigi
ICPAK Member Number: 1550

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KACHELIBA CONSTITUENCY

Reports and Financial Statements
For the year ended June 30, 2019

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	109,040,875	58,149,908	167,190,783	77,030,727	90,160,056	46.1%
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts	-	-	-	-	-	
PAYMENTS	109,040,875	58,149,908	167,190,783	77,030,727	90,160,056	46.1%
Compensation of Employees	3,249,804	(581,416)	2,668,388	1,890,975	777,413	70.9%
Use of goods and services	6,563,875	101,543	6,665,418	6,637,233	28,185	99.6%
Transfers to Other Government Units	39,962,262	26,472,063	66,434,325	22,302,795	44,131,530	33.6%
Other grants and transfers	53,264,935	15,880,690	69,145,625	31,045,350	38,100,275	44.9%
Acquisition of Assets	6,000,000	11,600,000	17,600,000	-	17,600,000	0.0%
Other Payments	-	4,677,027	4,677,027	1,896,551	2,780,476	40.6%
TOTALS	109,040,875	58,149,908	167,190,783	63,772,904	103,417,879	38.1%

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. Delay of funds from NG-CDF Board
- ii. Delay by students in collecting Bursary Cheques from the office.

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

The NGCDF-KACHELIBA Constituency financial statements were approved on _____ 2019 and signed by:



Fund Account Manager
Name: Wilson Chemkenei K.



Sub-County Accountant
Name: Stephen N. Marigi
ICPAK Member Number: 1550

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019		2018/2019	43,646	
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,668,388	-581,416	2,086,972	1,692,424	394,548
1.2 Committee allowances	1,500,000	0	1,500,000	1,480,950	19,050
1.3 Use of goods and services	3,001,664	101,543	3,103,207	5,572,203	- 2,468,996
Sub Total	7,170,052	-479,873	6,690,179	8,745,577	-2,055,398
2.0 Monitoring and evaluation			0		-
2.1 Capacity building	1,000,000	0	1,000,000	1,000,000	-
2.2 Committee allowances	1,100,000	0	1,100,000	1,100,000	-
2.3 Use of goods and services	1,171,226	0	1,171,226	1,171,226	-
3.0 Emergency	5,738,993	0	5,738,993	5,239,410	499,583
Sub Total	9,010,220	0	9,010,220	8,510,636	499,583
4.0 Bursary and Social Security			0		-
4.1 Secondary Schools	18,000,000	15,580,690	33,580,690	16,831,400	16,749,290
4.2 Tertiary Institutions	15,164,306	2,600,000	17,764,306	5,012,000	12,752,306
4.3 Security	5,000,000	0	5,000,000	2,490,000	2,510,000
5.0 Sports	2,180,818	372,064	2,552,882	1,670,540	882,342
6.0 Environment	2,180,818	0	2,180,818	-	2,180,818

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Sub Total	42,525,941	18,552,754	61,078,695	26,003,940	35,074,755
7.0 Learning Institutions Projects					-
(List all the Projects)					-
Mistin Pry Sch	500,000	1,000,000	1,500,000	980,000	520,000
Kachawa	500,000	2,000,000	2,500,000	980,000	1,520,000
Tarakit	1,000,000		1,000,000	980,000	20,000
Ngengechwo Pry Sch	800,000		800,000	780,000	20,000
Lokichar Pry Sch	800,000	600,000	1,400,000	780,000	620,000
Ngotut Pry Sch	800,000		800,000	780,000	20,000
Mayaipegh	800,000	600,000	1,400,000	780,000	620,000
Kopeyon Pry Sch	600,000		600,000	590,000	10,000
Kapetakinei	600,000		600,000	590,000	10,000
Kariamawoi Pry Sch	600,000		600,000	590,000	10,000
Shongen Primary	600,000	300,000	900,000	590,000	310,000
Cheptapa	500,000		500,000	490,000	10,000
Alany Pry Sch	500,000		500,000	490,000	10,000
Krimity	500,000		500,000	490,000	10,000
Kour Primary	500,000	300,000	800,000	490,000	310,000
Sasak	400,000		400,000	390,000	10,000
Nakwapuo	400,000		400,000	390,000	10,000
Sirwach Pry Sch	400,000		400,000	390,000	10,000
Nasal Primary School	300,000		300,000	290,000	10,000
Woyakol Pry Sch	300,000		300,000	290,000	10,000
Kapem Pry Sch	300,000		300,000	290,000	10,000
Kases	300,000		300,000	290,000	10,000
Wasat Pry Sch	300,000		300,000	290,000	10,000
Chepsepin Pry Sch	300,000	300,000	600,000	290,000	310,000
Kaptolomwo Pry Sch	300,000		300,000	290,000	10,000
Kanyerus	300,000		300,000	290,000	10,000
Kalas	200,000		200,000	190,000	10,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Dwo	36,200			36,200	36,200	-
Dwo	36,200			36,200	20,000	16,200
7.11 Chedawa primary	300,000	0		300,000	-	300,000
7.12 Tighot primary	400,000	0		400,000	-	400,000
7.13 Lokomolo primary	300,000	0		300,000	-	300,000
7.14 Nagwoilap primary	500,000	0		500,000	-	500,000
7.15 Katich primary	600,000	0		600,000	-	600,000
7.16 Napitiro primary	762,262	500,000		1,262,262	-	1,262,262
7.17 Kasopit primary	500,000	0		500,000	-	500,000
7.18 Kapcheror primary	400,000	0		400,000	-	400,000
7.19 Katuda primary	700,000	0		700,000	-	700,000
7.20 Lochoriamonyang' primary	700,000	0		700,000	-	700,000
7.21 Moruepong' primary	800,000	400,000		1,200,000	-	1,200,000
7.22 Churum primary	500,000	0		500,000	-	500,000
7.23 Lotepes primary	500,000	0		500,000	-	500,000
7.24 Lonyangalem primary	500,000	0		500,000	-	500,000
7.25 Kasitet primary	500,000	0		500,000	-	500,000
7.26 Kasei primary	400,000	0		400,000	-	400,000
7.27 Akiriamet primary	700,000	0		700,000	-	700,000
7.28 Orol primary	1,000,000	500,000		1,500,000	-	1,500,000
7.29 Tantapos primary	1,200,000	800,000		2,000,000	-	2,000,000
8.0 Secondary Schools Projects (List all the Projects)		0		0		-
8.5 Chelopoi Boys Secondary	1,800,000	0		1,800,000	-	1,800,000
Kiwawa Boys		3,000,000		3,000,000		3,000,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

8.6 Korokou Girls Secondary	1,800,000	0	1,800,000	-	1,800,000
9.0 Tertiary institutions Projects (List all the Projects)			0		-
Kodich Boys sec	1,000,000	3,000,000	4,000,000		4,000,000
Kamketo Sec School		2,000,000	2,000,000		2,000,000
9.1 Kodich Technical Training Institute	10,000,000	0	10,000,000	-	10,000,000
Sub Total	39,334,662	15,300,000	54,634,662	14,116,200	40,518,462
10.0 Security Projects			0		-
10.1 Konyao D.O office	1,500,000	0	1,500,000	-	1,500,000
10.2 Orolwo Chiefs office	500,000	500,000	1,000,000	500,000	500,000
10.3 Alale D.O/Chiefs office	1,500,000	0	1,500,000	-	1,500,000
10.4 Kasei D.O/Chiefs office	1,500,000	0	1,500,000	-	1,500,000
11.0 Acquisition of assets			0		-
11.1 Motor Vehicles (including motorbikes)		11,600,000	11,600,000	-	11,600,000
11.2 Construction of CDF office	4,500,000	4,000,000	8,500,000	4,000,000	4,500,000
11.3 Constituency office Fence	1,500,000	2,000,000	3,500,000		3,500,000
Sub Total	11,000,000	18,100,000	29,100,000	4,500,000	24,600,000
12.0 Others Payments			0		-
12.1 Strategic Plan		2,000,000	2,000,000	1,896,551	103,449
12.2 Innovation Hub		4,677,027	4,677,027	-	4,677,027
Sub Total		6,677,027	6,677,027	1,896,551	4,780,476

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Total	109,040,875	58,149,908	167,190,783	63,772,904	103,417,878
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(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-KACHELIBA Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the Entity for all the years presented.

a) Recognition of Receipts

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

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Entity recognises all payments when the event occurs and the related cash has actually been paid out by the Entity.

Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KACHELIBA CONSTITUENCY
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For the year ended June 30, 2019**

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Entity at the end of the year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

10. Unutilized Fund

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

12. Comparative Figures

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

13. 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 30th June 2019.

14. Errors

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

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE NO – A855830	1		5,500,000.00
AIE NO – A892826	2		37,905,172.00
AIE NO – B005107	1	43,265,302.15	
AIE NO – B030248	2	10,000,000.00	
AIE NO – B030411	3	12,000,000.00	
AIE NO – B047087	4	11,000,000.00	
TOTAL		76,265,302	43,405,172

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	1,692,429	3,309,820
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity – paid	-	-
- accrued	-	-
Other personnel payments	-	21,400
Total	1,692,429	3,331,220

5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Committee Expenses	1,480,950	4,421,500
Utilities, supplies and services	1,165,550	-
Communication, supplies and services	-	375,880
Domestic travel and subsistence	664,402	308,278
Printing, advertising and information supplies & services	17,040	-
Office rent	490,000	90,000
Training expenses	1,017,900	-
Hospitality supplies and services	51,437	-
Other committee expenses	-	4,021,700
Specialized materials and services	-	-
Office and general supplies and services	705,150	210,295
Fuel, oil and lubricants	304,100	43,000
Routine maintenance – vehicles and other transport equipment	741,250	108,000
Routine maintenance – other assets	-	-
Total	6,637,779	9,578,653

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KACHELIBA CONSTITUENCY
Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	14,116,200	1,000,000
Transfers to secondary schools (see attached list)	8,186,595	3,000,000
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	22,302,795	4,000,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	16,831,400	7,797,667
Bursary – tertiary institutions (see attached list)	5,012,000	9,077,100
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	2,490,000	3,500,000
Sports projects (see attached list)	1,670,540	-
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	5,239,410	3,516,000
Total	31,243,350	23,890,767

8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	4,400,000
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	4,400,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KACHELIBA CONSTITUENCY**
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For the year ended June 30, 2019

9. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan	1,896,551	-
ICT Hub	-	-
	1,896,551	-

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>Equity Bank, kapenguria branch; Account No.1070216627353 Kshs</i>	13,257,823	765,425
<i>Name of Bank, Account No.</i>	-	-
<i>Name of Bank, Account No.</i>	-	-
Total	13,257,823	765,425
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
Total				-

[Include an annex of the list is longer than 1 page.]

12A. RETENTION

	2018 - 2019	2017-2018
	Kshs	Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	Kshs	Kshs
Name 1	-	-
Name 2	-	-
Name 3	-	-
Add as appropriate		
Total	-	-

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	765,425	2,560,893
Cash in hand	-	-
Imprest	-	-
Total	765,425	2,560,893

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (<i>specify</i>)	-	-
	-	-

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15.3: UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	777,413	(581,416)
Use of goods and services	28,185	101,543
Amounts due to other Government entities (see attached list)	44,131,530	26,472,063
Amounts due to other grants and other transfers (see attached list)	38,100,275	15,880,690
Acquisition of assets	17,600,001	11,600,001
Others (<i>specify</i>)	2,780,476	4,667,027
	103,417,879	58,149,908

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	42,148.00	xxx
	42,148.00	xxx

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
	a	B	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
	Sub-Total					
Middle Management						
4.						
5.						
6.						
	Sub-Total					
Unionisable Employees						
7.						
8.						
9.						
	Sub-Total	768,924		0	768,924	
Others (Gratuity)						
10.						
11.						
12.						
	Sub-Total					
	Grand Total					

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	-	-	-	-
Buildings and structures	18,500,000	-	-	18,500,000
Transport equipment	20,188,390	-	-	20,188,390
Office equipment, furniture and fittings	-	-	-	-
ICT Equipment, Software and Other ICT Assets	526,500	-	-	526,500
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	39,214,890	-	-	39,214,890

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KACHELIBA
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ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Napitrio Primary	Transnational	260640001	5,418.00	
St. Bakhita Girls Secondary School	Equity Bank	1070164376662	36,730	
Total			42,148	

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Appendix I PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Delay in Construction of Kiwawa Dormitory- The management of the CDF entered into contract with Naluku Company Ltd on 30th September 2016 to construct Dormitory from Foundation to finishing as per drawing and design at a contract sum 9,051,188 from 1st September 2016 to 31 December 2016, a period of 4 months. The project has delayed for over two (2) years. During the year under review, a total of Kshs. 3,000,000 for building of dormitory. However, physical verification of the project revealed that the construction is at</p>	<p>Delay was caused by the delays in the disbursement of budgeted funds by the NGCDF board from the CDF Headquarters.</p>	<p>Wilson Chemkenei-FAM</p>	<p>Not resolved</p>	<p>December 2019</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	roofing level. Is 60% complete. Partial roofing has been done but windows, doors, plastering, ceiling, flooring and the electric works has not been done.				
	Construction of CDF Office at Alale -The acquisition of assets balance of Kshs. 4,400,000 disclosed in the statement of receipts and payments for the year ended 30 June 2018 as disclosed in note 8 to the financial statement was paid to Pokao Building Agency on 8 th April 2018 for construction of CDF Office. However, Tender records, contract agreement and payment vouchers and inspection and acceptance committee reports confirming that the desired quantity and quality of the goods and supplies were delivered were not availed for audit review	Tender documents was kept like tender records, contract agreement, inspection reports was being kept at the PMC level. Its now available for your examination	Wilson Chemkenei-FAM	Not resolved	December 2019

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (<i>Resolved / Not Resolved</i>)	Timeframe: (<i>Put a date when you expect the issue to be resolved</i>)
	Records availed for audit review indicated that Kacheliba CDF has a motor Grader Registrations number GKA 454T bought by CDFc in the year 2007 from panafrican Equipment ltd. The grader broke down in May 2015 while grading Konyao road in Kacheliba. The District Mechanical Officer was requested to assess and to provide mechanical services to the grader. The Technical report done on 22 June 2016 revealed that the grader is un economical to repair at an estimated cost of Kshs. 3,074,500.	We wrote to the NGCDF Board requesting for the disposal of the grader because it has become un economical and require a lot mony to repaire. So far the board has not responded to our request.	Wilson Chemkenei-FAM	Not resolved	December 2019