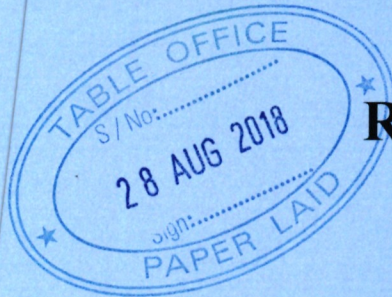


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Paper Laid on the
Table of the House
by the Deputy
Majority Leader on
Tuesday 28/08/2018*



REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
CHESUMEI CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2017**

PARLIAMENT
OF KENYA
LIBRARY





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

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2017**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2017

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

Reports and Financial Statements

For the year ended June 30, 2017

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (CDF)* was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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 *Chesumei Constituency's* 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 2017 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Harun K. Chebii
3.	Accountant	Naumy Singa

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of Chesumei 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) CHESUMEI NG-CDF Headquarters

Chesumei NGCDF Office,
P.O. Box 40-30300,
CITC Building,
Kapsabet- Kisumu Road
Kapsabet, KENYA

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

Reports and Financial Statements

For the year ended June 30, 2017

(a) CHESUMEI NG- CDF Contacts

Telephone: (254) 0721524086, 0720422148
E-mail: chesumeicdf@cdf.go.ke/ hchebii@cdf.go.ke
Website: www.go.ke

(b) CHESUMEI NG- CDF Bankers

Constituency CDF main banker:

Equity Bank, Kapsabet Branch
A/C No. 0490261189435
P.O Box 272-30300
Kapsabet, Kenya

(c) Independent Auditors

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

(d) Principal Legal Adviser

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

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

**Reports and Financial Statements
For the year ended June 30, 2017**

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NGCDFC)**

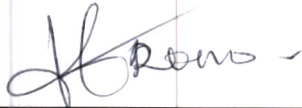
During the Financial Year 2016/2017, Chesumei Constituency was allocated a total of Kshs **81,896,551.70** for implementation of various projects and programmes. This entire amount was disbursed during the financial year. In addition, Kshs **54,179,740 (meant for previous financial year)** was also disbursed to the constituency. The budget performance during the financial year was good with the funds received being utilised for the intended purpose.

Key Achievements

- Several classrooms have been built to completion hence increasing enrolment in schools besides improving learning environment.
- During the period under review, over 2000 needy students in various secondary schools and tertiary institutions benefited from bursary. Some of these students are orphans who depend entirely on CDF bursary and well wishers for their school fees.
- There is improved community participation in project identification, implementation and sustainability.
- Through capacity building trainings, the PMCs have demonstrated significant improvement in the management of the various projects being funded by NG-CDF. The quality of the workmanship as well as the absorption rate of the funds disbursed to the projects is quite encouraging.

Way forward/Recommendations

- The NG-CDFC commends the Board for the timely disbursement of funds to the constituency and encourages the same spirit going forward. This will go a long way in ensuring that implementation of planned activities is achieved within the financial year in question.



Henry Rono
CHAIRMAN NG CDFC

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

**Reports and Financial Statements
For the year ended June 30, 2017**

III. STATEMENT OF CDF 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 CDF 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 *Chesumei NGCDF* is responsible for the preparation and presentation of the *NGCDF's* financial statements, which give a true and fair view of the state of affairs of the *NGCDF* 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 *Chesumei 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 in charge of the *Chesumei 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 *Chesumei 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 *NGCDF's* financial statements were approved and signed by the Accounting Officer on 20/7/ 2017.



Henry Rono
Chairman NGCDFC



Harun Chebii
Fund Account Manager

REPUBLIC OF KENYA

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NAIROBI



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Disclaimer Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Chesumei Constituency set out on pages 5 to 26 which comprise the statement of assets as 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,

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

In addition, as required by Article 229(6) of the Constitution, I have not been able to obtain sufficient appropriate audit evidence to confirm that public money has been applied lawfully and in an effective way.

Basis for Disclaimer of Opinion

1.0 Cash and Cash Equivalents

1.1 Bank Balances

The statement of financial assets as at 30 June 2017 reflects bank balance of Kshs.8,498,364. However, a review of the bank reconciliation statement for the month of June 2017 indicated that were unrepresented cheques totaling Kshs.3,136,704 out of which cheques amounting to Kshs.25,997 had become stale. However, the stale cheques had not been reversed in the cash book contrary to section 90(3) of the Public Finance Management (National Government) Regulations, 2015 which requires that, accounting officers to ensure any discrepancies noted during bank reconciliation exercise to be investigated immediately and appropriate action taken including updating the relevant cash books.

In addition, copies of bank statements indicating when the unrepresented cheques were cleared in the bank were not availed for audit verification.

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

Under the circumstances, the accuracy and completeness of the bank balance of Kshs.8,498,364 could not be confirmed.

1.2 Other Grants and Transfers

The statements of receipts and payments reflects Kshs.47,841,313 under other grants and transfers whereby the following issues were noted:

1.3 Security Projects

Note 7 to the financial statements reflects security projects expenditure of Kshs.5,100,000 which included an amount of Kshs.500,000 for the construction of an office of the Assistant County Commissioner. Available information indicated that the contract sum of the project was Kshs.500,000 and an amount of Kshs.498,790 had been spent on the project as at 30 June 2017. Further, a review of procurement records availed for audit review indicated that, the procurement was done through single sourcing contrary to Section 91(1) of the Public Procurement and Asset Disposal Act 2015, which states that, open tendering shall be the preferred procurement method for procurement of goods, works and services. An inspection of the project in May 2018 revealed that, the project had stalled after completing the foundation of the building. In addition, the list of other projects funded under security projects and actual expenditure returns from project management committee minutes were not availed for audit.

Consequently, the fund was in breach of the law and the propriety of the expenditure of Kshs.5,100,000 incurred on security projects could not be confirmed.

1.4 Emergency Projects

Included in other grants and transfers balance of Kshs.47,841,313 reflected in the statement of receipts and payments is emergency expenditure of Kshs.5,160,000. However, no documentary evidence was availed for audit review to confirm that the projects funded were of emergency in nature as required under Section 12(3) of the Constituency Development Fund Act, 2013.

Under the circumstances, the validity, accuracy and regularity of the emergency expenditure of Kshs.5,160,000 could not be confirmed.

1.5 Bursary

Included in the other grants and transfers balance of Kshs.47,841,313 reflected in the statement of receipts and payments are bursary disbursements totaling Kshs.31,069,278 to secondary schools and tertiary institutions of Kshs.8,600,000 and Kshs.22,469,278 respectively. As reported in the previous year, minutes of the bursary subcommittee indicating how the beneficiaries were identified and confirming two co-opted members one from the area education office seconded by the Ministry of Education as required by CDF circular reference no. Vol 1/111 dated 13 September 2010, were not availed for audit review. In addition, no documentary evidence was provided to confirm acknowledgement of receipts

by the schools and tertiary institutions. Under the Circumstances, the management breached the law and the regularity of the bursary disbursements of Kshs.31,069.278 could be confirmed.

1.6 Sports Projects

Other grants and transfers figure of Kshs.47,841,313 also includes disbursements to sports projects balance of Kshs.2,781,000 as disclosed in note 7 to the financial statements. However, the list of projects which were to be funded and actual expenditure returns from the project management committees to show how the funds were utilized were not availed for audit verification.

Under the circumstances, it was not possible to confirm whether the money was used for the budgeted projects and therefore validity of the expenditure of Kshs.2,781,000 could not be confirmed

2.0 Transfers to Other Government Units

2.1 Unsupported Expenditure

The statement of receipts and payments for the year ended 30 June 2017 reflects transfers to other government units balance of Kshs.71,200,000 relating to funds disbursed to various project management committees. However, actual expenditure returns and acknowledgement letters from institutions that received funds were not availed for audit verification. Under the circumstances, it was not possible to confirm whether the funds totaling Kshs.71,200,000 was actually received and utilized for the budgeted projects in the year under review.

2.2 Purchase of Land

Included in the transfers to other government units balance of Kshs.71,200,000 is expenditure of Kshs.11,700,000 disbursed for purchase of various parcels of land as indicated below:

No	Activity	Payee	Date	Chq No	PV No	Amount (Kshs)
1	Purchase of land	Lamaiywa Pri	29.1.17	2596	8	800,000
2	Purchase of land	Masaba Pri	29.1.17	2602	13	800,000
3	Purchase of land	Biribiriet Pri	29.1.17	2605	15	700,000
4	Purchase of land	Kapserton Pri	29.1.17	2618	24	700,000
5	Purchase of land	Kapcheluch Pri	31.1.17	EFT	35	1,200,000
6	Purchase of land	Kipshorori Pri	31.1.17	2628	40	1,000,000
7	Purchase of land	Kaptien Gaa	31.1.17	2630	41	1,000,000
8	Purchase of land	Holy Family Pri	31.1.17	2634	42	1,200,000
9	Purchase of land	AGC Ngeny Pri	31.1.17	2650	50	600,000
10	Purchase of land	Rongit Pri	31.1.17	EFT	52	1,000,000
11	Purchase of land	Kapcheluch Primary School				1,500,000

12	Purchase of land	Kapngetuny Chiefs office				1,200,000
	Totals					11,700,000

However, official search reports from the Ministry of Lands Office, valuation reports tender/quotations, tender evaluation and award minutes, land sale agreements and lease or allotment letters/ title deeds were not availed for audit verification.

Under the circumstances, the regularity and ownership of the parcels of land costing Kshs.11,700,000 purportedly used for purchase of land could not be confirmed.

3.0 Unauthorized Expenditure

The summary statement of appropriation: recurrent and development combined reflects transfers to other government units approved budget of Kshs.68,200,000 against actual expenditure of Kshs.71,200,000 resulting to an over expenditure of Kshs.3,000,000. However, no evidence was availed for audit review to confirm that the over expenditure was authorized by Constituency Development Fund Board. Under the circumstances, the propriety of the over expenditure of Kshs.3,000,000 could not be confirmed.

4.0 Budget Control and Performance

4.1 Budget Performance

The summary statement of appropriation, recurrent and development combined reflects approved budget of Kshs.141,063,006 while actual expenditure was Kshs.132,564,642 resulting to under expenditure of Kshs.8,498,364 as indicated below:

No	Expenditure	Approved Budget	Actual Expenditure	Under Expenditure	Over Expenditure	Under Utilization
		Kshs	Kshs	Kshs	Kshs	%
1	Compensation of Employees	3,097,534	1,598,046	1,499,483.30	-	48
2	Use of Goods & Services	14,471,965	11,525,683	2,946,282	-	20
3	Other Grants and transfers	54,893,507	47,841,313	7,052,194	-	12
	Acquisition of assets	400,000	399,600	400		1
4	Transfer to other Government units	68,200,000	71,200,000	-	(3,000,000)	4
	Total	141,063,006	132,564,642	11,498,359	(3,000,000)	-

However, it is evident from the above analysis that, there was an under absorption of Kshs.11,498,359 or 8 % of the total approved expenditure. Further, there was an over expenditure of Kshs.3,000,000 or 2 % of the total approved expenditure budget on transfer to other government units.

4.2 Projects Implementation

During the financial year 2016/2017, an amount of Kshs.41,300,000 was spent towards implementation of eighty-three (83) approved projects as detailed below:

No	Project name	Details of the project	Allocation Amount	Disbursement 2015/2016	Expenditure	Certified/ Completed	Status
			Kshs	Kshs	Kshs	%	
1	AGC Ngeny Primary	Purchase of 1 acre Piece of land	600,000	600,000	600,000	100	Complete
2	AIC Lelmokwo Academy	Completion of D/hall- Plastering and painting	500,000	500,000	500,000	100	Complete
3	AIC Tebeson Primary	Renovation of three classroom- Replacement of broken window panes, floor repairs and painting	400,000	400,000	400,000	100	Complete
4	Holy Family Academy	Purchase of two acres piece of land	1,200,000	1,200,000	1,200,000	100	Complete
5	Kapcheluch Primary	Purchase of one acre piece of land	1,500,000	1,500,000	1,500,000	100	complete
6	Kapkibimbir Primary	Renovation of two classrooms- floor repairs and painting	300,000	300,000	300,000	100	Complete
7	Kapkitara Primary	Completion of two classrooms- Plastering , Painting and general finishes	400,000	400,000	400,000	100	Complete
8	Kapngingich Primary	Completion of three classrooms- Plastering , Painting and general finishes	400,000	400,000	400,000	100	Complete
9	Kapserton Primary	Purchase of one acre piece of land	700,000	700,000	700,000	100	Complete

10	Kaptien Gaa Primary	Purchase of two acres piece of land	1,500,000	1,500,000	1,500,000	100	Complete
11	Kechire Primary	Renovation of two classrooms	300,000	300,000	300,000	100	Complete
12	Kimondi Primary	Renovation of three classroom- Replacement of broken window panes, floor repairs and painting	300,000	300,000	300,000	100	Complete
13	Kipngeru Primary	Construction of one classroom to completion	400,000	400,000	400,000	100	Complete
14	Kipshorori Primary	Purchase of one acre piece of land	1,000,000	1,000,000	1,000,000	100	Complete
15	Kipsinende Primary	Construction of one classroom to completion	400,000	400,000	400,000	100	Complete
16	Kipsirwa Primary	Construction of one classroom to completion	400,000	400,000	400,000	100	Complete
17	Kisabei Primary	Completion of three classrooms- Plastering , Painting and general finishes	400,000	400,000	400,000	100	complete
18	Lamaiywa Primary	Purchase of one acre piece of land	800,000	800,000	800,000	100	Complete
19	Lelboinet Primary	Completion of four classrooms- Plastering, painting and general finishes	400,000	400,000	400,000	100	Complete
20	Masaba Primary	Purchase of 0.6 acre piece of land	800,000	800,000	800,000	100	Complete

21	Mogoget Primary	Renovation of three classroom- Replacement of broken window panes, floor repairs and painting	300,000	300,000	300,000	100	Complete
22	Ndonyo Ngaria Primary	Renovation of three classroom- Replacement of broken window panes, floor repairs and painting	300,000	300,000	300,000	100	complete
23	Rongit primary school	Purchase of one acre piece of land	1,000,000	1,000,000	1,000,000	100	complete
24	Segut Primary	Renovation of two classrooms- floor repairs and painting	300,000	300,000	300,000	100	complete
25	St Marks Kabaa Primary	Completion of one classroom (Wiring and Painting- Kshs.200,000) ,Construction of one classroom to completion – Kshs.400,000	600,000	600,000	600,000	100	complete
26	Talai Primary	Completion of Administration Block - Wiring & painting	200,000	200,000	200,000	100	Complete
27	Cheiro Primary	Construction of one classroom to completion	400,000	400,000	400,000	100	Complete
28	Jerusalem Primary	Completion of two classrooms- Plastering , Painting and general finishes	400,000	400,000	400,000	100	Complete

29	Kapkechui Primary	Completion of two classrooms-Plastering , Painting and general finishes	400,000	400,000	400,000	100	Complete
30	Kapkongony Primary	Construction of one classroom to completion	400,000	400,000	400,000	100	complete
31	SDA Cheirot Primary	Construction of one classroom to completion	400,000	400,000	400,000	100	Complete
32	Tunguruwet Primary	Construction of one classroom to completion	400,000	400,000	400,000	100	Complete
33	AIC Baraton Academy	Completion of Dining Hall-Plastering works	500,000	500,000	500,000	70	ongoing
34	AIC Bishop Birech Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	ongoing
35	AIC Kapnyemisa Primary	Renovation of three classroom- Replacement of broken window panes, floor repairs and painting	300,000	300,000	300,000	90	ongoing
36	AIC Kipchabo Primary	Construction of one classroom to completion	400,000	400,000	400,000	70	ongoing
37	AIC Kombe Primary	Construction of two classroom to completion	600,000	600,000	600,000	90	ongoing
38	AIC Kosirai Academy	Renovation of three classroom- Replacement of broken window panes, floor repairs and painting	400,000	400,000	400,000	80	ongoing
39	AIC Saniak Academy	Construction of ongoing Dining Hall-Roofing works	500,000	500,000	500,000	50	ongoing

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

40	Amai Primary	Renovation of five classrooms-floor repairs and painting	500,000	500,000	500,000	80	ongoing
41	Birei SDA Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	ongoing
42	Biribiriet Primary	Purchase of one acre piece of land	700,000	700,000	700,000	80	ongoing
43	Chebilat Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	ongoing
44	Chemundu Primary	Construction of Administration Block-Roofing and Plastering	500,000	500,000	500,000	80	ongoing
45	Chemuswa Primary	Renovation of three classroom-Replacement of broken window panes, floor repairs and painting	400,000	400,000	400,000	80	ongoing
46	Chepketei Primary	Completion of two classrooms-Plastering , Painting and general finishes	300,000	300,000	300,000	80	ongoing
47	Chepsui Primary	Renovation of three classroom-Replacement of broken window panes, floor repairs and painting	300,000	00,000	00,000	70	ongoing
48	Kamoiywo Primary	Renovation of three classroom-Replacement of broken window panes, floor repairs and painting	400,000	400,000	400,000	70	ongoing

49	Kamurguiywa Primary	Renovation of three classroom- Replacement of broken window panes, floor repairs and painting	400,000	400,000	400,000	80	ongoing
50	Kapkemel Primary	Completion of three classrooms- Plastering , Painting and general finishes	500,000	500,000	500,000	70	ongoing
51	Kapkonjumo Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	Ongoing
52	Kaptoroi Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	ongoing
53	Kiboswa Primary	Construction of Dormitory- Foundation and walling	600,000	600,000	600,000	40	ongoing
54	Mwein Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	ongoing
55	Olbutunet Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	Ongoing
56	SDA Sironoi Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	Ongoing
57	Simatwet Primary	Completion of three classrooms- Plastering , Painting and general finishes	500,000	500,000	500,000	80	Ongoing
58	St Emmanuel Kapkoimet Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	Ongoing

59	St Peters Chemamul Primary	Completion of Boys Dormitory-Plastering , Painting and general finishes	500,000	500,000	500,000	70	Ongoing
60	Tabongenik Primary	Construction of one classroom to completion	400,000	400,000	400,000	80	Ongoing
61	Tuiyobei Primary	Construction of two classrooms to completion	600,000	600,000	600,000	70	ongoing
62	Tuloi primary	Construction of one classroom to completion	400,000	400,000	400,000	80	Ongoing
63	Chemare Primary	Renovation of two classrooms-floor repairs and painting	300,000	300,000	300,000	100	Complete
64	Tironin Primary	Construction of one classroom to completion	400,000	400,000	400,000	100	Complete
65	AIC Itigo Mixed Day	Construction of one classroom to completion	500,000	500,000	500,000	100	Complete
66	Kosirai High School	Purchase of 51 seater School Bus (Co-funded with the school PTA)	1,000,000	1,000,000	1,000,000	100	Complete
67	St Patrick Ndaptabwa Secondary	Completion of Administration Block (ceiling works and painting- Kshs.600,000) &Library fittings - Kshs.400,000	1,000,000	1,000,000	1,000,000	100	Complete
68	AIC Kipkongorwa Secondary	Construction of science Lab from Foundation to Lintel Level	500,000	500,000	500,000	50	Ongoing
69	Saniak Secondary	Completion of Dormitory-Ablution	600,000	600,000	600,000	100	Ongoing

		Section and painting					
70	St Cansisius Kipsasuron Secondary	Construction of Labartory-Foundation and walling	500,000	500,000	500,000	50	Ongoing
71	St Sylvester Sironoi Secondary	Construction of one classroom to completion	500,000	500,000	500,000	80	Ongoing
72	AIC Tamboiyo Secondary	Construction of one classroom to completion	500,000	500,000	500,000	60	Ongoing
73	Itigo Chiefs Office	Planting trees	100000	100000	100000	100	Complete
74	Kaptidil Chiefs Office	Planting trees and water harvesting	100,000	100,000	100,000	100	Complete
75	Kapkechui Girls	Planting trees and water harvesting Kapsabet	150,000	150,000	150,000	100	Complete
76	Namgoi Mixed Secondary	Planting trees and water harvesting Kapsabet	150,000	150,000	150,000	100	complete
77	Assistant County Commissioner's Office-Kosirai	Construction of office - Foundation Works	500,000	500,000	500,000	20	stalled
78	Biribiriet Chiefs Office	Completion of chiefs office - Roofing ,plastering and general finishes	500,000	500,000	500,000	80	Ongoing
79	Itigo Chiefs Office	Completion of Chiefs Office-Plastering and general finishes	400,000	400,000	400,000	100	Complete
80	Kapngetuny Chiefs Office	Purchase of 0 2 acre land within Kapsabet Town	1,200,000	1,200,000	1,200,000	100	Complete
81	Kapcheluch Primary	Construction of chiefs office -Foundation and walling	600,000	600,000	600,000	30	Ongoing

82	Kaptidil Chiefs Office	Completion of chiefs office- Fixing of Floor Tiles	300,000	300,000	300,000	100	Complete
83	Kiptuiya Chiefs Office	Completion of Chiefs office- Roofing and Plastering	400,000	400,000	400,000	70	Ongoing
Totals			41,300,000	41,300,000	41,300,000		

However, analysis of the projects status report indicated that, forty-four (44) projects with an approved budget of Kshs.23,400,000 were complete and thirty-eight (38) projects with a budget of Kshs.17,400,000 were on going. Further, one (1) project with a budget of Kshs.500,000 had stalled after about twenty per cent (20%) of the works were complete.

No reasons were provided as to why the thirty-nine (39) projects had not been completed although Project Management committees received all funds disbursed by the NG-CDF committee.

Consequently, the constituents of Chesumei did not benefit from incomplete projects which were budgeted for in the year under review.

4.3 Project Verification

During the year under review, twelve (12) projects with budget of Kshs.8,200,000 were verified and the following observations were made.

S/No	Project name	Details of the project	Amount 'Kshs'	Remarks
1	Kapcheluch Primary school	Purchase of land	1,500,000	Complete
2	Holy Family Academy	Purchase of land	1,200,000	Complete
3	Kaptel Chiefs Office	Construction of Chiefs office	600,000	Ongoing
4	Assistant County Commisioner Office Kosirai	Construction of office	500,000	Stalled
5	Kapngetuny Chiefs office	Purchase of land	1,200,000	Complete
6	AIC Itigo sec school	Construction of one classroom	500,000	Complete
7	AIC Baraton Primary school	Construction of Dinning Hall	500,000	Ongoing
8	Chemundu Primary school	Construction of Administration	500,000	Ongoing

9	AIC Birech primary	Construction of one classroom	400,000	Ongoing
10	AIC Lelmokwo primary school	Completion of Dinning Hall	500,000	Complete
11	Tunguruwet primary school	Construction of one classroom	400,000	Complete
12	Tironin Primary school	Construction of one classroom	400,000	Complete
	Total		8,200,000	

Out of twelve (12) projects, six (7) projects were complete and in use, four (4) projects were on going and one (1) project stalled. As a result of the delays the residents of Chesumei constituency did not receive services required. No plausible reasons have been provided for the delays in completing or initiating the projects.

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 Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services.

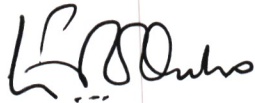
Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

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

My responsibility is to conduct an audit of the Chesumei Constituency Development Fund financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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. However, because of the matter described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

I am independent of Chesumei Constituency Development Fund 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.



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

Nairobi

13 July 2018

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- CHESUMEI
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IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017 Kshs	2015-2016 Kshs
RECEIPTS			
Transfers from Other Government Entities	1	136,076,291.70	78,414,669.75
Proceeds from Sale of Assets	2	0.00	0.00
Other Receipts	3	0.00	0.00
TOTAL RECEIPTS		136,076,291.70	78,414,669.75
PAYMENTS			
Compensation of Employees	4	1,598,046.00	1,104,162.00
Use of goods and services	5	11,525,683.00	7,399,641.00
Transfers to Other Government Units	6	71,200,000.00	49,737,931.00
Other grants and transfers	7	47,841,313.00	37,734,406.00
Acquisition of Assets	8	399,600.00	4,800,000.00
Other Payments	9	0.00	0.00
TOTAL PAYMENTS		132,564,642.00	100,776,140.00
SURPLUS/DEFICIT		3,511,649.70	(22,361,470.25)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The CHESUMEI NGCDF financial statements were approved on 20/7/ 2017 and signed by:



Chairman - CDFC



Fund Account Manager

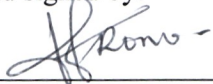
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- CHESUMEI
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V. STATEMENT OF ASSETS

	Note	2016-2017 Kshs	2015-2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	10A	8,498,364.00	4,597,534.30
Cash Balances (cash at hand)	10B	0.00	0.00
Outstanding Imprests	11	0.00	389,180.00
TOTAL FINANCIAL ASSETS		8,498,364.00	4,986,714.30
REPRESENTED BY			
Payables-Retention	12	0.00	0.00
Fund balance b/fwd	13	4,986,714.30	27,348,184.55
Surplus/Deficit for the year		3,511,649.70	(22,361,470.25)
Prior year adjustments	14	0.00	0.00
NET FINANCIAL POSITION		8,498,364.00	4,986,714.30

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The CHESUMEI NGCDF financial statements were approved on 20/7/ 2017 and signed by:



Henry Rono
 Chairman - NGCDFC



Harun Chebii
 Fund Account Manager

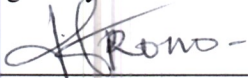
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- CHESUMEI
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**Reports and Financial Statements
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VI. STATEMENT OF CASHFLOW

		2016 - 2017	2015 - 2016
Receipts for operating income			
Transfers from CDF Board	1	136,076,291.70	78,414,669.75
Other Receipts	3	0.00	0.00
Payments for operating expenses			
Compensation of Employees	4	1,598,046.00	1,104,162.00
Use of goods and services	5	11,525,683.00	7,399,641.00
Transfers to Other Government Units	6	71,200,000.00	49,737,931.00
Other grants and transfers	7	47,841,313.00	37,734,406.00
Other Payments	9	0.00	0.00
Adjusted for:			
Adjustments during the year		0.00	0.00
Net cash flow from operating activities		3,911,249.70	(22,361,470.25)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0.00	0.00
Acquisition of Assets	8	399,000	4,800,000.00
Net cash flows from Investing Activities		399,000.00	4,800,000.00
NET INCREASE IN CASH AND CASH EQUIVALENT		3,511,649.70	0.00
Cash and cash equivalent at BEGINNING of the year	13	4,597,534.30	27,348,184.55
Cash and cash equivalent at END of the year		8,498,364.00	4,986,714.30

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The CHESUMEI NGCDF financial statements were approved on 20/7/ 2017 and signed by:



Chairman CDFC



Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 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 %
RECEIPTS						
Transfers from CDF Board	81,896,552	59,166,454	141,063,006	141,063,006.30	-	100
Proceeds from Sale of Assets	-			-		
Other Receipts	-			-		
TOTAL RECEIPTS	81,896,552	59,166,454	141,063,006	141,063,006.30	-	100
PAYMENTS						
Compensation of Employees	1,600,000	1,497,534	3,097,534	1,598,046.00	1,499,483.30	64
Use of goods and services	5,770,692	8,701,273	14,471,965	11,525,683.00	2,946,282.00	80
Transfers to Other Government Units	38,100,000	30,100,000	68,200,000	71,200,000.00	(3,000,000.00)	104
Other grants and transfers	36,425,860	18,467,647	54,893,507	47,841,313.00	7,052,194.00	87
Acquisition of Assets		400000	400,000	399,600.00	400.00	100
TOTALS	81,896,552.00	59,166,454	141,063,006	132,564,642.00	8,498,364.30	3

The CHESUMEI NGCDF financial statements were approved on 20/7/2017 and signed by: 
Fund Account Manager


Chairman NGCDF

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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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,

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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For the year ended June 30, 2017

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.

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 CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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For the year ended June 30, 2017

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
CDF Board			
	AIE No. A825842	54,179,740.00	25,414,669.65
	AIE NO.A829528	4,094,827.60	10,000,000.00
	AIE NO.A839648	36,853,449.00	10,000,000.00
	AIE NO.A855694	40,948,275.10	10,000,000.00
			23,000,000.00
		136,076,291.70	78,414,670.00
(other constituency e,g, parent constituency)		0.00	0.00
TOTAL		136,076,291.70	78,414,670.00

2. PROCEEDS FROM SALE OF ASSETS

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
Total	0.00	0.00

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

3. OTHER RECEIPTS

	2016 - 2017	2015- 2016
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from Sale of tender documents	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
Total	0.00	0.00

4. COMPENSATION OF EMPLOYEES

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	1,598,046.00	1,104,162.00
Basic wages of casual labour	0.00	0.00
Personal allowances paid as part of salary	0.00	0.00
House allowance	0.00	0.00
Transport allowance	0.00	0.00
Leave allowance	0.00	0.00
Gratuity	0.00	0.00
Other personnel payments	0.00	0.00
Total	1,598,046.00	1,104,162.00

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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Utilities, supplies and services	-	-
Office rent	360,000.00	180,000.00
Communication, supplies and services	0.00	0.00
Domestic travel and subsistence	0.00	0.00
Printing, advertising and information supplies & services	500,000.00	0.00
Rentals of produced assets	0.00	0.00
Training expenses	0.00	0.00
Hospitality supplies and services	0.00	0.00
Committee expenses	2,649,530.00	1,436,827.00
Committee allowances	3,779,900.00	3,044,620.00
Insurance costs	0.00	0.00
Specialized materials and services	0.00	0.00
Office and general supplies and services	3,509,516.00	1,949,886.00
Fuel ,Oils & Lubricants	600,000.00	750,000.00
Other operating expenses	0.00	0.00
Routine maintenance – vehicles and other transport equipment	126,737.00	38,308.00
Routine maintenance – other assets	0.00	0.00
Total	11,525,683.00	7,399,641.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	43,800,000.00	20,400,000.00
Transfers to secondary schools (see attached list)	27,400,000.00	17,837,931.00
Transfers to tertiary institutions (see attached list)	0.00	10,000,000.00
Transfers to health institutions (see attached list)	0.00	1,500,000.00
TOTAL	71,200,000.00	49,737,931.00

7. OTHER GRANTS AND OTHER PAYMENTS

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,600,000.00	8,100,000.00
Bursary – tertiary institutions (see attached list)	22,469,278.00	10,000,000.00
Bursary – special schools (see attached list)	0.00	0.00
Mock & CAT (see attached list)	931,035.00	2,000,000.00
Water projects (see attached list)	0.00	0.00
Agriculture projects (see attached list)	200,000.00	1,450,000.00
Electricity projects (see attached list)	0.00	0.00
Security projects (see attached list)	5,100,000.00	3,000,000.00
Roads projects (see attached list)	0.00	4,134,406.00
Sports projects (see attached list)	2,781,000.00	1,500,000.00
Environment projects (see attached list)	2,600,000.00	1,400,000.00
Emergency projects (see attached list)	5,160,000.00	6,150,000.00
Total	47,841,313.00	37,734,406.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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For the year ended June 30, 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Purchase of Buildings	0.00	0.00
Construction of Buildings	0.00	0.00
Refurbishment of Buildings	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	0.00	4,800,000.00
Overhaul of Vehicles and Other Transport Equipment	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	0.00	0.00
Purchase of Office Furniture and General Equipment	0.00	0.00
Purchase of ICT Equipment, Software and Other ICT Assets	399,600.00	0.00
Purchase of Specialised Plant, Equipment and Machinery	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	0.00	0.00
Acquisition of Land	0.00	0.00
Acquisition of Intangible Assets	0.00	0.00
Total	399,600.00	4,800,000.00

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

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016 - 2017	2015 - 2016
	Kshs	Kshs
<i>Equity Bank, Account No. 0490261189435</i>	8,498,364.00	4,597,534.30
Total	8,498,364.00	4,597,534.30

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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Reports and Financial Statements

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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>
				-

Total

-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts	4,597,534.30	26,771,184.55
Cash in hand	0.00	0.00
Imprest	389,180.00	577,000.00
Total	4,986,714.30	27,348,184.55

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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ANNEX 1 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	0.00	0.00
Buildings and structures	0.00	0.00
Transport equipment	4,800,000.00	4,800,000.00
Office equipment, furniture and fittings	975,000.00	975,000.00
ICT Equipment, Software and Other ICT Assets	399,600.00	0.00
Other Machinery and Equipment	0.00	0.00
Heritage and cultural assets	0.00	0.00
Intangible assets	0.00	0.00
Total	6,174,600.00	5,775,000.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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PMC	BANK	ACCOUNT NO.	BANK BALANCE 2016/17	BANK BALANCE 2015/16
KAPCHEPKOK SEC	COOP	1139327432403	2,344.50	
KIMONDI SEC	COOP	1139325031300	1,027.50	
KIPSASURON SEC SCH	COOP	1139328345800	246.50	
SAMOO MIXED DAY	COOP	1139328568301	2,012.50	
TULOI PRI SCH	CO-OPERATIVE BANK	1139325461301	2,130.00	
CHEPSOGOR PRI SCH	CO-OPERATIVE BANK	1139326207700	3,337.00	
BIREI SDA PRI SCH	CO-OPERATIVE BANK	1139326478400	2,592.00	
KAPKITARA PRI SCH	CO-OPERATIVE BANK	1139326744700	144,781.50	
ST PAULS KAMONJIL SEC SCH	CO-OPERATIVE BANK	1139325517800	998.00	
KOMBE SEC SCH	CO-OPERATIVE BANK	1139325512401	1,001,500.00	
NAMGOI MIXED DAY SEC	EQUITY	490297349175	4,030.50	
ACK LAGAT SEC	EQUITY	490299733714	3,532.00	
MUTWOT SEC	EQUITY	490270333092	1,450.00	
AIC KECHIRE SEC	EQUITY	490299432183	497.50	
LELMOKWO HIGH SCH	EQUITY	490261189435	1,050.50	
KAPSISIYWO SEC SCHOOL	EQUITY	490299907006	2,505.00	
ST STEPHEN KAPKURUNJO PRY	EQUITY	490297419299	5,033.50	
TAMBOIYO PRY	EQUITY	49019413834	500,000.00	
BIRIBIRIET CHIEFS OFFICE	EQUITY	490270261875	6,912.00	
CHOMISIAPRY	EQUITY	490291729331	2,782.50	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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For the year ended June 30, 2017

KAPTOROI PRI SCH	EQUITY BANK	490298405595	36,880.50	
KAPKIBIMBIR PRI SCH	EQUITY BANK	490298503660	337.50	
ACK CHEIROT PRI SCH	EQUITY BANK	490298649005	28,508.75	
OL'METUNY PRI SCH	EQUITY BANK	490298652003	1,882.00	
BISHOP BIRECH ACADEMY	NATIONAL BANK	102455654601	19,102.50	
BARATON PRI SCH	NATIONAL BANK	102455636801	255.00	
KECHIRE PRI SCH	NATIONAL BANK	1024558274601	1,160.00	
A.I.C KUNURTER ACADEMY	NATIONAL BANK	102455821	520.00	
KAPKOBIS PRI SCH	NATIONAL BANK	102455721001	205.00	
KABILO PRI SCH	NATIONAL BANK	102455751301	569.60	
TULON PRI SCH	NATIONAL BANK	102455533101	679.75	
SANIAK PRI SCH	NATIONAL BANK	102455519401	679.75	
MWEIN PRI SCH	NATIONAL BANK	102455930101	131,380.00	
A.I.C KOMBE PRI SCH	NATIONAL BANK	1024256103201	112,767.50	
KOSIRAI HIGH SCH	NATIONAL BANK	102555657802	14,873.80	
CHEMAMUL PRI SCH	NATIONAL BANK	102456548500	499,881.00	
KIPSIRWO PRI SCH	NATIONAL BANK	10245675900	-	
CHEMARE PRI SCH	NATIONAL BANK	102455676901	864.45	
ST EMMANUEL PRI SCH	NATIONAL BANK	102455747702	799.35	
KIUTANY PRI SCH	NATIONAL BANK	102405677440	1,380.00	
CHEBIL PRI SCH	NATIONAL BANK	102405677410	1,424.80	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMLE
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KISABEI PRI SCH	NATIONAL BANK	1024056788700	255.00	
AIC KOSIRAI GIRL	NATIONAL BANK	1025056775200	530,804.00	
SACHAGWAN PRI SCH	NATIONAL BANK	1024055745701	1,514.00	
CHEMUSWO BASIC SCH	NATIONAL BANK	122455640701	29,786.00	
KAMOYWO PRI SCH	NATIONAL BANK	122455743501	2,616.00	
ST.PATRICK NDAPTABWA	NBK	2156025200	1,986.50	
AIC TAMBOIYO SEC	NBK	1025018737600	398,550.00	
ST JUDE KOKWET SEC	NBK	2156633300	-	
NGECHEK SEC	NBK	1025018735200	773.00	
ST FRANCIS CHEPTARIT SEC	NBK	299704991	-	
NGECHEK PRY	NBK	102411717300	575.00	
KAMURGUYWO PRY	NBK	124255750500	-	
SEGUT PRY	NBK	1024055682001	210,864.95	
TOTAL			3,720,638.70	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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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)
2.0	Bursary Disbursement(formation of Sub-committee and Acknowledgement letters)	Identification of bursary beneficiaries is always done through public barazas, where the public participates in vetting and identifying the needy cases. The CDFC then had a sub-committee on bursaries which was responsible for compilation of the entire list of the beneficiaries from all the locations of the constituency. However, following the appointment of a new NG-CDF committee on Bursary shall be constituted as per the CDF Guidelines. The acknowledgement letters and receipts from	FAM-H. Chebii	Resolved	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMBA

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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)
		the benefiting institutions are also in the office and available for review.			
4.0	Outstanding Imprest	All outstanding imprest have been duly surrendered	FAM-H. Chebii	Resolved	
6.0	Purchase of land(lack of ownership documents)	All land purchases are supported by sale agreements between institution (buyers) and the owners (sellers) . Save for Kapkemel and Olbutunet pry schools, the rest of the schools/institutions have land valuation reports which indicate the approximate value of the land in question. The institutions are in the process of acquiring full ownership of the	Henry Rono(Chairman) H.Chebii (FAM)	Not resolved	Dec ,2017

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – CHESUMEI
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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)
		<p>purchase parcel of land following the due process of land transfer. Going forward , the CDF committee shall ensure that the guidelines on land purchase and ownership for CDF related projects are strictly adhered to.</p>			