

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT


OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – HOMA BAY TOWN CONSTITUENCY**

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 05 OCT 2021	DAY: TUE
TABLED BY: LOMP.	
CLERK AT THE TABLE: Iszofu M.	





FS05 1000 1000

1000 1000 1000



NG-CDF BOARD




NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -HOMABAY TOWN
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 05 OCT 2021	DAY:
TABLED BY:	
CLERK-AT THE TABLE:	

1500 110

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	1
II. FORWARD BY THE NGCDF COMMITTEE CHAIRMAN	4
III. STATEMENT OF NGCDF COMMITTEE MANAGEMENT RESPONSIBILITIES.....	7
IV. STATEMENT OF RECEIPTS AND PAYMENTS.....	8
V. STATEMENT OF ASSETS AND LIABILITIES.....	9
VI. STATEMENT OF CASHFLOW	10
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	11
VIII BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES.....	11
IX. SIGNIFICANT ACCOUNTING POLICIES.....	14
X. NOTES TO THE FINANCIAL STATEMENTS.....	18

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

(b) Key Management

The NGCDF Homabay Town Constituency 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 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Kipngetich Langat
2.	Sub-County Accountant	Augustine Michael Guda
3.	Chairman NGCDFC	Monica Nyadiero
4.	Member NGCDFC	Joseph Ogolla Obuya

(d) Fiduciary Oversight Arrangements

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

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

(e) NGCDF Homabay Town Constituency Headquarters

P.O. Box 240 – 40300
Kabunde Multipurpose Hall
Off Homabay – Rongo Road
Homabay

(f) NGCDF Homabay Town Constituency Contacts

Telephone: (+254) 733 399 068
E-mail : cdhomabaytown@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF Homabay Town Constituency Bankers

Equity Bank (Kenya) Ltd
Homabay Branch
P.O. Box 75104 -00200
Nairobi, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

It gives me great pleasure to present the annual report and financial statement for the year ended June 30, 2019. During the year, the entity was allocated Kshs 109,040,875.72, a 25.6% increase in allocation from the previous year. The entity was able to achieve most of its objectives as set out in the performance targets signed with the NGCDF Board.

As at June 30, 2019, the NGCDF Board had released 92% of the funds due for the year. The last tranche of Kshs 46,780,875.50 was released late and hence delayed the implementation of some projects. With these funds, we have been able to initiate and complete a number of projects. Our focus in the year was improvement of educational infrastructure where close to 90% of the funds were allocated to these initiatives.

a) Allocation to Projects

The overall utilization of funds stood at 64%, a 2.4% decline from the previous financial year. The slight drop in utilization was attributed to delayed receipt of the second tranche of the 2018/19 funds from the NGCDF Board.

During the year, 57% of the funds were allocated towards the infrastructural development in government institution (34% to Secondary Schools and 23% to Primary Schools) while 27% of the funds was allocated towards other grants and transfers. The balance of the funds was allocated towards acquisition of assets (7%), use of goods (5%) and compensation of employees (4%) as shown below

b) Allocation per sector

Comparative allocation towards transfers to government entities, other grants and transfers remained relatively unchanged in the year 2017/18 and 2018/19. The entity focused on the education sector where 82% of the funds were allocated.

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

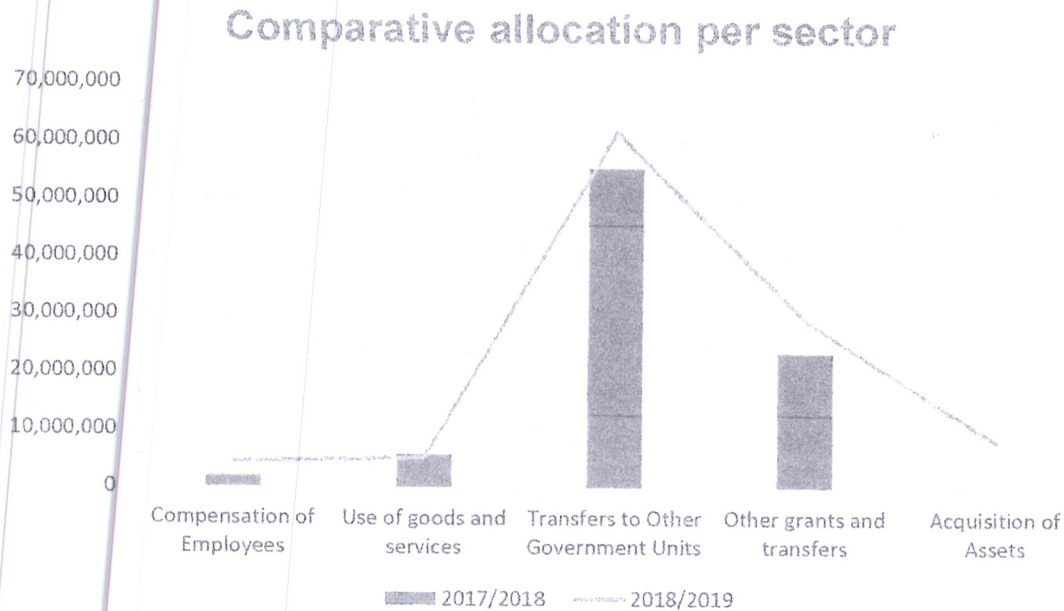


Fig 1: Comparative analysis of sector allocation for two financial years

c) Key achievements of the entity

Homabay Town NGCDF developed a strategic plan that will guide the process of development for the next 5 years. The plan is complete and awaits official this plan, we will have a yardstick and guide with which our development will be mirrored against. In a bid to enhance capacity, we undertook capacity building of Project Management Committee to enhance their ability to manage project. With the funds received, we initiated over 20 classrooms and completed 80% of them. Infrastructural improvement in educational institutions is key in our strive to support the government's 100% primary school- secondary school transition policy, to this end, we have initiated science laboratories in all the new schools that lacked the facility.

We believe that transport and communication is key in achieving our goals of service delivery to the constituents. To this end we have opened up and rehabilitated 9 access roads that enhanced access to educational facilities.

Youth empowerment is key in development and despite the limited avenues for realization of this goal under the NGCDF framework; we ensured that 30% of our procurement budget is dedicated to this group.

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

Implementation Challenges

In the year under review, we faced a number of challenges in the implementation of projects. The delays in release of funds impacted negatively on the timely delivery of services to constituency. Less than enough allocation of funds to project remained a challenge that will be addressed in subsequent project proposals

Way Forward

With the close consultations with key stakeholders and the office of the Member of National Assembly, we have been able to achieve our goals with ease. My team and I aim to leverage the utilization of funds to ensure that the constituency is able to develop as quickly as possible while ensuring transparency and accountability in all our activities.

Thank you



.....
**MONICA AKINYI NYADIERO
CHAIRPERSON NG-CDFC**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
HOMABAY TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Homabay Town Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 20XX. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

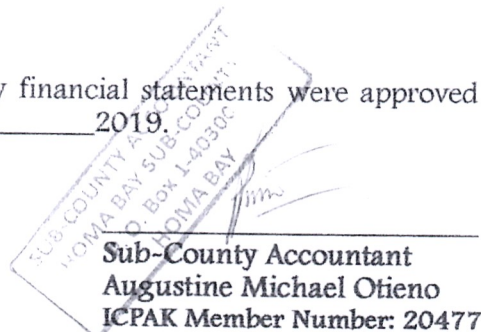
The Accounting Officer in charge of the NGCDF-Homabay Town Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

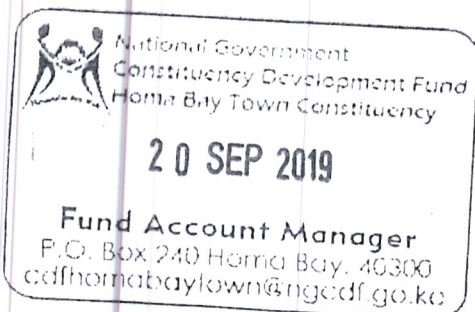
The NGCDF-Homabay Town Constituency financial statements were approved and signed by the Accounting Officer on 20/9 2019.



Fund Account Manager
Name: Kipngetich Langat

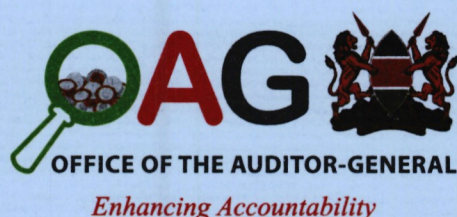


Sub-County Accountant
Augustine Michael Otieno
ICPAK Member Number: 20477



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – HOMA BAY TOWN CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Homa Bay Town Constituency set out on pages 8 to 44, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Homa Bay Town Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Unsupported Emergency Expenditure

The statement of receipts and payments reflects an expenditure of Kshs.34,018,446 under other grant and transfers. The expenditure includes an amount of Kshs.2,822,146 which was incurred on emergency projects as disclosed in Note 7 to the financial statements. However, supporting documents and schedules provided by the Management for the emergency projects amounted to Kshs.5,687,232, leading to unexplained variance or understatement of emergency projects expenditure by Kshs.2,865,086.

Consequently, the accuracy and completeness of the emergency projects expenditure of Kshs.2,822,146 could not be confirmed.

2. Unsupported Bursary Disbursements

The statement of receipts and payments reflect an expenditure of Kshs.34,018,446 under other grants and transfers. The expenditure includes bursary disbursements to secondary schools and tertiary institutions of Kshs.27,920,000 as disclosed in Note 7 to the financial statements. However, supporting documents and schedules provided for the bursary disbursements amounted to Kshs.24,642,914, leading to unsupported variance of Kshs.3,277,086.

Consequently, the accuracy and completeness of Kshs.3,277,086 expenditure on bursary disbursements could not be confirmed.

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

Key Audit Matters

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

Other Matter

Budget Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.164,038,25 and Kshs.151,743,819 respectively resulting to an under-funding of Kshs.12,294,206 or 7% of the budget. Further, the National Government Constituencies Development Fund - Homa Bay Town Constituency spent a total of Kshs.109,006,239 against an approved budget of Kshs.164,038,025 leading to under-utilization of the allocated funds by Kshs.55,031,786 or 34 % of the budget. The under-expenditure on the approved budget implies that the Fund was not able to achieve some of its core objectives and thereby impacting negatively on the efficiency and effectiveness of service delivery to the constituents.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing

else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregular Hiring of Casual Employees

The statement of receipts and payments reflects an expenditure of Kshs.4,173,416 under compensation of employees. The expenditure includes an amount of Kshs.2,892,500 which was spent on wages of thirty-four casual employees. However, the Management did not provide evidence of their competitive recruitment. Further, job specifications and job descriptions for the casual workers were not provided for audit review.

In the circumstances, the propriety and value for money on wages for casual employees of Kshs.2,892,500 could not be ascertained.

2. Anomalies in the Construction of Access Roads to Primary Schools

The statement of receipts and payments reflects an expenditure of Kshs.59,503,817 under transfers to other government units. The expenditure includes Kshs.33,611,849 earmarked for transfers to primary schools as disclosed under Note 6 to the financial statements. Included in the expenditure of Kshs.33,611,849 is an amount of Kshs.20,261,849 allocated for grading and gravelling of access roads to seven primary schools namely; Andigon Primary School, Disii Primary School, Ndiru Primary School, Kuja Primary School, Ogande Primary School, Maguje Primary School and Pundo Primary School.

However, the following anomalies were noted during the audit:

- i. Construction of un-paved roads is a devolved function and therefore should not have been done by the National Government Constituencies Development Fund – Homa Bay Town Constituency.
- ii. All the constructed access roads did not have a publicity signage despite their inclusion in the bill of quantities.
- iii. The grading work covering about 3 kilometers on the Ogande Primary School access road does not appear commensurate with the payment of Kshs.4,695,680 made to the contractor.

In the circumstances, the regularity and value for money of the expenditure of Kshs.20,261,849 incurred on the access roads project could not be confirmed.

3. Incomplete Projects in Secondary Schools

The expenditure of Kshs.59,503,817 under transfers to other government units also includes Kshs.25,891,968 earmarked for transfers to secondary schools as disclosed under Note 6 to the financial statements. Included in the expenditure of Kshs.25,891,968 is an amount of Kshs.12,648,276, which was allocated to ten (10) projects implemented in nine (9) secondary schools namely; Bishop Okulu Magare Girls High School, Gogo Katuma Mixed Secondary School, Pala Masogo Secondary School, Ojunge Mixed

Secondary School, St. Joseph Sero Mixed Secondary School, Ngere Secondary School, Pap Ndege Mixed Secondary School, St Peters Disii Secondary School, and Ruga Mixed Secondary School.

Physical verification done on 10 February, 2020 at the schools revealed that all the ten projects were incomplete and had stalled, the contractors were not on site and the structures were not in use. Further, there was no evidence of supervision by the department of public works engineers, the projects were not branded and the contract period had elapsed.

Consequently, the regularity and value for money of Kshs.12,648,276 incurred on the secondary schools' projects could not be confirmed.

4. Projects Implementation in Primary Schools

4.1. Poor Workmanship at Shauri Yako Primary School's New Classrooms

Transfers to other government units expenditure of Kshs.59,503,817 includes an amount Kshs.33,611,849 earmarked for transfers to primary schools. The transfers to primary schools includes Kshs.1,600,580 incurred on construction of classrooms at Shauri Yako Primary School. However, a review of documents and physical verification done at the school on 10 February, 2020 revealed that the classrooms floor was chipping off, an indication of poor workmanship and the building had not been branded. Further, Management did not deduct 6% VAT and 3% withholding tax, neither was 10% retention money deducted from the payments to the contractor to cover for any costs during the defects liability period.

Consequently, the value for money of the expenditure of Kshs.1,600,580 incurred on the project could not be confirmed.

4.2. Incomplete Administration Block at Adongo Primary School

Included in Kshs.33,611,849 transfers to primary schools is Kshs.3,921,250 incurred on construction of an administration block at Adongo Primary School. However, a review of documents and physical verification done on 10 February, 2020 revealed that the building had stalled at the lintel level and the contractor was not on site.

Consequently, the regularity and value for money of the expenditure of Kshs.3,921,250 incurred on the project could not be confirmed.

4.3. Poor Workmanship on Newly Constructed Classrooms at Arunda Primary School

Similarly, transfers to primary schools included an expenditure of Kshs.1,374,000 incurred on construction of classrooms at Arunda Primary School. However, a review of documents and physical verification done on 10 February, 2020 revealed that the building had not been branded, 6% VAT and 3% withholding tax were not deducted from payments made to the contractor, neither was 10% retention money deducted exposing the Fund to costs arising during defects liability period.

Consequently, the value for money of the expenditure of Kshs.1,374,000 incurred on the project could not be confirmed.

4.4 Stalled Construction of Administration Block at Wiobiero Primary School

An expenditure of Kshs.1,000,000 which was part of Kshs.33,611,849 for transfers to primary schools was incurred on construction of an administration block at Wiobiero Primary School. However, a review of documents and physical verification done on 10 February, 2020 revealed that the building had stalled at the lintel level and the contractor was not on site.

Consequently, the value for money and regularity of the expenditure of Kshs.1,000,000 incurred on the project could not be confirmed.

4.5 Stalled Construction of Administration Block at Kogello Kalanya Primary

An amount Kshs.1,681,294 was incurred on construction of an administration block at Kogello Kalanya Primary School being part of Kshs.33,611,849 transferred from the Fund to primary schools. However, a review of documents and physical verification done on 10 February, 2020 revealed that the building had stalled at the lintel level and the contractor was not on site. Further, the tender for construction works was awarded to a contractor who was not recommended by tender committee.

Consequently, the validity, regularity and value for money for the expenditure of Kshs.1,681,294 incurred on the project could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Fund to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease sustaining its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi


20 September, 2021

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

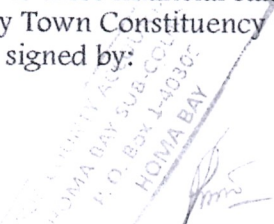

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
RECEIPTS			
Transfers from NGCDF board	1	132,096,394	62,837,931
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	2,000	-
TOTAL RECEIPTS		132,098,394	62,837,931
PAYMENTS			
Compensation of employees	4	4,173,416	1,259,994
Use of goods and services	5	7,021,161	4,188,000
Transfers to Other Government Units	6	59,503,817	20,885,345
Other grants and transfers	7	34,018,446	17,153,100
Acquisition of Assets	8	1,834,199	75,000
Other Payments	9	2,455,200	-
TOTAL PAYMENTS		109,006,239	43,561,439
SURPLUS/(DEFICIT)		23,092,155	19,276,492

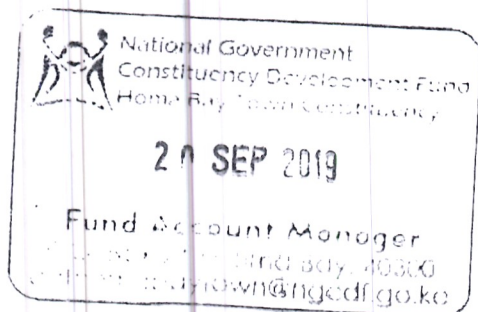
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Homabay Town Constituency financial statements were approved on 20/9 2019 and signed by:



Fund Account Manager
Name: Kipngetich Langat

Sub-County Accountant
Augustine Michael Otieno
ICPAK Member Number: 20477



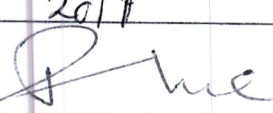
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
HOMABAY TOWN CONSTITUENCY**

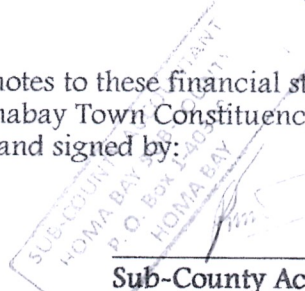
**Reports and Financial Statements
For the year ended June 30, 2019**

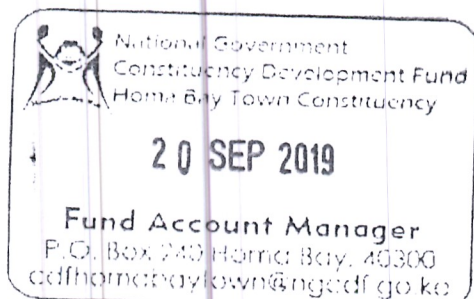
V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019 Kshs	2017-2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	47,802,258	19,645,425
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		47,802,258	19,645,425
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		47,802,258	19,645,425
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITIES		-	-
NET FINANCIAL ASSETS		47,802,258	212,666
REPRESENTED BY			
Fund balance B/Fwd	13	19,645,425	40,442
Surplus/Deficit for the year		23,092,155	19,276,492
Prior year adjustments	14	5,064,678	328,491
NET FINANCIAL POSITION		47,802,258	19,645,425

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


Fund Account Manager
Name: Kipnetich Langat


Sub-County Accountant
Augustine Michael Otieno
ICPAK Member Number: 20477



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
HOMABAY TOWN CONSTITUENCY**


Reports and Financial Statements

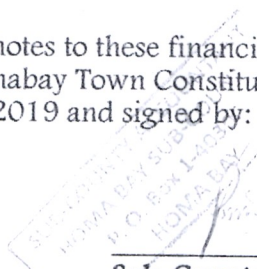
For the year ended June 30, 2019

VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	132,096,394	62,837,931
Other Receipts	3	2,000	-
Total receipts		132,098,394	62,837,931
Payments			
Compensation of Employees	4	4,173,416	1,259,994
Use of goods and services	5	7,021,161	4,188,000
Transfers to Other Government Units	6	59,503,817	20,885,345
Other grants and transfers	7	34,018,446	17,153,100
Other Payments	9	2,455,200	-
Total payments		107,172,040	43,486,439
Total Receipts Less Total Payments		28,926,354	19,351,492
Adjusted for:			
Outstanding Imprest	11	-	-
Retention Payable	12A	-	-
Gratuity Payable	12B	-	-
Prior year adjustments	14	5,064,678	328,491
Net Adjustments		5,064,678	328,491
Net cash flow from operating activities		33,991,032	19,679,983
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	1,834,199	75,000
Net cash flows from Investing Activities		(1,834,199)	(75,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		28,156,833	19,604,983
Cash and cash equivalent at BEGINNING of the year	13	19,645,425	40,442
Cash and cash equivalent at END of the year		47,802,258	19,645,425

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


Fund Account Manager
Name: Kipngetich Langat
 Constituency Development Fund
 Homabay Town Constituency
20 SEP 2019
Fund Account Manager
 P.O. Box 24 Homabay, 40300
 info@homabaytownngcdf.go.ke


Sub-County Accountant
Augustine Michael Otieno
ICPAK Member Number: 20477

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 Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Transfers from NGCDF Board	109,040,876	54,997,149	164,038,025	151,741,819	12,296,206	92.5%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	2,000	(2,000)	-
PAYMENTS	109,040,876	54,999,149	164,038,025	151,743,819	12,294,206	92.5%
Compensation of Employees	4,503,240	130,621	4,633,861	4,173,416	460,445	90.1%
Use of goods and services	5,310,439	4,119,977	9,430,416	7,021,161	2,409,255	74.5%
Transfers to Other Government Units	61,828,200	37,148,276	98,976,476	59,503,817	39,472,659	60.1%
Other grants and transfers	29,238,997	10,798,275	40,037,272	34,018,446	6,018,826	85.0%
Acquisition of Assets	8,160,000	-	8,160,000	1,834,199	6,325,801	22.5%
Other Payments	-	2,800,000	2,800,000	2,455,200	344,800	87.7%
TOTALS	109,040,876	54,997,149	164,038,025	109,006,239	55,031,786	66.5%

- a) The utilization of Use of Goods and Services, Transfers to other Government Units and Other Grants and Transfers were below 90% due to late receipt of funds from the NGCDF Board. The constituency received part of the 2nd half disbursement of Kshs 46,780,875.50 on June 24, 2019.
- b) The utilization of Acquisition of Assets was 22.5%, the low utilization is because the NGCDF Board had not approved projects that were proposed in this category. An amount of Kshs 6,160,000 remained unapproved by the Board
- c) The overall utilization was 66.5% due to the late receipt of funds from the NGCDF Board
- d) The changes between the original and final budget are as a result of the items in the adjustment columns which constitutes;

- i. The cash book balance as at July 1, 2018 of Kshs 19,645,425.
- ii. Funds for 2017/2018 financial year received in 2018/2019 amounting to Kshs 31,315,518.15.
- iii. Grants for approved in 2017/2018 but not yet released by the NGCDF Board amounting to Kshs 4,036,205.85

The NGCDF Höhrday Tower Constituency financial statements were approved on 2019 2019 and signed by:

2019
Fund Account Manager
Name: Kipng'etich Langat Mwangi
Harambee!/www.ngcdf.go.ke

Sub-County Accountant
Name: Augustine Michael Oieno
ICPAK Member Number: 20477

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-Programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference
	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs	30/06/2019	Kshs	
1.0 Administration and Recurrent									
1.1 Compensation of employees	4,503,240		130,621		4,633,861		4,173,416	460,445	
1.2 Committee allowances	1,192,000		1,460,667		2,652,667		2,088,000	564,667	
1.3 Use of goods and services	847,212		1,082,759		1,929,971		1,912,401	17,570	
Sub Total	6,542,452		2,674,047		9,216,499		8,173,817	1,042,682	
2.0 Monitoring and evaluation									
2.1 Capacity building	1,700,000		909,483		2,609,483		1,318,060	1,291,423	
2.2 Committee allowances	1,064,000		598,966		1,662,966		1,500,000	162,966	
2.3 Use of goods and services	507,227		68,103		575,330		482,749	92,581	
Sub Total	3,271,227		1,576,552		4,847,779		3,300,809	1,546,970	
3.0 Emergency									
3.1 Primary Schools									
Masaklha Primary School	400,000		-		400,000		400,000	-	
Radiro Primary School	400,000		-		400,000		400,000	-	
Radiro Primary School Access Road	1,200,000		-		1,200,000		1,148,238	51,762	
3.2 Secondary schools									
Nyakahia Secondary School	700,000		-		700,000		700,000	-	
Bursary - Secondary School	2,805,086		-		2,805,086		2,805,086	-	
3.3 Tertiary institutions									
3.4 Security projects									
County Police Commander Office	233,908		-		233,908		233,908	-	
Unallocated	-		2,887,930		2,887,930		-	2,887,930	
Sub Total	5,738,994		2,887,930		8,626,924		5,687,232	2,939,692	

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

4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	13,500,000	1,991,379	15,491,379	24,642,914	(9,151,535)	
4.3 Tertiary Institutions	7,000,003	1,991,379	8,991,383	472,000	8,519,383	
4.4 Universities	-	-	-	-	-	
4.5 Social Security	-	-	-	-	-	
Sub Total	20,500,003	3,982,758	24,482,762	25,114,914	(632,152)	
5.0 Sports						
Homabay Town Sports Tournament	2,000,000	1,963,793	3,963,793	2,873,200	1,090,593	
Sub Total	2,000,000	1,963,793	3,963,793	2,873,200	1,090,593	
6.0 Environment						
Environmental Program	-	1,963,793	1,963,793	403,100	1,560,693	
Sero Primary School	125,000	-	125,000	-	125,000	
Rabur Masawa Secondary School	125,000	-	125,000	-	125,000	
Ojunge Mixed Secondary School	125,000	-	125,000	-	125,000	
Maguje Primary School	125,000	-	125,000	-	125,000	
Kochungo Primary School	125,000	-	125,000	-	125,000	
Roba Primary School	125,000	-	125,000	-	125,000	
Kuja Primary School	125,000	-	125,000	-	125,000	
Kopiyo Primary School	125,000	-	125,000	-	125,000	
Sub Total	1,000,000	1,963,793	2,963,793	403,100	2,560,693	
7.0 Primary Schools Projects						
Adongo Primary	1,000,000	-	1,000,000	-	1,000,000	
Arunda Primary School	1,000,000	-	1,000,000	1,000,000	-	
Disii Primary School	1,000,000	-	1,000,000	1,000,000	-	
Homa Bay Primary School	1,500,000	-	1,500,000	1,500,000	-	
Kambeke Primary School	200,000	-	200,000	-	200,000	
Kambeke Primary School	300,000	-	300,000	-	300,000	
Kogello Kalanya Primary School	1,000,000	-	1,000,000	1,000,000	-	
Kotewa Primary School	1,000,000	-	1,000,000	1,000,000	-	
Lake Primary School	2,000,000	-	2,000,000	-	2,000,000	
Majiwa Primary School	1,000,000	-	1,000,000	-	1,000,000	

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

Marindi Primary School	750,000	-	750,000	750,000	-	1,328,200
Ndiru Primary School	1,328,200	-	1,328,200	-	-	1,000,000
Nyakune Primary School	1,000,000	-	1,000,000	-	-	500,000
Nyanguu Primary School	500,000	-	500,000	-	-	1,000,000
Nyauu Primary School	1,000,000	-	1,000,000	-	-	250,000
Ogande Special School	250,000	-	250,000	-	-	-
Ogande Special School	1,000,000	-	1,000,000	-	-	1,000,000
Opande Karage Primary	1,500,000	-	1,500,000	-	-	400,000
Pedo Primary School	1,500,000	-	1,500,000	-	-	1,500,000
Rodi Primary School	1,500,000	-	1,500,000	-	-	1,500,000
Shauri Yako Primary School	1,500,000	-	1,500,000	-	-	500,000
Wahamba Primary School	500,000	-	500,000	-	-	500,000
Watata Primary School	1,000,000	-	1,000,000	-	-	1,000,000
Wobiero Primary School	1,000,000	-	1,000,000	-	-	1,000,000
Andingo Primary School Access Road	-	4,300,000	4,300,000	4,300,000	-	-
Disii Primary School Access Road	-	2,700,000	2,700,000	2,560,974	139,026	-
Kuja Primary School Access Road	-	1,500,000	1,500,000	1,418,500	81,500	-
Maguje Primary School Access Road	-	2,500,000	2,500,000	2,298,869	201,131	-
Ndiru Primary School Access Road	-	3,500,000	3,500,000	3,488,352	11,648	-
Ogande Primary School Access Road	-	4,700,000	4,700,000	4,695,680	4,320	-
Ogande Special Primary School	-	750,000	750,000	750,000	-	-
Ogongo Primary School Access Road	-	2,300,000	2,300,000	-	2,300,000	-
Pundo Kalanya Primary School Access Road	-	1,500,000	1,500,000	1,499,474	526	-
8.0 Secondary Schools Projects	24,328,200	23,750,000	48,078,200	29,611,849	18,466,351	-
Dr. Mbai Mixed Sec School	-	400,000	400,000	400,000	-	-
St. Pius Ndiru Secondary School	-	700,000	700,000	700,000	-	-
Pap Ndege Secondary School	-	750,000	750,000	750,000	-	-
Rabuor Masawa Secondary School	-	900,000	900,000	900,000	-	-
Chiga Mixed Secondary School	-	1,000,000	1,000,000	1,000,000	-	-
Gogo Katuma Mixed Secondary School	-	1,000,000	1,000,000	1,000,000	-	-
Ogande Mixed Secondary School	-	1,000,000	1,000,000	1,000,000	-	-
Ojunge Mixed Secondary School	-	1,100,000	1,100,000	1,100,000	-	-

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

Pala Masogo Secondary School Access Road	-	2,000,000	2,000,000	1,993,692	6,308
Wjobiero Mixed Secondary School	-	2,000,000	2,000,000	2,000,000	-
Bishop Okulu Magare Girls High School	-	2,548,276	2,548,276	2,548,276	-
Bishop Ochiel Otaro Mixed School	1,000,000	-	1,000,000	1,000,000	-
Bishop Okulu Magare Girls School	1,000,000	-	1,000,000	1,000,000	-
Chiga Mixed Secondary School	1,000,000	-	1,000,000	1,000,000	-
Gogo Katuma Mixed Secondary School	2,000,000	-	2,000,000	1,000,000	1,000,000
Homa Bay High School	2,000,000	-	2,000,000	-	2,000,000
Kuja Mixed Secondary School	1,500,000	-	1,500,000	1,000,000	500,000
Lala Mixed Secondary School	1,000,000	-	1,000,000	-	1,000,000
Lang'otomo Mixed Secondary School	2,000,000	-	2,000,000	-	2,000,000
Maguti Mixed Secondary School	1,500,000	-	1,500,000	1,000,000	500,000
Ngere Mixed Secondary School	1,500,000	-	1,500,000	1,000,000	500,000
Nyakahia Mixed Secondary School	1,000,000	-	1,000,000	-	1,000,000
Nyalkinyi Secondary School	1,500,000	-	1,500,000	-	1,500,000
Ogande Girls High school	2,000,000	-	2,000,000	-	2,000,000
Ogande Mixed Secondary School	500,000	-	500,000	500,000	-
Pala Masogo Mixed Secondary School	1,500,000	-	1,500,000	1,000,000	500,000
Pap Ndege Mixed Secondary School	1,500,000	-	1,500,000	1,000,000	500,000
Rabuor Masawa Mixed Secondary School	1,000,000	-	1,000,000	-	1,000,000
Riwa Secondary School	1,000,000	-	1,000,000	-	1,000,000
Ruga Mixed Secondary School	1,500,000	-	1,500,000	1,000,000	500,000
St. Ambrose Got Rabuor Secondary School	1,500,000	-	1,500,000	-	1,500,000
St. Dominic Wiga mixed Secondary School	1,500,000	-	1,500,000	-	1,500,000
St. Joseph Sero Mixed Sec. School	1,500,000	-	1,500,000	1,000,000	500,000
St. Mary's Marindi Girls School	1,500,000	-	1,500,000	-	1,500,000
St. Peter's Disii Secondary School	1,000,000	-	1,000,000	1,000,000	-
St. Pius Ndiru Secondary School	1,000,000	-	1,000,000	-	1,000,000
St. Theresa's Nyauu Girls School	2,000,000	-	2,000,000	-	2,000,000
Wjobiero Secondary School	1,500,000	-	1,500,000	-	1,500,000
Sub Total	37,500,000	13,398,276	50,898,276	25,891,968	25,006,308

9.0 Tertiary institutions Projects	Sub Total	-	-	-	-	-	-
10.0 Security Projects	Sub Total	-	-	-	-	-	-
11.0 Acquisition of assets							
11.1 Motor Vehicles (including motorbikes)		300,000	-	300,000	-	-	300,000
11.2 Construction of CDF office		6,360,000	-	6,360,000	-	-	6,360,000
11.3 Purchase of furniture and equipment		1,500,000	-	1,500,000	-	1,494,150	5,850
11.4 Purchase of computers		-	-	-	-	-	-
11.5 Purchase of land		-	-	-	-	-	-
12.0 Others	Sub Total	8,160,000	-	8,160,000	-	1,494,150	6,665,850
12.1 Strategic Plan		-	2,800,000	2,800,000	-	2,455,200	344,800
12.2 Innovation Hub		-	-	-	-	-	-
	Sub Total	-	2,800,000	2,800,000	-	2,455,200	344,800
	TOTALS	109,040,876	54,997,149	164,038,026	105,006,239	59,031,787	

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

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

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for

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

use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015.

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2018.

14. Errors

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

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

15. Related Party Transactions

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

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

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019 Kshs	2017-2018 Kshs
NGCDF Board	B005031	11,379,310	
NGCDF Board	B030310	19,936,208	
NGCDF Board	B030243	10,000,000	
NGCDF Board	B030399	15,000,000	
NGCDF Board	B006340	6,000,000	
NGCDF Board	A699102	11,000,000	
NGCDF Board	B042742	12,000,000	
NGCDF Board	B041009	46,780,876	
NGCDF Board	A896983		19,432,759
NGCDF Board	A855876		5,500,000
NGCDF Board	A892772		37,905,172
TOTAL		132,096,394	62,837,931

2. PROCEEDS FROM SALE OF ASSETS

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	2,000	-
Other Receipts Not Classified Elsewhere	-	-
Total	2,000	-

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	1,160,556	552,294
Basic wages of casual labour	2,892,500	664,500
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Employer contribution to NSSF	120,360	43,200
Gratuity – paid	-	-
- accrued	-	-
Other personnel payments	-	-
Total	4,173,416	1,259,994

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Utilities, supplies and services	-	333,500
Electricity	-	-
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	60,400	79,000
Domestic travel and subsistence	764,600	-
Printing, advertising and information supplies & services	65,763	127,000
Rentals of produced assets	75,120	260,000
Training expenses	553,460	114,000
Hospitality supplies and services	-	-
Other Committee expenses	1,115,376	380,000
Committee allowance	3,588,000	2,100,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	656,142	697,760
Fuel , oil & lubricants	6,000	-
Other operating expenses	88,300	73,040
Bank service commission and charges	40,000	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	8,000	23,700
Total	7,021,161	4,188,000

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	33,611,849	20,885,345
Transfers to secondary schools (see attached list)	25,891,968	-
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	59,503,817	20,885,345

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	27,448,000	14,937,100
Bursary – tertiary institutions (see attached list)	472,000	546,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	-	-
Sports projects (see attached list)	2,873,200	20,000
Environment projects (see attached list)	403,100	-
Emergency projects (see attached list)	2,822,146	1,650,000
Total	34,018,446	17,153,100

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2018-2019 Kshs	2017- 2018 Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	316,549	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	915,250	-
Purchase of ICT Equipment, Software and Other ICT Assets	602,400	75,000
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	1,834,199	75,000

9. OTHER PAYMENTS

	2018-2019 Kshs	2017-2018 Kshs
Strategic plan	2,455,200	-
ICT Hub	-	-
Total	2,455,200	-

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019 Kshs (30/6/2019)	2017-2018 Kshs (30/6/2018)
<i>Equity Bank Ltd, Homabay Branch</i> 0980 261 595 074	47,802,258	19,645,425
Total	47,802,258	19,645,425
 10B: CASH IN HAND		
Location 1	-	-
Total	-	-

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

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

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019 Kshs	2017-2018 Kshs
Name 1	-	-
Total	-	-

13. BALANCES BROUGHT FORWARD

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	19,645,425	40,442
Cash in hand	-	-
Imprest	-	-
Total	19,645,425	40,442

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

14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	5,064,678	328,491
Cash in hand	-	-
Imprest	-	-
Total	5,064,678	328,491

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019 Kshs	2017-2018 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<hr/>	<hr/>
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	<hr/>	<hr/>
	-	-

15.3: UNUTILIZED FUND (See Annex 3)

	2018-2019 Kshs	2017-2018 Kshs
Compensation of employees	525,171	130,621
Use of goods and services	2,129,207	4,119,977
Amounts due to other Government entities (see attached list)	43,472,659	37,148,276
Amounts due to other grants and other transfers (see attached list)	6,958,778	10,798,275
Acquisition of assets	6,665,850	
Other Payments (Strategic Plan)	344,800	2,800,000
	<hr/>	<hr/>
	60,096,465	54,997,149

Included in the unutilised funds is prior year adjustments of Kshs 1,064,678 in 2018/2019 and Kshs 328,491 in 2017/18, amounts that have been apportioned to each item category.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	23,727,491	568,981
	23,727,491	568,981

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: Prio year Adjustments (See Annex 6)

	2018-2019	2017-2018
	Kshs	Kshs
Stale cheques received back (see attached list)	1,064,678	328,491
Transfer to Schools	4,000,000	
	5,064,678	328,491

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – HOMABAY TOWN CONSTITUENCY
Accounts and Financial Statements
For the year ended June 30, 2019 (Kshs)

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 2019 d=a-c	Comments
Construction of buildings					
1.	-		-	-	
Sub-Total	-		-	-	
Construction of civil works					
2.	-		-	-	
Sub-Total	-		-	-	
Supply of goods					
3.	-		-	-	
Sub-Total	-		-	-	
Supply of services					
4.	-		-	-	
Sub-Total	-		-	-	
Grand Total	-		-	-	

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – HOMABAY TOWN CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
	Sub-Total					
Middle Management						
2.						
	Sub-Total					
Unionisable Employees						
3.						
	Sub-Total					
Others (specify)						
4.						
	Sub-Total					
	Grand Total					

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

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees	Payment of all benefits accruing to the NGCDF Staff	525,171	130,621	Funds unutilized due to late disbursement of funds by the NGCDF Board
Sub-Total		525,171	130,621	
Use of goods & services	Payment of committee sitting allowances and other allowances to the NGCDF members, M&E, capacity building and office utilities	2,129,207	4,119,977	Funds unutilized due to late disbursement of funds by the NGCDF Board
Sub-Total		2,129,207	4,119,977	
Amounts due to other Government entities				
Primary Schools	Primary School infrastructural Improvement	18,466,351	23,750,000	Funds unutilized due to late disbursement of funds by the NGCDF Board
Secondary Schools	Secondary School infrastructural Improvement	25,006,308	13,398,276	Funds unutilized due to late disbursement of funds by the NGCDF Board
Sub-Total		43,472,659	37,148,276	
Amounts due to other grants and other transfers				
Bursary	Funds set aside for Bursary	-	3,982,758	Unspent balances
Emergency	Funds set aside for to cater for unforeseen occurrences during the Financial Year.	2,307,540	2,887,930	
Sports	Purchase of Sports Kits and Facilitation of Tournament	1,090,593	1,963,793	Project Conditionally approved by the NGCDF Board. Funds not yet released
Environment	Funds for environmental program	1,000,000	1,963,793	2017/18 funds proposed for

28

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

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Sub-Total		6,958,778	10,798,275	
Acquisition of assets	Funds for NGCDF Office Construction	6,665,850	-	Project Conditionally approved by the NGCDF Board. Funds not yet released
Sub-Total		6,665,850	-	
Others (<i>specify</i>)				
Strategic Plan	Development of strategic plan	344,800	2,800,000	Funds to be released on delivery of the document
Sub-Total		344,800	2,800,000	
Grand Total		60,096,465	54,997,149	

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – HOMABAY TOWN CONSTITUENCY
Accounts and Financial Statements
For the year ended June 30, 2019 (Kshs)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	23,000,000	-	-	23,000,000
Buildings and structures	-	316,549	-	316,549
Transport equipment	644,000	-	-	644,000
Office equipment, furniture and fittings	-	915,250	-	915,250
ICT Equipment, Software and Other ICT Assets	95,000	602,400	-	697,400
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	23,739,000	1,834,199	-	25,573,199

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

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance (2018/19)	Bank Balance (2017/18)
			30-Jun-19	30-Jun-18
Adongo Primary School PMC A/C	Equity - HB	0980271097763	1,000,000.00	-
Arunda Primary School PMC A/C	Equity - HB	0980261746780	563.00	-
Bishop Ochiel Otaro Mixed Secondary School PMC A/C	Equity - HB	0980261758847	1,000,620.00	620.00
Bishop Okulu Magare Girls Chiga Mixed Secondary School PMC A/C	Equity - HB	0980277829282	3,549,301	1,025.00
Disii Mixed Secondary School	Equity - HB	0980261768889	1,015,889.00	12,489.00
Disii Primary School PMC A/C	Equity - HB	0980262784191	1,001,815.00	2,055.00
Dr. Mbai Mixed Secondary School	Equity - HB	0980262616211	1,005,770.00	6,010.00
Gogo Katuma Mixed Secondary School PMC A/C	Equity - HB	0980261746911	6,420.00	900.00
Got Kochungo Primary School	Equity - HB	0980261764725	1,037,650.00	31,880.00
Got Kokech Primary School	Equity - HB	0980261799890	6,615.00	6,615.00
Homa Bay CDF PMC	Equity - HB	0980261328638	1.00	1.00
Homabay Town Const. Roads PMC	Equity - HB	0980263648905	4,450.00	4,450.00
Imbo Health Center	Equity - HB	0980266470825	3,960.00	3,960.00
Kambeke Primary School PMC A/C	Equity - HB	0980264466760	9,340.00	9,340.00
Kanyabala Chief's Office	Equity - HB	0980261593903	266.00	266.00
Kijawa Primary School	Equity - HB	0980264467243	6,510.00	6,510.00
Kogwang' Primary School	Equity - HB	0980263640645	340.00	340.00
Kopiyo Primary School	Equity - HB	0980266500664	2,060.00	2,060.00
Kotewa Primary School PMC A/C	Equity - HB	0980261739112	1,260.00	1,260.00
Kuja Mixed Secondary School PMC A/C	Equity - HB	0980262522607	1,000,191.00	191.00
Kuja Primary School	Equity - HB	0980261736008	1,000,330.00	570.00
	Equity - HB	0980266196092	1,120.00	141,120.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
HOMABAY TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs)

Lake Primary School PMC A/C	Equity - HB	0980262534689	395,600.00	-
Lala Mixed Secondary School PMC A/C	Equity - HB	0980261759144	1,600.00	1,600.00
Lang'oromo Mixed Secondary School PMC A/C	Equity - HB	0980262130924	1,000,229.00	229.00
Lieta Kabunde Primary School	Equity - HB	0980261732627	200.00	200.00
Loorateng' Primary School	Equity - HB	0980264382384	7,340.00	7,340.00
Maguje Primary School	Equity - HB	0980261738862	57,552.10	57,552.00
Maguti Mixed Secondary School PMC A/C	Equity - HB	00980261767766	1,000,413.00	413.00
Maguti Primary School	Equity - HB	0980264228556	515,870.00	6,230.00
Majiwa Primary School	Equity - HB	0980268442199	5,000.00	5,000.00
Marindi AP Camp	Equity - HB	0980267403951	480.00	480.00
Marindi Health Center	Equity - HB	0980262785730	7,348.00	7,348.00
Masakla Primary School	Equity - HB	0980261738851	2,367.00	1,707.00
Muche Primary School	Equity - HB	0980264413334	2,725.00	2,725.00
Ndiru Primary School	Equity - HB	0980262088557	4,515.00	4,515.00
Ngere Mixed Secondary School PMC A/C	Equity - HB	0980261759721	40,322.15	5,562.15
Ngere Primary school	Equity - HB	0980261759831	2,364.00	2,364.00
Nyagidha Mixed Secondary School	Equity - HB	0980266406972	240.00	240.00
Nyakahia Primary School	Equity - HB	0980264454863	1,560.00	1,560.00
Nyakahia Secondary School	Equity - HB	0980265987477	13,540.00	900.00
Nyakune – Riwa Road	Equity - HB	0980266118832	5,090.00	5,090.00
Nyakune Primary School PMC A/C	Equity - HB	0980263530538	1,000,078.00	78.00
Nyanguu Primary School PMC A/C	Equity - HB	0980261732727	500,000.00	-
Nyatago – Kachar Project	Equity - HB	0980261754595	5,285.00	5,285.00
Nyauu Girls Sec School	Equity - HB	0980262200124	84,030.00	84,030.00
Nyauu Primary School PMC A/C	Equity - HB	0980268395917	(472.85)	(472.85)
Ogande Girls High School PMC A/C	Equity - HB	0980262300238	543,701.00	43,701.00
Ogande Mixed Secondary	Equity - HB	0980266141178	97,650.00	650.00

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

School PMC A/C				
Ogande Special School PMC A/C	Equity - HB	0980266236187	253,971.00	4,211.00
Ojunge Mixed Secondary School	Equity - HB	0980261729279	1,638.70	(1,217.00)
Olodo Primary School	Equity - HB	0980268454675	1,380.00	1,380.00
Orego Primary School	Equity - HB	0980263840143	6,160.00	6,160.00
Pala Masogo Mixed Secondary School PMC A/C	Equity - HB	0980263676095	1,001,000.00	1,000.00
Pap Ndege Mixed Secondary School PMC A/C	Equity - HB	0980269026996	467,231.00	-
Pedo Primary School PMC A/C	Equity - HB	0980261737804	2,120.00	2,120.00
Rabuor Masawa Mixed Sec School PMC A/C	Equity - HB	0980266041934	46,785.00	26,895.00
Radiro Primary School	Equity - HB	0980266276075	15,479.00	4,120.00
Rangwena Primary School	Equity - HB	0980261799747	1,725.00	1,725.00
Riwa Secondary School PMC A/C	Equity - HB	0980263474286	1,346.00	1,346.00
Rodi Chief's Camp	Equity - HB	0980266152463	7,370.00	7,370.00
Rodi Primary School PMC A/C	Equity - HB	0980262623835	3,145.00	3,145.00
Ruga Mixed Secondary School PMC A/C	Equity - HB	0980261732258	1,000,568.00	568.00
Sero Mixed Sec School	Equity - HB	0980261742746	1,002,710.00	1,712.70
Sero Primary School	Equity - HB	0980263669075	1,700.00	18,820.00
Shauri Yako Primary School PMC A/C	Equity - HB	0980261745530	615.00	615.00
St. Ambrose Got Rabuor Mixed Secondary School PMC A/C	Equity - HB	0980261743690	1,067.00	1,067.00
St. Dominic Wiga mixed Secondary School PMC A/C	Equity - HB	0980261767294	895.00	895.00
St. Joseph Sero Mixed Secondary School PMC A/C	Equity - HB	0980261742746	1,000,765.00	65.00
St. Mary's Marindi Girls Secondary School PMC A/C	Equity - HB	0980262152807	8,020.00	8,020.00
St. Patrick's Makongeni Pr School	Equity - HB	0980261737570	785.00	785.00
Wahambla Primary School PMC A/C	Equity - HB	0980261737169	1,960.00	1,960.00
Wiobiero – Nyamila – Pundo Road	Equity - HB	0980264780961	230.00	230.00
Wiobiero Primary School PMC	Equity - HB	0980268443443	1,004,178.00	-

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

A/C				
Wobiero Secondary School PMC A/C	Equity - HB	0980262667929	950,000.00	-
Total			23,727,491.10	568,981.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
HOMABAY TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs)

ANNEX 6 –PRIOR YEAR ADJUSTMENTS

Prior year adjustments relate to Transfers to school not posted in the cash book and reversed stale cheques

Transfers to schools not posted in the cashbook

Cheque No.	Date	Payee	Remarks
3345	31.07.2019	ADONGO PRIMARY SCHOOL	1,000,000
3355	31.07.2019	NYAUU PRIMARY SCHOOL	1,000,000
3367	31.07.2019	NYAKUNE PRIMARY SCHOOL	1,000,000
3370	31.07.2019	WIOBIERO PRIMARY SCHOOL	1,000,000
TOTAL			4,000,000

Reversed stale cheques

Cheque No.	Date	Payee	Remarks
002199	14.09.18	NSSF	14,400.00
002200	14.09.18	NHIF	4,900.00
002202	14.09.18	DOMESTIC TAX	1,073.15
002203	14.09.18	NSSF	14,400.00
002204	14.09.18	NHIF	4,900.00
002405	14.09.18	FURAHA MIXED SEC SCHOOL	8,000.00
002419	14.09.18	KERERI G. H. SCHOOL	4,000.00
002420	14.09.18	KISII HIGH SCHOOL	5,000.00
002424	14.09.18	KOBALA MIXED SEC SCH	8,000.00
002433	14.09.18	LIMURU GIRLS	4,000.00
002435	14.09.18	LORETO HIGH SCHOOL	10,000.00
002441	14.09.18	MAWEGO G. H. SCHOOL	12,000.00
002446	14.09.18	MO BOYS KASIGHAU	8,000.00
002447	14.09.18	MOI G. SCHOOL ELDORET	8,000.00
002448	14.09.18	MOI SUBA G. MIGORI	8,000.00
002452	14.09.18	NGIYA GIRLS	16,000.00
002458	14.09.18	NYAMIRA G. H. SCH	12,000.00
002463	14.09.18	OGENYA H. SCH.	16,000.00
002469	14.09.18	OMINDI MIXED SEC	5,000.00
002479	14.09.18	RATANGA G. SEC	165,000.00
002485	14.09.18	SAWAGONGO H. SCH	9,000.00
002488	14.09.18	SIRONGA GIRLS	10,000.00
002491	14.09.18	ST. ALFRED ALARA SEC	9,000.00
002500	14.09.18	ST. JOSEPH NYABANDE H. S.	11,000.00
002515	14.09.18	ST. TARANGANYA B. H. SCH	14,000.00
002569	14.09.18	MANGU HIGH	20,000.00
002581	27.09.18	PAYEE	11,118.00
002590	27.09.18	COMM OF DTD	281,741.00
002591	27.09.18	COMM OF INCOME TAX	132,419.00
002594	27.09.18	COMM OF DTD	84,571.00
002595	27.09.18	COMM OF INCOME TAX	42,448.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
HOMABAY TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs)

002600	19.10.18	NHIF	3,706.00
002624	20.11.18	PAYE	3,261.00
002637	28.11.18	PAYE	3,261.00
002639	28.11.18	NHIF	2,390.00
002647	18.12.18	NHIF	2,390.00
002677	24.01.19	KITALE BOYS	3,000.00
002687	24.01.19	NYAJANJA M.SS	51,000.00
002703	24.01.19	ST. JOSEPH TUK JOKII GIRLS	3,000.00
002706	24.01.19	ST. MARY'S MARINDI G	15,000.00
002707	24.01.19	ST. PAULS LIGISA	3,000.00
002733	24.01.19	KISUMU GIRLS	20,000.00
TOTAL			1,064,678.15

PRIOR YEAR ADJUSTMENTS SUMMARY

Transfers to schools			4,000,000.00
Stale cheques reversed			1,064,678.15
Total			5,064,678.15

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

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)
KSM-HUB/HBTO WNCDF/2016-2017(3)(001)	Unsupported bank balances and failure to return un-utilized funds by PMCs	Certificate of bank balances and statements provided; Un-utilized PMC funds couldn't be immediately returned to main account as they were to hand over the projects	Joe Godwin Oduor, FAM	Not Resolved	Oct, 2018
(002)	Misclassification of emergency funds	Concern noted and action taken	Joe Godwin Oduor, FAM	Not Resolved	Oct, 2018
(003)	Failure to provide project returns	The management has already written to the affected projects but they are yet to respond. Follow ups in progress	Joe Godwin Oduor, FAM	Not Resolved	Oct, 2018
(004)	Supply of desks and chairs	Due procedures were followed during the exercise; copies of quotations, LPO, S11 and S13 had been filed separately as opposed to the project file.	Joe Godwin Oduor, FAM	Not Resolved	Oct, 2018
(005)	Construction of roads	This was done in line with circular letter Ref. No. CDFB-CEO/GENERAL/13(005) dated 11 th January, 2015	Joe Godwin Oduor, FAM	Not Resolved	Oct, 2018
(006)	Budget analysis	Various was due to late disbursement of funds	Joe Godwin Oduor, FAM	Not Resolved	Oct, 2018
KSM/HBTCD F/2017/18/12 - 01	Statement of Assets and Liabilities; Statement of Assets and Liabilities	The adjustments relates to reversed cheques that were not immediately replaced	Kipngetich Langat, FAM	Resolved	

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

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)
	reflect prior year adjustment of 328,491 which was not been explained				
KSM/HBTCD F/2017/18/12 – 02	Cash and Cash Equivalents; Cash and Bank Balances incorrect because of failure to post reconciling figures	The cashbook was restated and the correct figure reported in the financial statements	Kipngetich Langat, FAM	Resolved	
KSM/HBTCD F/2017/18/12 – 03	Committee Allowances; Accommodation allowances of Kshs 248,000 could not be confirmed	The accommodation allowances was paid to committee members during the NGCDF training at the VIC Hotel - Kisumu	Kipngetich Langat, FAM	Resolved	
KSM/HBTCD F/2017/18/12 – 04	Payments for Utilities, Supplies and Services; Kshs 333,500 spent in utilities, supplies and services could not be confirmed	The missing vouchers were availed to the auditors for scrutiny and issues resolved	Kipngetich Langat, FAM	Resolved	

AKF