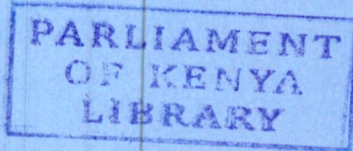


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Paper Laid on the Table of the House by the leader of the Majority Party on Wednesday 29/08/2018*



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

*(Afternoon)*

**THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
KEIYO SOUTH CONSTITUENCY**

**FOR THE YEAR ENDED  
30 JUNE 2017**





OFFICE OF THE AUDITOR GENERAL  
ELDORET HUB

17 JUL 2018

RECEIVED

P. O. Box 2774 - 30100, ELDORET



---

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-  
KEIYO SOUTH CONSTITUENCY**

**FINANCIAL STATEMENTS**

**FINANCIAL YEAR ENDED  
31 DECEMBER 2017**

*Kindly check  
& confirm  
sign sealing  
form*

---

Prepared in accordance with

Accounting Method under the International Public Sector  
standards (IPSAS)

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – KEIYO SOUTH  
CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT .....	1
II. FORWARD BY THE CABINET SECRETARY .....	3
III. STATEMENT OF NGCDF MANAGEMENT RESPONSIBILITIES .....	4
IV. STATEMENT OF RECEIPTS AND PAYMENTS .....	5
V. STATEMENT FINANCIAL OF ASSETS.....	6
VI. STATEMENT OF CASHFLOW .....	7
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED .	8
VIII. SIGNIFICANT ACCOUNTING POLICIES .....	10
IX. NOTES TO THE FINANCIAL STATEMENT.....	12

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KEIYO  
SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period 30 June 2017**

**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 amended in 2007 and repealed by the CDF Act of 2013. In 2015, the CDF Act of 2013 was declared unconstitutional and a new act was enacted in 2015, being the National Government Constituencies development fund act, NG-CDF Act, 2015. The National Government Constituencies Development Fund (NG-CDF) is under the Ministry of Devolution and Planning. The objective of the fund is to provide mechanisms for supplementing implementation of the National Government development agenda at the constituency level.

**(b) Key Management**

The Keiyo South Constituency's day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Caren Jeruto
3.	Accountant	Joseph Rop K. Rotich

**(d) Fiduciary Oversight Arrangements**

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

**(e) Keiyo South NGCDF Headquarters**

NGCDF Office.  
P.O Box 8253-30100  
Eldoret



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

**(f) Keiyo South NGCDF Contacts**

Telephone: (254) 0720 905 587  
E-mail: keiyosouth@NGCDF.go.ke  
Website: www.keiyosouth.go.ke

**(g) Keiyo South NGCDF Bankers**

1. Kenya Commercial Bank  
P.O Box 456-30700  
Iten

**(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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

**II. FORWARD BY THE CHAIRMAN KEIYO SOUTH NATIONAL GOVERNMENT  
CONSTITUENCY DEVELOPMENT FUND COMMITTEE (KSNGCDFC)**

Keiyo South NG-CDF was allocated Kshs 81,896,551.72 in 2016/ 2017 financial year. The constituency received all the funds for 2016/2017 f/y amounting to kshs 81,896,551 and kshs 54,516,716 which were funds for 2015/2016 financial year but received in 2016/2017. The total funds received from NG-CDFB in 2016/2017 was Kshs **136,413,268** . After adjustments the constituency Bugdet was ksh144,461,865, the constituency managed to utilize Kshs **133,620,809** which is equivalent to 92.5%

Keiyo South NG-CDF has improved the Education and Security infrastructures of Keiyo South and assisted needy students in the constituency therefore increasing the literacy level.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Projects. Other issues affecting the project implementation process is the late disbursement of funds, late approved of proposals and reallocations

Sign   
.....  
CHAIRMAN KSNGCDFC



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

**III. STATEMENT OF NGCDF MANAGEMENT RESPONSIBILITIES**

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government NGCDF shall prepare financial statements in respect of that NGCDF. 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 Keiyo South NGCDF is responsible for the preparation and presentation of the NG-CDF's financial statements, which give a true and fair view of the state of affairs of the NG-CDF for and as at the end of the financial year (period) ended on June 30, 2017. 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 NGCDF; (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 NGCDF; (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 Keiyo South NGCDF accepts responsibility for the NGCDF'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 NGCDF's financial statements give a true and fair view of the state of NGCDF's transactions during the financial year ended June 30, 2017, and of the NGCDF's financial position as at that date. The Accounting Officer charge of the Keiyo South NGCDF further confirms the completeness of the accounting records maintained for the NGCDF, which have been relied upon in the preparation of the NGCDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the Keiyo South NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF'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 NGCDF'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 KSNCGCDF's financial statements were approved and signed by the Accounting Officer on 27<sup>th</sup> July, 2017



Fund Account Manager



Chairman



# REPUBLIC OF KENYA

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



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KEIYO SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

---

#### REPORT ON THE FINANCIAL STATEMENTS

#### **Adverse Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund-Keiyo South Development Fund set out on pages 5 to 24, which comprise the statement of financial assets at 30 June 2017, and the statement of receipts and payments, statement of cash flows and 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund-Keiyo South Constituency as at 30 June 2017, 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 do not comply with Public Finance Management Act, 2012.

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that public money has not been applied lawfully and in an effective way.

#### **Basis for Adverse Opinion**

##### **1.0 Cash and bank balance**

The statement of financial assets reflects bank balance of Kshs.10,841,055. An audit examination of the bank reconciliation statement for the month of June 2017 showed unrepresented cheques amounting to Kshs.1,675,001 out of which Kshs.363,629 had not been cleared. Further, excluded in the balance of Kshs.10,841,055 are receipts in the bank statement not recorded in the cash book totalling Kshs.148,408. No explanation has been provided for this anomaly.

In the circumstance, the accuracy and completeness of the bank balance of Kshs.10,841,055 as at 30 June 2017 could not be confirmed.

---

*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Keiyo South Constituency for the year ended 30 June 2017*



## 2.0 Transfers to Other Government Entities

### 2.1 Unsupported Expenditure

The statement of receipts and payments reflect transfers to other government entities figure of Kshs.57,635,708 disbursed to various project management committees for various projects which comprises transfers to primary schools of Kshs.39,485,708 transfers to Secondary Schools figure of Kshs.17,350,000 and transfers to tertiary institutions balance of Kshs.800,000. However, actual expenditure returns from the project management committees were not availed for audit verification.

In the circumstances, the regularity of the transfers to other government entities figure of Kshs.57,635,708 for the year ended 30 June 2017 could not be confirmed.

### 2.2 Purchase of Land

Included in transfers to primary schools figure of Kshs.39,485,708 as disclosed in note 6 to the financial statements is a disbursement of Kshs.1,600,000 to Kiptenden Primary School for purchase of land. The School had earlier in 2014-2015 and 2015-2016 been funded with Kshs.1,000,000 and Kshs.500,000 for acquisition of land and construction of a classroom respectively raising the total funding to Kshs.3,100,100 as detailed below;

Date	Payment voucher No.	Cheque No.	Details	Amount (Kshs)
22 February 2017	402295	8216	Purchase of land	1,600,000
2015-2016			Construction of classroom	500,000
2014-2015			Purchase of land	1,000,000
<b>Total (Kshs)</b>				<b>3,100,000</b>

However, available information and an inspection of the project revealed that no land had been a purchased and no construction of classrooms had taken place. It was explained that this was a result of land succession issues. Bank statements availed for audit review confirmed that the funds were still being held in the project management account 01008030012225 at Sidian bank Eldoret. No explanation was provided for continuously funding a project with succession issues.

In the circumstances, the objectives of the project has not been achieved hence no value for money has been obtained on the total disbursement of Kshs.3,100,000 in respect of the project.

### 2.3 Kipyator Secondary School

Included in transfers to secondary schools figure of Kshs.17,350,000 is a disbursement of Kshs.850,000 to Kipyator Secondary School for construction of a classroom. The School had earlier in 2014-2015 and 2015-2016 been funded with Kshs.300,000 and



Kshs.500,000 for construction of a science laboratory and a classroom respectively raising the total funding to Kshs.1,650,000 as detailed below;

<b>Date</b>	<b>Payment voucher No.</b>	<b>Cheque No.</b>	<b>Details</b>	<b>Amount (Kshs)</b>
12-08-2014	401264	5155	Construction of science laboratory	300,000
22-06-2016	402200	7875	Construction of class room	500,000
09-02-2017	402301	8145	Construction of class room	850,000
<b>Total</b>				<b>1,650,000</b>

Available information and an inspection of the project revealed that no construction of classrooms had taken place. It was explained that the area faced a topographical challenge making it difficult to implement the projects. However, the project's bank statement made available revealed that confirmed that a balance of Kshs.1,486,619 was available in the account. However, expenditure returns or supporting documents for Kshs.163,381 utilized on the project were not availed for audit. Thus, the objectives of the project has not been achieved hence no value for money has been obtained on the total disbursement of Kshs.1,650,000 in respect of the project.

In the circumstances, the propriety of the expenditure of Kshs.163,381 for the year ended 30 June 2017 could not be confirmed.

## **2.4 Kipsaos Secondary School**

Included in transfers to secondary schools figure of Kshs.17,350,000 is Kshs.500,000 disbursed to Kipsaos Secondary School for completion of abolition block having been funded with Kshs.500,000 in 2015/2016. A physical verification on 24 May 2018 revealed that the abolition block had not been started. On enquiry it was explained that the project management committee was in the process of identifying a contractor which has taken too long. However, bank statements and bank confirmation certificates were not availed for audit review.

In the circumstances, no value for money has been realized on the total disbursement of Kshs.1,000,000 to the project and the existence of the money disbursed to the project could not be confirmed.

## **3.0 Other Grants and Transfers**

### **3.1 Security Projects**

Included in other grants and transfers figure of Kshs.63,224,479 is disbursements to security projects balance of Kshs.6,270,000. Although, the list of projects which were to be funded was availed, actual expenditure returns from project management committees to show how the funds were utilized were not availed for audit verification.



Thus, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, the regularity of the expenditure of Kshs.6,270,000 for the year could be confirmed.

### **3.2 Emergency Projects**

Included also in other grants and transfers figure of Kshs.63,224,479 is disbursements to emergency projects balance of Kshs.7,400,000. Although, the list of projects which were to be funded was availed, actual expenditure returns from those project management committees to show how the funds were utilized were not availed for audit verification. Thus, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, the regularity of the expenditure of Kshs.7,400,000 for the year could be confirmed.

### **3.3 Sports Projects**

Other grants and transfers figure of Kshs.63,224,479 further included disbursements to Sports projects balance of Kshs.2,724,000 as disclosed in Note 7 to the financial statements. However, actual expenditure returns from those project management committees indicating how the funds were utilized were not availed for audit verification. Thus, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, the regularity of the expenditure of Kshs.2,724,000 for the year could be confirmed

### **3.4 Other Capital Grants and Transfer**

Other grants and transfers figure of Kshs.63,224,479 further included disbursements to emergency projects balance of Kshs.3,187,334 as disclosed in note 7 to the financial statements. Although, the list of projects which were to be funded was availed, actual expenditure returns from those project management committees to show how the funds were utilized were not availed for audit verification. Thus, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, the regularity of the expenditure of Kshs. 3,187,334 for the year could be confirmed

### **4.0 Project Management Committee Bank Balances**

Note 15.4 to the financial statements shows that project management committee had a bank balance of Kshs.51,471,455 as at 30 June 2017. However, the list, name and

account numbers in support of the project management committee balance, cash books, bank confirmation and bank reconciliation statements were not availed for audit review.

Under the Circumstances, the accuracy, completeness and existence of the project management committee bank balance of Kshs.51,471,455 as at 30 June 2017 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituency Development Fund- Keiyo South Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

### Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters discussed in the Basis for Adverse Opinion section, I have determined that there are no other Key Audit Matters to communicate in my report.

### Other Matter

#### 1.0 Budget Control and Performance

During the year under review, the Fund had an annual budget of Kshs.144,461,865 while the actual expenditure amounted to Kshs.133,620,809 or 92% resulting to under expenditure of Kshs.10,841,056 or 8% as summarized below:

Item	Budget 2016-2017	Actual 2016-2017	Under expenditure	% Under expenditure
	Kshs	Kshs	Kshs	
<b>Payments</b>				
Compensation of Employees	4,426,354	3,657,801	768,553	17
Use of goods and services	13,548,141	8,655,711	4,892,430	36
Transfers to Other Government Units	57,881,208	57,635,708	245,500	0
Other grants and transfers	67,626,162	63,224,479	4,401,683	7
Acquisition of Assets	480,000	447,110	32,890	7
Other Payments	500,000	0	500,000	100
<b>Total</b>	<b>144,461,865</b>	<b>133,620,809</b>	<b>10,841,056</b>	<b>8</b>

Failure to utilize funds may lead to poor service delivery for the citizens of Keiyo South Constituency or may be an indication of in appropriate budget making process .

Consequently, the citizens of Keiyo South Constituency were denied the benefits that would have accrued from the projects that were to be implemented.



## 2.0 Project Implementation Status Report

The statement of receipts and payments reflect Kshs.136,413,268 transfers from the Constituency Development Fund board, out of which Kshs.63,159,867 was disbursed to one hundred and eight (108) projects. Out of these ninety (93) projects with an allocation Kshs.51,233,659 were complete and in use, thirteen (13) projects costing Kshs.9,476,208 were partially complete while two (2) projects with a budget of Kshs.2,450,000 had not been initiated as indicated in table below:

### 2.1 Projects implementation status report

	Project Name	Project activity	Amount Allocated & disbursed	Actual expenditure	Implementation Status	Remarks
			Kshs	Kshs		
<b>Completed projects</b>						
1	Kipsaos Primary School	Completion of dining hall	100,000	100,000	Completed	In use
2	Kabalwat primary	Construction of Toilet	300,000	300,000	Completed	In use
3	Kipsaos Primary School	Completion of Administration block	500,000	500,000	Completed	In use
4	Kibonge Primary School	Completion of classroom	500,000	500,000	Completed	In use
5	Tulwobei Primary School	Construction of Admin block	300,000	300,000	Completed	In use
6	Tulwobei Primary School	Roofing of classroom	200,000	200,000	Completed	In use
7	Kasar Primary School	Flooring of one classroom	95,000	95,000	Completed	In use
8	Kulwane bridge	Construction of bridge	200,000	200,000	Completed	In use
9	Environment	Tree seedlings for 36 schools	3,154,659	3,154,659	Trees planted	Trees planted
10	Sports	Sports equipment for schools	2,724,000	2,724,000	Completed	Distributed to nine Zone and one set for Sub County.
11	Kapcheptek Primary School	Completion of two classrooms (plastering, painting, wiring & labelling)	600,000	600,000	Completed	In use
12	Kapalwat primary school	Completion of 5 classrooms (fixing of window glasses and painting)	600,000	600,000	Completed	In use
13	Koimur primary school	Completion of dormitory (painting & branding)	500,000	500,000	Completed	In use
14	Chop primary School	Completion of administration block (painting & branding)	550,000	550,000	Completed	In use

15	Enego Pry School	Completion of one classroom (fixing of doors & windows ,plastering ,wiring, painting & branding)	200,000	200,000	Completed	In use
16	Kabechei primary School	Completion of one classroom (plastering ,wiring, painting & branding)	150,000	150,000	Completed	In use
17	Kasar Pry School	Completion three classrooms (walling, roofing works, (fixing of doors & windows ,plastering ,wiring, painting & branding)	1,500,000	1,500,000	Completed	Classrooms in use
18	Kowochi Primary School	Completion of two classrooms walling, plastering & painting	500,000	500,000	Completed	In use
19	Kapsoo Primary School	Completion of administration block	600,000	600,000	Completed	In use
20	Kapsiekwa Pry School	construction of one classroom to completion	850,000	850,000	Completed	In use
21	Emsea Pry School	Construction of two classrooms to completion	1,440,000	1,440,000	Completed	In use
22	Kabirirsus Pry school	Completion of two classrooms	400,000	400,000	Completed	In use
23	Kipchorwa Pry School	Completion of administration block	500,000	500,000	On-going	In use
24	Kibomet primary school	Completion of two classrooms (plastering, fixing of windows & doors ,wiring ,painting and branding)	600,000	600,000	Completed	In use
25	Kipsaos primary school	Completion of dining hall	800,000	800,000	Completed	In use
26	Kapsergon primary school	Construction of one classroom	700,000	700,000	Completed	In use
27	Kaptagat DEB primary school	Completion of dining hall (fixing of doors ,windows, plastering, painting and general finishes	1,500,000	1,500,000	Completed	In use
28	Chebior primary school	Completion of 16 door toilets (plastering, doors and painting.)	300,000	300,000	Completed	In use
29	Toroplongon primary school	Completion of 8 door toilets (plastering, doors and painting.)	200,000	200,000	Completed	In use



30	Kapkut primary school	Completion of two classrooms (painting & branding)	200,000	200,000	Completed	In use
31	Kapchebutuk primary school	Completion of two classrooms	200,000	200,000	Completed	In use
32	Kogibor primary	Completion of one classroom	200,000	200,000	Completed	In use
33	Tulwobei primary school	Fixing of shelves and purchase of reading tables and chairs	700,000	700,000	Completed	In use
34	Kimwogo primary school	Construction 5 door toilet	500,000	500,000	Completed	In use
35	Kiptewenger primary	Completion of one classroom(plastering, ceiling fixing of windows & doors ,wiring ,painting and branding)	350,000	350,000	Completed	In use
36	Atnas kandie secondary school	Completion of laboratory	1,500,000	1,500,000	Completed	In use
37	Koptega secondary school	Completion of dining hall	1,200,000	1,200,000	Completed	In use
38	St.Josephs kipsaina secondary School	Completion of library	1,500,000	1,500,000	Completed	In use
39	Kaptilol mixed day secondary school	Completion of laboratory	1,300,000	1,300,000	Completed	In use
40	Biwot mixed day secondary school.	Completion of library	1,000,000	1,000,000	Completed	In use
41	Chepsamo Mixed Day secondary school	Construction of two classrooms	1,700,000	1,700,000	Completed	In use
42	Biwott secondary school	Completion of dormitory	1,800,000	1,800,000	Completed	In use
43	Ketigoi secondary school	Completion of laboratory	1,500,000	1,500,000	Completed	In use
44	Chepkorio polytechnic	Completion of the dining hall	800,000	800,000	Completed	In use
45	Samich community hall	Completion of the community Centre	400,000	400,000	Completed	In use
46	Chemoibon chief's office	Construction of chief's office.	1,300,000	1,300,000	Completed	Complete awaiting commissioning
47	Metkei community hall	Completion of community Centre	500,000	500,000	Completed	In use
48	Kapkitony chief's office	Completion of chief's office	700,000	700,000	Completed	In use
49	Kabiemit ward resource centre	Purchase of office furniture	500,000	500,000	Completed	In use

50	Kaptarakwa ward resource centre	Completion of ward resource Centre	1,000,000	1,000,000	Completed	In use
51	Kapsogom chief's office	Completion of chief's office	520,000	520,000	Completed	In use
52	Matungen Pry School	Completion of 8.doors toilets	200,000	200,000	Completed	In use
53	Yatiane Pry School	Construction of 4.doors toilets	200,000	200,000	Completed	complete
54	Kaptubei Pry School	Replacements of glazing in all rear elevation of tuition block	200,000	200,000	Completed	In use
55	Kabechei Pry School	Flooring of 5 classrooms.	250,000	250,000	Completed	In use
56	Samabul Pry School	Completion of two classrooms	300,000	300,000	Completed	In use
57	Tinone Pry School	Construction of 4.doors toilets	200,000	200,000	Completed	In use
58	Kapsiekwa Pry School	Flooring of 5 classrooms.	500,000	500,000	Completed	In use
59	Kimoloi Pry School	Construction of 4.doors toilets	250,000	250,000	Completed	In use
60	St.Thomas Kapchorwa Sec School	construction of 4.doors toilets	200,000	200,000	Completed	In use
61	Keiyo Sub county Headquarters	Construction of 6 door toilet.	400,000	400,000	Completed	Painting ongoing
62	Chemurgui Pry School	Construction of 2 door pit latrine.	100,000	100,000	Completed	In use
63	Molol Pry School	Renovation of old roofing works.	200,000	200,000	Completed	In use
64	Sabor Pry School	Construction of 4.doors toilets	200,000	200,000	Completed	In use
65	Kapnetik Pry school	Construction of 4.doors toilets	200,000	200,000	Completed	In use
66	Sitotwo Pry School	Renovation of classrooms	200,000	200,000	Completed	In use
67	Kipchiloi Pry School	Flooring of classrooms and administration block.	300,000	300,000	Completed	In use
68	Epke Chiefs Office	AP Staff house	200,000	200,000	Completed	In use
69	Kiptabach Pry School	Dilapidated classrooms	1,000,000	1,000,000	Completed	In use
70	Matungen Pry School	12 door pit latrine	400,000	400,000	Completed	In use
71	Kapletingi pry school	6 door toilet	200,000	200,000	Completed	In use
72	Kamelil pry school	6 door toilet	200,000	200,000	Completed	In use
73	Kapkosom Pry School	6 door toilet	200,000	200,000	Completed	In use
74	Simit pry school	Classroom reinforcement	400,000	400,000	Completed	In use



75	Kabawa Pry School	6 door toilet	200,000	200,000	Completed	In use
76	Turesia Pry Sch		500,000	500,000	Completed	In use
77	Matungen Pry School	4 door pit latrine	200,000	200,000	Completed	In use
78	Werep Pry School	4 door pit latrine	200,000	200,000	Completed	In use
79	Yatiane Pry School	Four door pit latrine	200,000	200,000	Completed	In use
80	Kaptubei Pry School	Replacement of glass windows	200,000	200,000	Completed	In use
81	Kabechei Pry School	Cementing classroom floor	250,000	250,000	Completed	In use
82	Samabul Pry School	Completion of 2 classrooms	300,000	300,000	Completed	In use
83	Tinone Pry School	4 door pit latrine	200,000	200,000	Completed	In use
84	Kapsiekwa Pry School	Cementing classrooms	500,000	500,000	Completed	In use
85	Kimoloi Pry School	Pit latrines	250,000	250,000	Completed	In use
86	St.Thomas Kapchorwa Sec School	Staff latrine	200,000	200,000	Completed	In use
87	Keiyo Sub county Headquarters	Toilet	400,000	400,000	Completed	In use
88	Chemurgui Pry School	2 door latrine	100,000	100,000	Completed	In use
89	Molol Pry School	Classroom repair	200,000	200,000	Completed	In use
90	Sabor Pry School	4 door toilet	200,000	200,000	Completed	In use
91	Kapngetik Pry school	4 door toilet	200,000	200,000	Completed	In use
92	Sitotwo Pry School	Reinforcement of classrooms	200,000	200,000	Completed	In use
93	Kipchiloi Pry School	Rehabilitation of six classrooms	300,000	300,000	Completed	In use
	<b>Subtotal - Completed projects</b>		<b>51,233,659</b>	<b>51,233,659</b>		
	<b>On-going projects</b>					
1	Kewapmwen Pry School	Completion of one classrooms and library Kshs 200,000 ( fixing of window classes and painting and Equipping the library (reading table and chairs and fixing of shelves)Kshs 400,000	600,000	600,000	On-going	Procurement stage
2	Kipkanao Pry School	Construction of one classroom to completion	850,000	850,000	On-going	At roofing

3	Katumoi Primary School	Construction of abolition block to completion	850,000	850,000	On-going	Doing plumbing works
4	Kaptubei Primary school	Completion of Dinning Hall roofing works, fixing doors & windows, plastering, wiring, painting and branding)	826,208	826,208	On-going	Require more funds for painting
5	Chepsigot Primary School	Completion of administration block (, fixing doors & windows, plastering, wiring, painting and branding)	600,000	600,000	On-going	Require more funds for painting
6	Walbei primary school	Construction of administration block to completion	1,400,000	1,400,000	On-going	Doing floor tiling
7	Cheboge primary school	construction of one classroom to completion	700,000	700,000	On-going	Plastering ongoing
8	Chepkosom primary school	Construction one classroom	700,000	700,000	On-going	In use
9	Kapchorwa primary school	Completion of two classroom	350,000	350,000	On-going	Plastering ongoing
10	Kipsaos secondary school	Completion of ablution block	500,000	-	On-going	Procurement level
11	Kocholwo Sec School	Extension of dormitory(stage one-foundation slab)	1,000,000	1,000,000	On-going	Slab complete. At walling
12	Lelboinet chief's office	Construction of chief's office.	900,000	900,000	On-going	At finishing level
13	Werep Pry School	Construction of 4.doors toilets	200,000	200,000	Ongoing	Plastering ongoing
<b>Sub-total - On-going projects</b>			<b>9,476,208</b>	<b>8,976,208</b>		
<b>Projects not started</b>						
1	Kiptenden primary school	Purchase of 5 Acres of land	1,600,000	-	On-going	Processing succession
2	Kipyator simit sec school	Construction of one classroom	850,000	-	Not started	Procurement stage
<b>Sub total - Projects not started</b>			<b>2,450,000</b>	<b>-</b>		
<b>110</b>	<b>Grand total for FY 2016-2017</b>		<b>63,159,867</b>	<b>60,209,867</b>		

Projects which are not implemented as planned impact negatively on the delivery of services to the people of Keiyo South Constituency.

### 3.0 Project Verification

During the audit, eighteen (18) projects with total disbursements amounting to Kshs.22,590,000 were verified in the month of May 2018 and following observations were made as summarized in table below:



### 3.1 Projects physically verified

	Project Name	Project activity	Disbursed Amount	Implementation Status	Completion Date	Remarks
1	St. Josephs Kipsaina Sec School	Completion of library (roofing works, plastering, fixing of windows & doors, painting and branding)	1,500,000	Completed	Dec-17	Ready for use but not equipped
2	Lelboinet chief's office	Construction of chief's office to completion.	900,000	On-going	ongoing	At finishing level. Ceiling, paints & facial board
3	Koptega secondary school	Completion of dining hall (windows doors, plastering, wiring painting and labelling )	1,200,000	Completed	Sept 2017	Dining hall in use
4	Atnas kandie secondary school	Completion of laboratory (roofing works, doors & windows, plastering, painting and labelling)	1,500,000	Completed	Aug-17	Laboratory in use
5	Kaptagat DEB primary school	Completion of dining hall (fixing of doors, windows, plastering, painting and general finishes)	1,500,000	Completed	Jun-17	Dining hall in use
6	Kaptilol mixed day secondary school	Completion of phase two of the laboratory (lab fittings and gas system )	1,300,000	Completed	Jun-17	Laboratory in use
7	Kaptarakwa ward resource centre	Completion of ward resource Centre (fixing of ceiling, window glasses, purchase and fixing of tile in the offices, Painting and general outside finishes)	1,000,000	Completed	Jun-17	Complete & in use. The ceiling leaking
8	Biwot mixed day secondary school.	Completion of library ( roofing, fixing of doors, windows, plastering, painting and general finishes)	1,000,000	Completed	Oct-17	Complete. Used as a class instead of library. Not branded
9	Biwott secondary school	Completion of dormitory (plastering, windows & doors, plastering painting)	1,800,000	Completed	Sept 2017	Dormitory in use

		labeling of the project)				
10	Kiptenden primary school	Purchase of 5 Acres of land	1,600,000	On-going	Ongoing	Land not procured. Succession issues
11	Kipsaos secondary school	Completion of ablution block (plastering, fixing of doors ,wiring , plumping painting and branding)	500,000	On-going	Ongoing	Funds not utilised. Procurement level
12	Kiptabach Primary School	Refurbishment of classrooms - emergency	1,000,000	Completed		Completed and in use
13	Kocholwo Sec School	extension of dormitory(stage one- foundation slab)	1,000,000	Completed	Ongoing	Slab complete. At walling
14	Kasar Pry School	Completion three classrooms (walling, roofing works, (fixing of doors & windows ,plastering ,wiring, painting & branding)	1,500,000	On-going	Jan-18	Classrooms in use
15	Katumoi Primary School	Construction of abolition block to completion	850,000	On-going	ongoing	Plumbing works ongoing
16	Chemoibon chief's office	Construction of chief's office to completion.	1,300,000	Completed	Apr-18	Complete awaiting commissioning
17	Chepsamo Mixed Day secondary school	Construction of two classrooms	1,700,000	Completed	Sep-17	Classrooms in use
18	Emsea Pry School	Construction of two classrooms to completion	1,440,000	Completed	Oct-17	Classrooms in use
	<b>Total</b>		<b>22,590,000</b>			

Projects not completed is an indication of planned objectives not met hence the citizens of Keiyo South Constituency may have failed to benefit from the resources to fund such projects. There is need therefore for the Constituency Development Fund (CDF) management to monitor the budget execution with a view to ensuring that projects are completed as scheduled for efficient and effective service delivery to the people of Keiyo South Constituency.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for such internal control as management determines is necessary to enable



the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the National Government Constituencies Development Fund-Keiyo South ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the management either intends to cease operations or have no realistic alternative but to do so.

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.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### **Auditor-General's Responsibilities for the Audit of the Financial Statements**

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 of Kenya. 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.

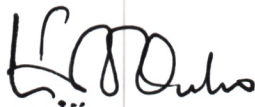
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and for the purpose of giving an assurance on the effectiveness of the Fund's 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 offering 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 consolidated/ 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 offering 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 of the entities or business activities 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.



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

**Nairobi**

**31 July 2018**




**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	136,413,268	111,796,001.00
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	417,020.00
<b>TOTAL RECEIPTS</b>		<b>136,413,268</b>	<b>112,213,021.00</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,657,801	1,805,539.00
Use of goods and services	5	8,655,711	4,491,121.00
Transfers to Other Government Units	6	57,635,708	58,527,717.00
Other grants and transfers	7	63,224,479	39,495,704.00
Acquisition of Assets	8	447,110	5,092,046.00
Other Payments	9	-	111,796,001.00
<b>TOTAL PAYMENTS</b>		<b>133,620,809</b>	<b>109,412,127.00</b>
<b>SURPLUS/DEFICIT</b>		<b>2,792,458</b>	<b>2,800,894</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. Keiyo South NGCDF financial statements were approved on 27<sup>th</sup> July, 2017 and signed by:



**Chairman - KSNGCDFC**



**Fund Account Manager**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -  
KEIYO SOUTH CONSTITUENCY  
Reports and Financial Statements as at 30 June 2017**

**V. STATEMENT OF FINANCIAL ASSETS**

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	10,841,055	8,048,597.00
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>10,841,055</b>	<b>8,048,597.00</b>
<b>REPRESENTED BY</b>			
Retention	12	-	-
Fund balance b/fwd 1st July...	13	8,048,597	5,247,703.00
Surplus/Defict for the year		2,792,458	2,800,894.00
Prior year adjustments	14	-	-
<b>NET LIABILITIES</b>		<b>10,841,055</b>	<b>8,048,597.00.00</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Keiyo South NG-CDF financial statements were approved on 27<sup>th</sup> July, 2017 and signed by:



Chairman - KSNCGDFC



Fund Account Manager



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

**VI. STATEMENT OF CASHFLOW**

		<b>2016 - 2017</b>	<b>2015 - 2016</b>
<b>Receipts for operating income</b>			
Transfers from CDF Board	1	136,413,268	111,796,001.00
Other Receipts	3	-	417,020.00
		<b>136,413,268</b>	<b>112,213,021.00</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	3,657,801	1,805,539.00
Use of goods and services	5	8,655,711	4,491,121.00
Transfers to Other Government Units	6	57,635,708	58,527,717.00
Other grants and transfers	7	63,224,479	39,495,704.00
Other Payments	9	-	-
		<b>133,173,699</b>	<b>104,320,081.00</b>
<b>Adjusted for:</b>			
Adjustments during the year	14	-	-
<b>Net cash flow from operating activities</b>		<b>3,239,568</b>	<b>7,892,940.00</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(447,110)	(5,092,046)
<b>Net cash flows from Investing Activities</b>		<b>(447,110)</b>	<b>(5,092,046)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>2,792,458</b>	<b>2,800,894.00</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>13</b>	<b>8,048,597</b>	<b>5,247,703.00</b>
<b>Cash and cash equivalent at END of the year</b>		<b>10,841,055</b>	<b>8,048,597.00</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Keiyo South NG-CDF financial statements were approved on 27<sup>th</sup> July, 2017 and signed by:



**Chairman KSNCGDFC**



**Fund Account Manager**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -KEIYO SOUTH CONSTITUENCY**  
**Reports and Financial Statements for the period ended 30 June 2017**

**VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

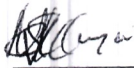
Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	81,896,551.70	62,565,313	144,461,865	144,461,865	-	100%
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts	-	-	-	-	-	
<b>TOTAL</b>	<b>81,896,552</b>	<b>62,565,313</b>	<b>144,461,865</b>	<b>144,461,865</b>	<b>-</b>	<b>100%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,715,440.00	1,710,914.00	4,426,354	3,657,801	768,553	82.6%
Use of goods and services	4,655,248.65	8,892,892.50	13,548,141	8,655,711	4,892,430	66.3%
Transfers to Other Government Units	36,766,207.90	21,115,000.00	57,881,208	57,635,708	245,500	99.6%
Other grants and transfers	37,759,655.17	29,866,506.50	67,626,162	63,224,479	4,401,683	93.5%
Acquisition of Assets	-	480,000.00	480,000	447,110	32,890	93.1%
Other Payments	-	500,000.00	500,000	-	500,000	0.0%
<b>TOTAL</b>	<b>81,896,552</b>	<b>62,565,313</b>	<b>144,461,865</b>	<b>133,620,809</b>	<b>10,841,055</b>	<b>92.5%</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY  
Reports and Financial Statements for the period ended 30 June 2017**

- (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 50% of utilization) and any overutilization]  
Underutilization of other payments

The Keiyo South NGCDF financial statements were approved on 27<sup>th</sup> July, 2017 and signed by:



---

**Chairman KS NGCDF**



---

**Fund Account Manager**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY  
Reports and Financial Statements for the period ended 30 June 2017**

**VIII. SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the NGCDF and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the NGCDF.

**2. Recognition of revenue and expenses**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

**SIGNIFICANT ACCOUNTING POLICIES**

**5. 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 NGCDF 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.

**6. Budget**

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The NGCDF’s budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the NGCDF’s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**7. Comparative figures**

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

**8. 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, 2017.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY**  
Reports and Financial Statements for the period ended 30 June 2017

**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
	AIE NO...		
Normal Allocation	825860	54,516,716	26,898,000.50
	829592	4,094,828	16,898,000.50
	855250	36,853,449	1,000,000.00
	855651	40,948,275	10,000,000.00
			20,000,000.00
			20,000,000.00
			17,000,000.00
Conditional grants			-
	AIE NO...	-	
Receipt from other Constituency	AIE NO...	-	
<b>TOTAL</b>		<b>136,413,268</b>	<b>111,796,001.00</b>

**2. PROCEEDS FROM SALE OF ASSETS**

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Receipts from the Sale of Buildings		-	
Receipts from the Sale of Vehicles and Transport Equipment		-	-
Receipts from the Sale Plant Machinery and Equipment		-	
Receipts from the Sale of office and general equipment		-	
		-	-
	<b>Total</b>		



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**3. OTHER RECEIPTS**

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Interest Received	-	-
Other Receipts Not Classified Elsewhere (recalled funds from project & cash deposit of unutilized imprest)		417,020.00
<b>Total</b>		<b>417,020.00</b>

**4. COMPENSATION OF EMPLOYEES**

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	1,712,413.00	1,204,189.00
Basic wages of casual labour	60,000.00	24,950.00
<b>Personal allowances paid as part of salary</b>		-
House allowance	259,000.00	266,000.00
Transport allowance	259,000.00	266,000.00
Leave allowance	24,000.00	28,000.00
Other personnel payments		-
Employer contribution to NSSF gratuity	16,200.00	15,400.00
	1,327,188.00	-
<b>Total</b>	<b>3,657,801.00</b>	<b>1,805,539.00</b>

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

**5. USE OF GOODS AND SERVICES**

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Utilities, supplies and services	43,201.00	41,459.00
Office rent	-	
Communication, supplies and services	116,250.00	141,000.00
Domestic travel and subsistence	308,300.00	40,000.00
Printing, advertising and information supplies & services	95,360.00	29,890.00
Rentals of produced assets	-	-
Training expenses	1,453,801.00	783,185.00
Hospitality supplies and services	290,211.00	41,690.00
Other committee expenses	2,113,500.00	518,177.00
Committee allowance	2,585,000.00	2,340,000.00
Insurance costs	169,801.00	
Specialised materials and services	-	
Office and general supplies and services	252,010.00	152,643.00
Fuel ,oil & lubricants	364,330.00	200,000.00
Other operating expenses	211,177.45	125,728.00
Routine maintenance – vehicles and other transport equipment	618,158.00	77,349.00
Routine maintenance – other assets	34,612.00	-
		-
<b>Total</b>	<b>8,655,711.00</b>	<b>4,491,121.00</b>

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Transfers to primary schools	39,485,707.90	25,110,000.00
Transfers to secondary schools	17,350,000.00	15,535,000.00
Transfers to Tertiary institutions	800,000.00	11,600,000.00
Transfers to Health institutions	-	6,282,717.00
<b>TOTAL</b>	<b>57,635,708</b>	<b>58,527,717.00</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**7. OTHER GRANTS AND OTHER PAYMENTS**

Description	2016- 2017	2015 - 2016
	Kshs	Kshs
Bursary -Secondary	19,925,889.00	9,266,266.00
Bursary -Tertiary	22,938,290.00	6,721,538.00
Bursary-Special schools	208,966 .00	46,150.00
Mocks & CAT	-	500,000.00
water	-	5,170,000.00
Agriculture (food security)	570,000.00	150,000.00
Electricity projects	-	-
Security	6,270,000.00	6,375,000.00
Roads	-	3,950,000.00
Sports	2,724,000.00	2,100,000.00
Other capital grants and transfer	3,187,334.00	1,556,750.00
Emergency Projects (specify)	7,400,000.00	3,660,000.00
<b>Total</b>	<b>63,224,479.00</b>	<b>39,495,704.00</b>

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**8. ACQUISITION OF ASSETS**

<b>Non Financial Assets</b>		<b>2016 - 2017</b>	<b>2015 - 2016</b>
		<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings		-	-
Construction of Buildings		-	-
Refurbishment of Buildings		-	-
Purchase of Vehicles		-	5,092,046.00
Purchase of Bicycles & Motorcycles		-	-
Overhaul of Vehicles		-	-
Purchase of Office furniture and fittings		145,085.00	-
Purchase of computers ,printers and other IT equipments		203,405.00	-
Purchase of photocopier		-	-
Purchase of other office equipments		98,620.00	-
Purchase of soft ware		-	-
Acquisition of Land		-	-
<b>Total</b>		<b>447,110.00</b>	<b>5,092,046.00</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY**

**Reports and Financial Statements for the period ended 30 June 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**9. OTHER PAYMENTS**

<b>Other Payments</b>				
specify			-	-
specify			-	-
specify			-	-
<b>TOTAL</b>			-	-

**10A: BANK ACCOUNTS (cash book bank balance)**

<b>Name of Bank, Account No. &amp; currency</b>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
<i>KCB Iten Branch 1103235605</i>	10,841,055	8,048,597.10
<b>Total</b>	<b>10,841,055</b>	<b>8,048,597.10</b>
<b>10B: CASH IN HAND)</b>		
	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Location 1	-	-
Location 2	-	-
Location 3	-	-

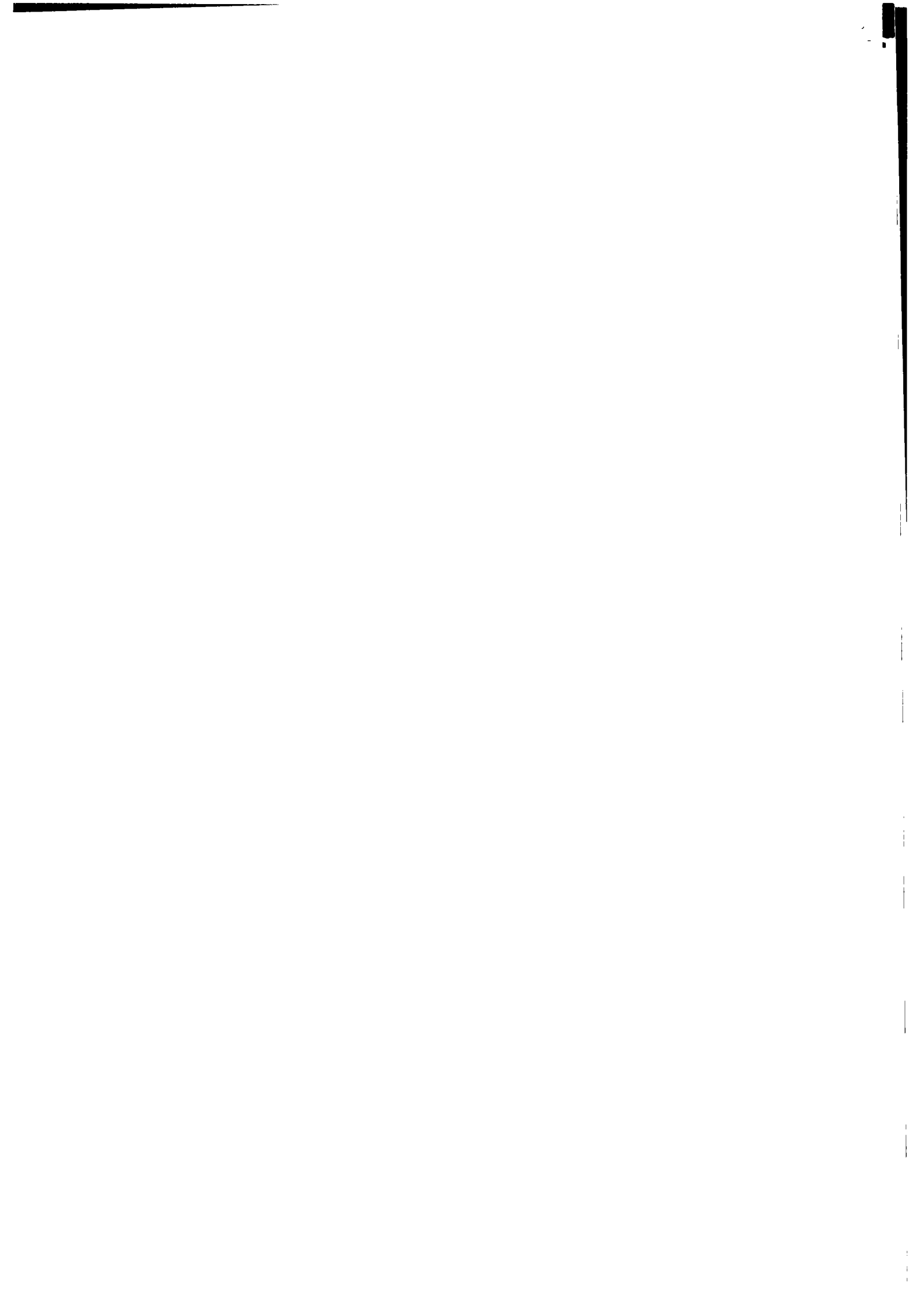




**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
 KEIYO SOUTH CONSTITUENCY  
 Reports and Financial Statements for the period ended 30 June 2017  
 NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer</i>		<b>Amount Taken</b>	<b>Amount Surrendered</b>	<b>Balance</b>	<b>2015/2016</b>
	<b>Date imprest taken</b>	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
			-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
<b>12 Retention</b>					
<b>Supplier/Contractor</b>	<b>PV no</b>	<b>2016 - 2017</b>	<b>2015- 2016</b>		





**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
 KEIYO SOUTH CONSTITUENCY  
 Reports and Financial Statements for the period ended 30 June 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**13. BALANCES BROUGHT FORWARD**

		2016 - 2017	2015 - 2016	
		Kshs	Kshs	
Bank accounts		-		
Cash in hand		-		
Imprest				
<b>Total</b>		-		

**14. PRIOR YEAR ADJUSTMENTS**

		2016 - 2017	2015 - 2016	
		Kshs	Kshs	
Bank accounts				
Cash in hand		-		
Imprest		-		
		-		
<b>Total</b>		-		

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –  
KEIYO SOUTH CONSTITUENCY  
Reports and Financial Statements for the period ended 30 June 2017**

**15. OTHER IMPORTANT DISCLOSURES**

**15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	<b>2016- 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

**15.2: PENDING STAFF PAYABLES (See Annex 2)**

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

**15.3: OTHER PENDING PAYABLES (See Annex 3)**

	<b>Kshs</b>	<b>Kshs</b>
Amounts due to other Government entities (see attached list)	-	-
Amounts due to other grants and other transfers (see attached list)	-	-
Others ( <i>specify</i> )	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

**15.4: PMC account balances (See Annex 5)**

	<b>Kshs</b>	<b>Kshs</b>
PMC account Balances (see attached list)	51,471,455	33,492,436.00
	<hr/>	<hr/>
	<hr/>	<hr/>

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – (Keyyo south NG-CDF)  
 Reports and Financial Statements for the period ended June 30 2017

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2015 d=a-c	Outstanding Balance 2014	Comments
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Construction of civil works</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
10.						
11.						
12.						
<b>Sub-Total</b>						
<b>Grand Total</b>						



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – (Keiyo south NG-CDF)**  
**Reports and Financial Statements for the period ended June 30 2017**

**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		A	b	c	d=a-c		
<b>Senior Management</b>							
1.							
2.							
3.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
4.							
5.							
6.							
<b>Sub-Total</b>							
<b>Unionisable Employees</b>							
7.							
8.							
9.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
10.	10. Gratuity						
11.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – (Kenya south NG-CDF)**  
**Reports and Financial Statements for the period ended 30 June 2017**

**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
		a	b	c	d=a-c		
<b>Amounts due to other Government entities</b>							
1. Transfers to primary schools	575,000						
2. Transfers to secondary schools	-						
3. Transfers to Tertiary institutions	-						
4. Transfers to Health institutions	300,000						
<b>Sub-Total</b>	<b>875,000</b>						
5. Bursary -Secondary							
6. Bursary -Tertiary							
7. Bursary-Special schools							
8. Mocks & CAT							
9. water							
10. Agriculture (food security)							
11. Electricity projects							
12. Security	550,000						
13. Roads							
14. Sports	1,137,931						
15. Environment	732,700						
16. Emergency Projects (specify)	1,350,000						
<b>Sub-Total</b>	<b>3,770,631</b>						
<b>Others (specify)</b>							
17. Audit fee							
18. purchase of computers & equipments							
<b>Sub-Total</b>							
<b>Grand Total</b>							



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – (Keiyo south NG-CDF)**  
**Reports and Financial Statements for the period ended 30 June 2017**  
**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	520,000	520,000.00
Buildings and structures	8,380,295	8,380,295.00
Transport equipment	8,297,696	8,297,696.00
Office equipment, furniture and fittings	468,212	323,127.00
ICT Equipment, Software and Other ICT Assets	603,405	400,000.00
Other Machinery and Equipment	286,620	188,000.00
Heritage and cultural assets	-	-
Intangible assets	-	-
<b>Total</b>	<b>18,556,228</b>	<b>18,109,118.00</b>



