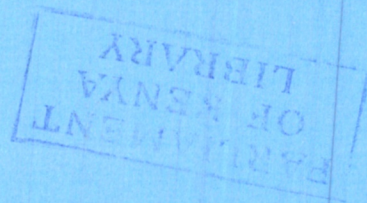



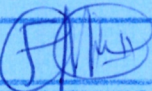
REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT



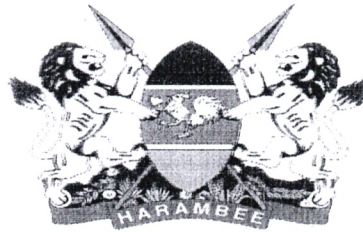
		OF
THE NATIONAL ASSEMBLY PAPERS LAID		
DATE:	91 AUG 2018	0 BY.
TABLED BY:	MAJORITY LEADER	
CHECKED BY:		ON

THE AUDITOR-GENERAL

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – TINDERET
CONSTITUENCY**

**FOR THE YEAR
ENDED 30 JUNE 2018**





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
TINDERET CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018**

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

TINDERET CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

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. SIGNIFICANT ACCOUNTING POLICIES	13
IX. NOTES TO THE FINANCIAL STATEMENTS.....	16

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

TINDERET CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

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 TINDERET 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 2018 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Benjamin Sugut
3.	Sub-County Accountant	Lydia Chepsoi
4.	Chairman NGCDFC	James Chumba
5.	Member NGCDFC	Simon Biwot

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF TINDERET Constituency Headquarters

P.O. Box 200-30301,
NANDI HILLS, KENYA
NGCDF OFFICE
KUPERE – METEITEI ROAD
AFTER MARABA SHOPPING CENTRE

TINDERET CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

(f) NGCDF TINDERET Constituency Contacts

Telephone: (254) NONE
E-mail: cdfinderet@cdf.go.ke
Website: www.go.ke

(g) NGCDF TINDERET Constituency Bankers

1. Equity Bank Ltd
A/C NO.0920265847067
P.O. BOX 167-30301 NANDI HILLS

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Include among others the following:

In relation to financial statement and TINDERET NG-CDF performance for the year 2017/2018, I wish to make the following comments.

The NG-CDF committee is the main implementing organ of the NG-CDF budget and its decisions are of enormous importance. Decision making is the single greatest weight upon our shoulders which impacts all of us either negatively or positively. An effective decision empowers others to grow and people will want to mimic the committee for bad decision.

During the year 2017/2018 the committee received a total allocation of ksh. 86, 810,345 compared to Ksh. 81,896,552 in the year 2016/2017. The allocation was later increased upwards by kshs. 11,379,310.

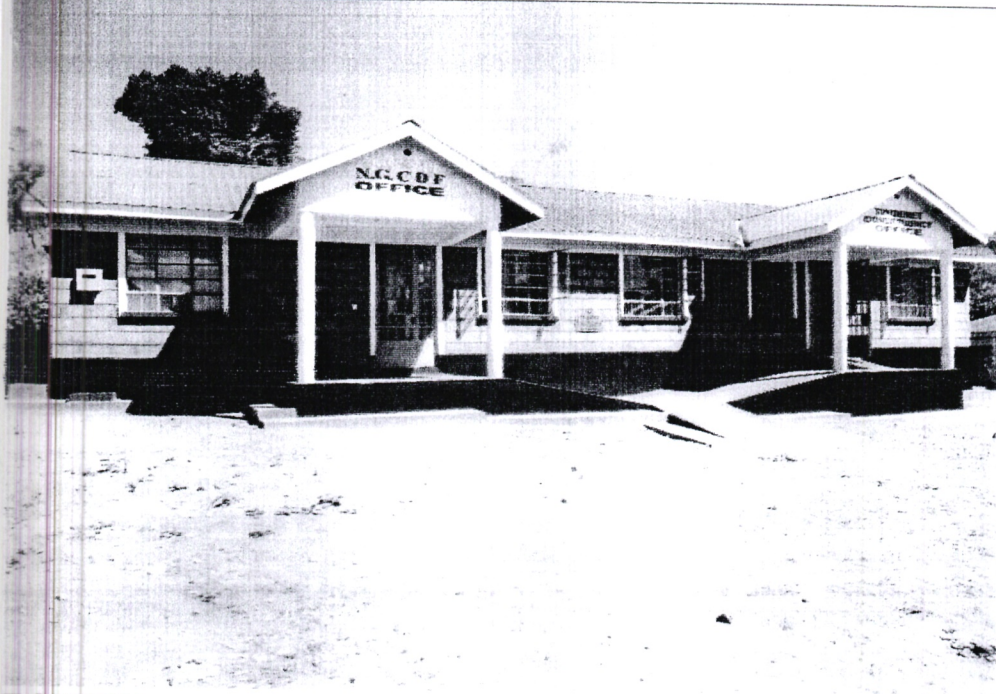
Good decisions foster opportunity and arriving at a good conclusion serves the whole constituency and the wananchi more justice than even the highest court of law. A systematic decision must take into account the tie resources, basic expectations proper judgement and the estimation of the probability of success.

Some of the challenges faced during the year include but not limited to:

- i. Environmental challenges and demographic features
- ii. Inadequate funding
- iii. Identification of mutually exclusive projects
- iv. Community participation at Project Management Committee level
- v. Lack of skilled personnel to assist in project implementation.

We remain very firm and optimistic that year 2018/2019 will be of greater achievement having learned from the previous year performance. Among our Key achieving projects are as under:

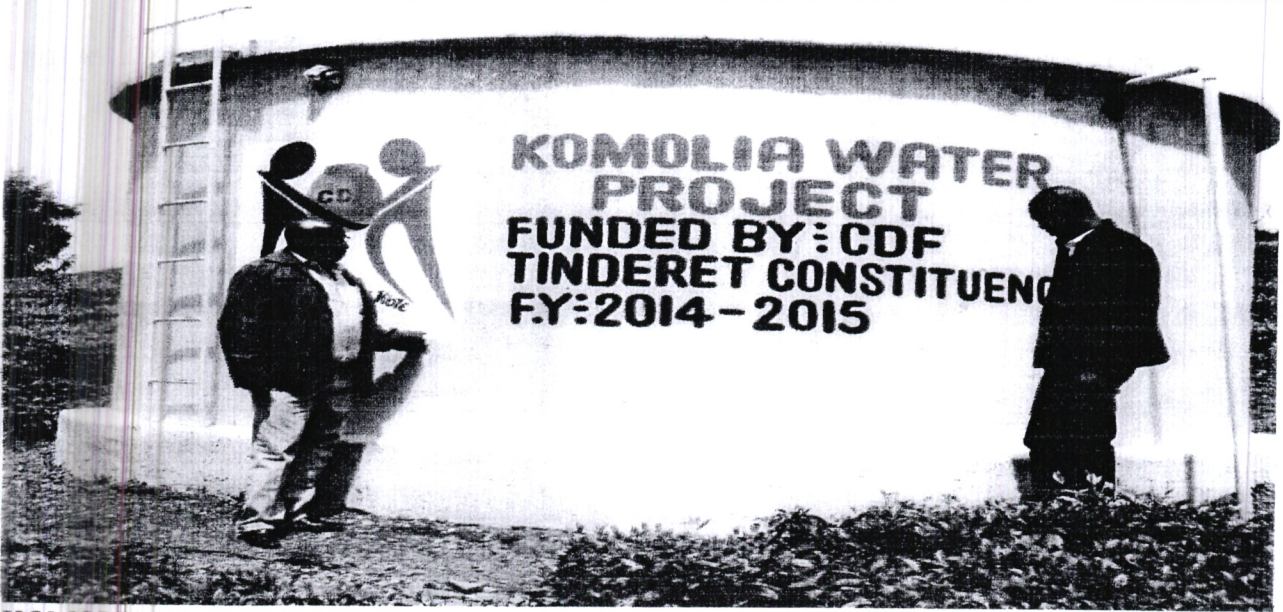
TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018



NG CDF OFFICE



METEITEI BOYS



KOMOLIA WATER PROJECT

Sign

JAMES CHUMBA

CHAIRMAN NG-CDF COMMITTEE

TINDERET CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-TINDERET 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, 2018. 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-TINDERET 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, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-TINDERET 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-TINDERET 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-TINDERET Constituency financial statements were approved and signed by the Accounting Officer on SEPTEMBER 4TH 2018.



Fund Account Manager
Name: BENJAMIN SUGUT



Sub-County Accountant
Name: LYDIA CHEPSOI
ICPAK Member Number:

REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TINDERET CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Tinderet NGCDF set out on pages 8 to 29, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flow 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 Tinderet NGCDF as at 30 June, 2018, and (of) its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Unsupported Expenditure

The statement of receipts and payments for the year ended 30 June 2018 reflects transfers to other government entities figure of Kshs.20,100,000 relating to transfers to secondary schools and tertiary institutions. However, a record of minutes, accounting documents such as cash books and other related records in relation to the projects which were being implemented showing how much had been spent and outstanding balances were not provided for audit verification contrary to Section 15(1) (d) of the National Constituency Development Fund Regulations, 2016.

In consequence, it has not been possible to confirm whether the transfers to other government entities totaling Kshs.20,100,000 were actually received and utilized for the budgeted projects in the year and accounted for.

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Tinderet Constituency for the year ended 30 June 2018

2.0 Project Management Committee Accounts Balance

Note 15.4 to the financial statements reflects project management committee accounts balances figure of Kshs.15,990,575 relating to disbursed funds to the projects during the year which had not been utilized by the end of the year. However, cash books, bank statements and bank reconciliation statements were not availed for audit review. Consequently, the accuracy and existence of project management committee accounts balances of Kshs.15,990,575 as at 30 June 2018 could not be confirmed.

3.0 Purchase of Land

Included in the transfers to other government entities figure of Kshs.20,100,000 is an amount of Kshs.400,000 in respect of the purchase of land for Kaplamayo Primary school. However, documents of title such as title deed and valuation report for the purchased parcel of land were not availed for audit review. Consequently, it was not possible to confirm the ownership of the land and the propriety of the expenditure of Kshs.400,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Tinderet NGCDF in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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. Except for the matter(s) described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1.0 Budgetary Control and Performance

During the year under review, Tinderet, Constituency Fund had an approved budget of Kshs.112,528,580, but incurred expenditure totalling to Kshs.54,298,952, resulting to under expenditure of Kshs.58,229,628 or 48.25% of the approved budget as summarized below;

No.	Item	Approved Kshs.	Actual Kshs.	Under Absorption Kshs.	Under absorption %
	Receipts				
	Transfer from NGCDF Board	112,528,580	57,244,097	55,284,483	50.87
	Total	112,528,580	57,244,097	55,284,483	50.87

No.	Item	Approved Kshs.	Actual Kshs.	Under Absorption Kshs.	Under absorption %
	Payments				
1	Compensation of employees	2,931,966	1,708,228	1,223,738	58.26
2	Use of goods and services	7,308,588	4,883,245	2,425,343	66.82
3	Transfers to other Government units	57,386,766	20,100,000	37,286,766	35.03
4	Other grants and transfers	44,901,260	27,607,479	17,293,781	61.48
	Total	112,528,580	54,298,952	58,229,628	48.25

Non-utilization of funds is an indication that services and approved programmes were not delivered, and therefore, the budget did not meet the intended objectives of improving service delivery to the constituents of Tinderet. Hence there is need for the CDF management committee to ensure that projects are executed as planned for efficient service delivery to the citizens of Tinderet.

2.0 Project Implementation

During the year 2017/2018, Kshs.78,997,413.80 was allocated to 106 projects. Verification of documents availed for audit revealed that an amount of Kshs.47,905,172 was received in addition to balance brought forward of Kshs.9,338,924.70 giving a total of Kshs.57,244,096.70. Out of this total an amount of Kshs.21,600,000 was disbursed for various projects which were at various stages of completion. It was further observed that the funding for all the CDF operations was far below the approved budget making it difficult for the fund to operate optimally.

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Bursary Secondary Schools	Payment of bursary to needy students	13,474,137.90	13,474,137.90	Complete	Complete
2017/2018	Bursary Tertiary Institutions	Payment of bursary to needy students	8,228,448.31	8,228,448.31	Complete	Complete
2017/2018	St. Mathews Maraba	Plastering, fitting doors and windows and painting of storey 6 classrooms	1,000,000.00	1,000,000.00	On going	Assembling of materials ongoing

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Cheboingong Primary School	Purchase of 2 acres of land	400,000.00	400,000.00	New	Just received the allocation
2017/2018	Kandumeikwek Primary School	Purchase of 2 acres of land	400,000.00	400,000.00	New	Just received the allocation
2017/2018	Kipsiwo Primary School	Purchase of 2 acres of land	500,000.00	500,000.00	On going	In the process to purchase 2 acre land
2017/2018	Uswet Primary school	Installing Doors and Windows, plastering and painting of 3 classrooms	600,000.00	600,000.00	Ongoing	Completion ongoing; plastering and painting
2017/2018	Uson Primary School	Installing Doors and Windows, plastering and painting of 2 classrooms	400,000.00	400,000.00	On going	Assembling of materials on going
2017/2018	AIC Tuiyobei Primary School	Plastering and painting of 5 classrooms	500,000.00	500,000.00	On going	Assembling of materials ongoing
2017/2018	Got Ne Lel Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms	500,000.00	500,000.00	New	Just received the allocation
2017/2018	SDA Iboi Primary	plastering and painting of 4 classrooms	400,000.00	400,000.00	On going	Yet to start
2017/2018	Sokosik Primary School	Renovation by, plastering and painting of 4 classrooms	400,000.00	400,000.00	On going	Assembling of materials on going
2017/2018	Kapsoito Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms	500,000.00	500,000.00	New	Just received the allocation
2017/2018	Kamenjeiwa Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms	500,000.00	500,000.00	New	Just received the allocation

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Ngatipkong Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms	500,000.00	500,000.00	New	Just received the allocation
2017/2018	Cherungut Primary School.	Foundation, walling, roofing, plastering and painting of 1 classrooms/plastering and painting of 2 classrooms	500,000.00	500,000.00	New/On-going	Just received the allocation
2017/2018	Kosabei Primary School.	Foundation, walling, roofing, plastering and painting of 1 classrooms	500,000.00	500,000.00	New	Just received the allocation
2017/2018	Simotwet Primary School.	plastering and painting 3 classrooms to completion	500,000.00	500,000.00	On-going	Assembling of materials ongoing
2017/2018	Chepkaroi Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Subukei Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Kapteldon Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Kapnderem Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom	500,000.00	500,000.00	New	Assembling of materials ongoing

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Mombwo Primary school	Foundation, walling, roofing, plastering and painting of 1 classroom	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Chepsangor Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom.	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Kimwani Primary School	Refurbishment by plastering and painting of 10 classrooms.	400,000.00	400,000.00	New	Assembling of materials ongoing
2017/2018	Kapsasur Community Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms/plastering and painting of 2 classrooms	500,000.00	500,000.00	On-going	Assembling of materials ongoing
2017/2018	Bugon Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom.	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	St Paul Kibisem Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom.	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Senetwo Primary School	Renovation by walling, roofing, plastering and painting of 5 classrooms.	626,421.07	626,421.07	New	Assembling of materials ongoing

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Kimatgei Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom.	400,000.00	400,000.00	New	Assembling of materials ongoing
2017/2018	Morobi Primary School	Completion by plastering and painting of 5 classrooms.	500,000.00	500,000.00	New	
2017/2018	Kiptegaa Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom.	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Chepsire Primary School	Completion by plastering and painting of 5 classrooms.	500,000.00	500,000.00	On-going	Assembling of materials ongoing
2017/2018	Kabirer Primary School	Completion by plastering and painting of 4 classrooms.	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Tamoo Daystar Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms.	500,000.00	500,000.00	New	Assembling of materials ongoing
2017/2018	Kiplamaiwo Primary School	Purchase of 2 acres of land	400,000.00	400,000.00	New	Assembling of materials ongoing
2017/2018	Magoi Primary School	Renovation by plastering and painting of 3 classrooms.	300,000.00	300,000.00	New	Plastering ongoing

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Seiyot Primary School	Completion by plastering and painting of 2 classrooms.	500,000.00	500,000.00	On-going	Collection of materials on-going
2017/2018	Koiyet primary school	Foundation, walling, roofing, plastering and painting of 1 classroom.	500,000.00	500,000.00	New	Collection of materials on-going
2017/2018	Kapkeri Primary School	Foundation, walling, roofing, plastering and painting of 1 classrooms.	500,000.00	500,000.00	New	Collection of materials on-going
2017/2018	Chemursoi Primary School	Renovation by Plastering and painting 5 classrooms.	400,000.00	400,000.00	New	Collection of materials on-going
2017/2018	Soysitet Primary School	Completion by plastering and painting of 1 classroom.	350,000.00	350,000.00	New	Collection of materials on-going
2017/2018	Sigowet Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom.	400,000.00	400,000.00	New	Collection of materials on-going
2017/2018	Tachasis Integrated Primary School	Foundation, walling, roofing, plastering and painting of Dormitory.	700,000.00	700,000.00	New	Collection of materials on-going

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Lutter King Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom/ Completion by plastering and painting of 2 classrooms.	700,000.00	700,000.00	New/Ongoing	Collection of materials on-going
2017/2018	AIC Lelgotet Primary School	Foundation, walling, roofing, plastering and painting of 1 classroom.	500,000.00	500,000.00	New	Yet to receive allocation
2017/2018	Taunet Secondary School	Foundation, walling, roofing, plastering and painting of laboratory	1,000,000.00	1,000,000.00	New	Yet to receive allocation
2017/2018	Tinderet Secondary School	Plastering and painting of laboratory	1,000,000.00	1,000,000.00	On-going	Plastering on going
2017/2018	Mombo Girls Secondary School	Foundation, walling, roofing, plastering and painting of laboratory- 1,000,000 classroom 500,000	1,500,000.00	1,500,000.00	New	Materials on the site construction to start soon.
2017/2018	St. Peters Soba Secondary School	Walling, roofing, plastering and painting of laboratory	1,000,000.00	1,000,000.00	On-going	Materials on the site construction to start soon.
2017/2018	Kabutiei Secondary School.	Foundation, walling, roofing, plastering and painting of laboratory	1,000,000.00	1,000,000.00	New	Materials on the site construction to start soon.

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Kamelil Secondary School	Foundation, walling, roofing, plastering and painting of 2 classrooms	1,000,000.00	1,000,000.00	New	Construction at slab level on going
2017/2018	Savani Secondary School	Roofing, plastering and painting of Dormitory	1,000,000.00	1,000,000.00	On-going	Construction at slab level on going
2017/2018	Fr Martin Boyle Secondary School	Plastering and painting of laboratory	500,000.00	500,000.00	On-going	Materials on the site construction to start soon.
2017/2018	Got Ne Lel girls sec. school	Painting of 5 classrooms	500,000.00	500,000.00	New	Materials on the site construction to start soon.
2017/2018	Hk Kibuko Secondary School	Plastering and painting of Dining hall	1,500,000.00	1,500,000.00	On-going	Materials on the site construction to start soon.
2017/2018	Kabirer Secondary School	Foundation, walling, roofing, plastering and painting of laboratory	1,000,000.00	1,000,000.00	New	Materials on the site construction to start soon.
2017/2018	Kibongwa Secondary School	Purchase of 3 acres of land	800,000.00	800,000.00	New	Materials on the site construction to start soon.
2017/2018	Kapsigila Girls Secondary school	Foundation, walling, roofing, plastering and painting of Dormitory	500,000.00	500,000.00	New	Construction at slab level on going
2017/2018	Chemase Secondary School	Roofing, plastering and painting of storey Admin block	1,500,000.00	1,500,000.00	Ongoing	Roofing on going

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Chemamul Secondary School	Foundation, walling, roofing, plastering and painting of laboratory	1,000,000.00	1,000,000.00	New	Materials on the site construction to start soon.
2017/2018	All Saints Kapkeno Girls	Walling, roofing, plastering and painting of Storey classroom	500,000.00	500,000.00	Ongoing	Materials on the site construction to start soon.
2017/2018	Kapsimatwo Secondary School	Additional amount for Purchase of 51 seater school bus.	2,000,000.00	2,000,000.00	On-going	51 seater bus construction complete and already added over
2017/2018	Constituency Sports Tournament	Carry out Constituency Sports tournament and the winning teams/schools to be awarded with trophies, balls, and games kits	1,736,206.90	1,736,206.90	New	Yet to start
2017/2018	AIC Setek Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	AIC Taunet Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	All Saints kapkeno Girls Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Chemamul Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	FR Boyle Kabolebo Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Got Ne Lel Girls Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Kabirer Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Kamelil Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Kapsigilai Girls Secondary	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Kipyaoor Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Meteitei Boys secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Mutumon Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	St. John Mixed Day Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	St. Mary's Tachasis Secondary	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	St. Peter's Soba Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Tinderet Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Kapsimatwo Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Savani Secondary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Cheboingong Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Kandumeiwek Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Kipsiwo Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Chepkaroi Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Subukei Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Lelgotet Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Lutter King Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Sigowet Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Soysitet Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Chemursoi Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Chepsangor Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Seiyot Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	Sokosik Primary School	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start
2017/2018	St paul kibisem Primary school	Purchase and Installation of 3000 litre plastic water tank	50,000.00	50,000.00	New	Yet to start

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Bugon Primary School	Purchase and Installation of 3000 litre plastic water tank	45,402.30	45,402.30	New	Yet to start
2017/2018	Ngatipkong Primary School	Purchase and Installation of 3000 litre plastic water tank	45,402.30	45,402.30	New	Yet to start
2017/2018	Cherungut Primary School	Purchase and Installation of 3000 litre plastic water tank	45,402.30	45,402.30	New	Yet to start
2017/2018	Kapsimatwo Chief's Office	Roofing, plastering, windows ,doors and painting.	500,000.00	500,000.00	Ongoing	Roofing already done fixing of doors and windows on going
2017/2018	Soba Chief's Office	Roofing, plastering, windows ,doors and painting.	500,000.00	500,000.00	Ongoing	Assembling of materials ongoing
2017/2018	Kabirer Chief's Office	Roofing, plastering, windows ,doors and painting.	500,000.00	500,000.00	Ongoing	Plastering on going
2017/2018	Meteitei Chief's Office	Roofing, plastering, windows ,doors and painting.	500,000.00	500,000.00	Ongoing	Construction at lintel on going
2017/2018	Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	4,568,965.52	4,568,965.52	On going	Already disbursed 200,000 to kolelach pry and 200,000 to Tamoo Daystar
2017/2018	Constituency Strategic Plan	Develop strategic plan for 5 Year period	3,500,000.00	3,500,000.00	New	Yet to start

Financial Year	Project Name	Project Activity	Allocated Amount Kshs.	Disbursed Amount Kshs.	Implementation Status	Remarks
2017/2018	Constituency Innovation Hubs	To construct and develop in partnership with Ministry of Information Communication and Technology 4 sites of Constituency Innovation Hubs	4,677,027.20	4,677,027.20	New	Yet to start
	Total		78,997,413.80	78,997,413.80		

3.0 Project verification

During the year under review five projects with a budget of Kshs.6,900,000 were verified and the following observations were made;

No.	Project Name	Approved Project activity	Amount Kshs.	Observation
1	Kapsimatwa Secondary school	Purchase of Bus	2,000,000	Bus purchased and in use
2	Kamelil Mixed Secondary school	Construction of two class rooms	1,000,000	Ongoing
3	Kapsimatwa Secondary School	Purchase of Bus	2,000,000	Bus purchased and in use
4	Koibeiyo Primary School	Construction of four class rooms	1,500,000	Complete. Classrooms already occupied
5	Kaplamaywo Primary School	Purchase of one acre of land	400,000	Land ownership being processed
		Total	6,900,000	

4.0 Other Grants and Transfers

Included in the figure of other grants and transfers figure of Kshs.27,607,479 is security projects figure of Kshs.1,500,000 out of which Kshs.500,000 was disbursed for the roofing, plastering, windows, doors and painting of Miteitei Chief's office. However audit verification revealed that plastering had not been, windows and doors were not fixed and painting was not done. The project appeared to have stalled since no work was ongoing as at the time of audit inspection. Under the circumstances, the objective of the projects was not achieved and no value for money has been obtained from the expenditure of Kshs.500,000 incurred on the project.

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 matter(s) described in the Basis for Qualified Opinion 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.

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 INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter(s) described in the Basis Qualified Opinion section of my report, 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 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the Tinderet NGCDF ability to continue as a going concern/ sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the National Government either intends to liquidate the Tinderet NGCDF or to cease operations, or have no realistic alternative but to do so.

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

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 Tinderet NGCDF 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 non compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Tinderet NGCDF 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 Tinderet NGCDF's ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Tinderet NGCDF to cease to continue as a going concern or to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Tinderet NGCDF to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

Nairobi

6 May 2019


TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018


IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017-2018 Kshs	2016-2017 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	47,905,172	81,896,551
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
TOTAL RECEIPTS		47,905,172	81,896,551
PAYMENTS			
Compensation of employees	4	1,708,228	987,265
Use of goods and services	5	4,883,245	6,690,855
Transfers to Other Government Units	6	20,100,000	86,700,000
Other grants and transfers	7	27,607,479	28,643,857
Acquisition of Assets	8	-	2,917,197
Other Payments	9	-	-
TOTAL PAYMENTS		54,298,952	125,939,174
SURPLUS/DEFICIT		(6,393,780)	(44,042,623)

NB: The above Deficit was as a result of balance of Kshs 9,338,925 brought forward from 2016/2017 spend in the year under review.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TINDERET Constituency financial statements were approved on SEPTEMBER 4TH 2018 and signed by:


 Fund Account Manager
 Name: BENJAMIN SUGUT



 Sub-County Accountant
 Name: LYDIA CHEPSOI
 ICPAK Member Number:

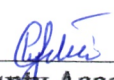
TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	2,945,145	9,338,925
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		2,945,145	9,338,925
Current Receivables: Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		2,945,145	9,338,925
FINANCIAL LIABILITIES			
Accounts payable-Retention	12	-	-
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	9,338,925	53,381,548
Surplus/Deficit for the year		(6,393,780)	(44,042,623)
Prior year adjustments	14	-	-
NET LIABILITIES		2,945,145	9,338,925

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TINDERET Constituency financial statements were approved on SEPTEMBER 4TH 2018 and signed by:


 Fund Account Manager
 Name: BENJAMIN SUGUT



 Sub-County Accountant
 Name: LYDIA CHEPSOI
 ICPAK Member Number:

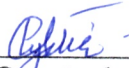
TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

VI. STATEMENT OF CASHFLOW

		2017 - 2018	2016 - 2017
Receipts for operating income			
Transfers from NGCDF Board	1	47,905,172	81,896,551
Other Receipts	3	-	-
Payments for operating expenses			
Compensation of Employees	4	1,708,228	987,265
Use of goods and services	5	4,883,245	6,690,855
Transfers to Other Government Units	6	20,100,000	86,700,000
Other grants and transfers	7	27,607,479	28,643,857
Other Payments	9	-	-
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		54,298,952	123,021,977
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	2,917,197
Net cash flows from Investing Activities		-	(2,917,197)
NET INCREASE IN CASH AND CASH EQUIVALENT		(6,393,780)	(44,042,623)
Cash and cash equivalent at BEGINNING of the year	13	9,338,925	53,381,548
Cash and cash equivalent at END of the year		2,945,145	9,338,925

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TINDERET Constituency financial statements were approved on SEPTEMBER 4TH 2018 and signed by:


Fund Account Manager
Name: BENJAMIN SUGUT


Sub-County Accountant
Name: LYDIA CHEPSOI
ICPAK Member Number:

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED


Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	<i>a</i>	<i>b</i>	<i>c=a+b</i>	<i>d</i>	<i>e=c-d</i>	<i>f=d/c %</i>
RECEIPTS						
Transfers from NGCDF Board	86,810,345	25,718,235	112,528,580	57,244,097	55,284,483	51
Proceeds from Sale of Assets				-	-	
Other Receipts				-	-	
TOTALS	86,810,345	25,718,235	112,528,580	57,244,097	55,284,483	51
PAYMENTS						
Compensation of Employees	2,394,828	537,138	2,931,966	1,708,228	1,223,738	58
Use of goods and services	5,418,103	1,890,485	7,308,588	4,883,245	2,425,343	67
Transfers to Other Government Units	40,076,422	17,310,344	57,386,766	20,100,000	37,286,766	35
Other grants and transfers	38,920,992	5,980,268	44,901,260	27,607,479	17,293,781	61
Acquisition of Assets		-	-	-	-	
Other Payments		-	-	-	-	
TOTALS	86,810,345	25,718,235	112,528,580	54,298,952	58,229,628	48


NB:

On receipts from the NGCDF Board is 51% utilisation because it had not disbursed to the constituency kshs. 55,284,483 as distributed below:

- i. Compensation of employees was at 58% because the balance of kshs. 1,223,738 had not been received*
- ii. Use of goods and services was at 67% because the balance of kshs. 2,425,343 had not been received*
- iii. Transfers to Other Government Units was at 35% because the balance of kshs. 37,286,766 had not been received*
- iv. Other grants and transfers was at 61% because the balance of kshs. 17,293,781 had not been received*

The NGCDF-TINDERET Constituency financial statements were approved on SEPTEMBER 4TH 2018 and signed by:


Fund Account Manager
Name: BENJAMIN SUGUT


Sub-County Accountant
Name: LYDIA CHEPSOI
ICPAK Member Number:

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 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-TINDERET 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.

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 2018, 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.

TINDERET CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

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 Funds

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of NG-CDF Act, 2015.

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2017 for the period 1st July 2017 to 30th June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

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

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	AIE NO.	2017-2018	2016-2017
		Kshs	Kshs
NGCDF Board			
AIE NO.	A 839517	-	4,094,828
AIE NO.	A 855217	-	36,853,449
AIE NO.	A 855555	-	40,948,275
AIE NO	A 892526	5,500,000	
AIE NO	A 892687	4,500,000	
AIE NO	A 892800	37,905,172	
TOTAL		47,905,172	81,896,552

2. PROCEEDS FROM SALE OF ASSETS

	2017-2018	2016-2017
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2017- 2018	2016-2017
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2017-2018	2016-2017
	Kshs	Kshs
Basic wages of contractual employees	1,062,354	982,465
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity	618,114	-
Other personnel payments-NSSF	27,760	4,800
Total	1,708,228	987,265

INDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. **USE OF GOODS AND SERVICES**

	2017-2018	2016-2017
	Kshs	Kshs
Committee Expenses	2,547,830	1,690,760
Utilities, supplies and services	1,446,134	1,955,540
Communication, supplies and services	616,241	1,253,200
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	-	-
Other operating expenses	273,040	1,791,355
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
Total	4,883,245	6,690,855

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2017-2018	2016-2017
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	5,500,000	62,800,000
Transfers to secondary schools (see attached list)	14,600,000	13,900,000
Transfers to tertiary institutions (see attached list)	-	10,000,000
Transfers to health institutions (see attached list)	-	-
TOTAL	20,100,000	86,700,000

7. **OTHER GRANTS AND OTHER PAYMENTS**

	2017-2018	2016- 2017
	Kshs	Kshs
Bursary – secondary schools (see attached list)	20,082,479	9,911,165
Bursary – tertiary institutions (see attached list)	5,175,000	6,811,954
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	450,000	-
Security projects (see attached list)	1,500,000	1,200,000
Sports projects (see attached list)	-	1,752,110
Environment projects (see attached list)	-	1,302,000
Emergency projects (see attached list)	400,000	7,666,628
Total	27,607,479	28,643,857

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets

	2017-2018	2016-2017
	Kshs	Kshs
Purchase of Buildings	-	1,917,997
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	999,200
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	2,917,197

9. OTHER PAYMENTS

	2017-2018	2016-2017
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
TIVET	-	-
	-	-
	-	-
	-	-
	-	-

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017-2018	2016-2017
	Kshs	Kshs
<i>Equity NANDI HILLS A/C NO. 0920265847067</i>	2,945,145	9,338,925
Total	2,945,145	9,338,925
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

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>	<i>dd/mm/yy</i>	-	-	-
Total				-

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

12 RETENTION

	2017 - 2018	2016-2017
	Kshs	Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2017-2018	2016-2017
	Kshs(1/7/2017)	Kshs (1/7/2016)
Bank accounts	9,338,925	53,381,548
Cash in hand	-	-
Imprest	-	-
Total	9,338,925	53,381,548

[Provide short appropriate explanations as necessary]

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017- 2018	2016-2017
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
	-	-
Total	-	-

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING STAFF PAYABLES

	Kshs	Kshs
Staff gratuity	284,540	-
	284,540	-

15.3: UNUTILIZED FUNDS (See Annex 1)

	Kshs	Kshs
Compensation of employees	1,223,738	537,138
Use of goods and services	2,425,343	1,890,485
Amounts due to other Government entities (see attached list)	37,286,766	17,310,344
Amounts due to other grants and other transfers (see attached list)	17,293,781	5,980,268
Acquisition of assets	-	-
Others (specify)	-	-
	58,229,628	25,718,235

TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 3)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	15,990,575	19,488,199
	15,990,575	19,488,199

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

ANNEX 1 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		1,223,738	537,138	
Use of goods & services		2,425,343	1,890,485	
Amounts due to other Government entities		37,286,766	17,310,344	
	Sub-Total	40,935,847	19,737,967	
Amounts due to other grants and other transfers		17,293,781	5,980,268	
	Sub-Total	17,293,781	5,980,268	
	Sub-Total			
Acquisition of assets		-	-	
Others (<i>specify</i>)		-	-	
	Sub-Total	-	-	
	Grand Total	58,229,628	25,718,235	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

ANNEX 2 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land	-	-	-	-
Buildings and structures	8,000,000	-	-	8,000,000
Transport equipment	9,919,093	-	-	9,919,093
Office equipment, furniture and fittings	1,214,460	-	-	1,214,460
ICT Equipment, Software and Other ICT Assets	524,495	-	-	524,495
Other Machinery and Equipment	21,700	-	-	21,700
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	19,679,748	-	-	19,679,748

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

ANNEX 3 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
CHEMURSOI PRIMARY	KCB	1120761115	400,155	
KAPLAMAIWO PRIMARY	KCB	1222579737	398,390	
AIC KIPSIWO PRIMARY	KCB	123232625	400,000	
KOIBEYO PRI	KCB	1168029104	59,445	
KOLELACH PRIMARY	KCB	1180685423	105,630	
MAGOI PRIMARY	KCB	1164764543	301,094	
SOKOSIK PRIMARY	KCB	1161342745	402,340	
ST PAUL KIBISEM	KCB	1230055371	167,240.00	
TAMOO DAYSTAR	KCB	1177665115	200,500	
USON PRIMARY	KCB	1167436687	401,534	
USWET PRIMARY	KCB	1168915066	627,575	
ALL SAINTS KAPKENC GIRLS	KCB	1135016534	502,035	
CHEMAMUL SECONDARY SCHOOL	KCB	1137659319	605,215	
CHEMASE SECONDARY	KCB	1164297716	1,472,180	
HENRY KOSGEY KIBUKWO SEC	KCB	1106802705	1,509,682	
KAMELIL MIXED SEC ONDARY	EQUITY	276782971	1,000,000	
KAPSHIGLAI GIRLS	KCB	1128184133	498,094	
KAPSIAMATWO SECONDARY SCHOOL	KCB	1159475989	1,606,134	
KIBUKWO GIRLS	EQUITY	276415503	2,000,000	
SAVANI SECONDARY	KCB	1106792696	1,568	
ST. PETERS SOBA	KCB	1180067479	1,046,391	
TINDERET SECONDARY SCHOOL	KCB	1106805291	1,012,759	
BUGON PRIMARY	EQUITY	272706474	500,000	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
KABIRER CHIEFS OFFICE	EQUITY	170843797	99,045	
KAFSIAMATWQ CHIEFS OFFICE	EQUITY	170733685	170,420	
METETEL CHIEFS OFFICE	EQUITY	170733462	503,147	
Total			15,990,575.	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TINDERET CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

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)	Time frame (Put date when you expect the issue to be resolved)
1.1	Unsupported Expenditure	That all expenditure be supported availed for audit review	B.SUGUT - FAM	RESOLVED	
1.2	Transfer to Tertiary Institutions	All documents be availed for audit review	B.SUGUT - FAM	RESOLVED	
2.1	Construction of Tinderet High Altitude Camp	Tender minutes, expenditure returns and ownership documents prepared	B.SUGUT - FAM	RESOLVED	
2.2	Purchase of land for Tinderet NG-CDF Office	Land title deed being processed at lands office	B.SUGUT - FAM	RESOLVED	
3.1	Bursary	Bursary committee formed to include education officer	B.SUGUT - FAM	RESOLVED	
3.2	Other Projects	List of projects and expenditure prepared	B.SUGUT - FAM	RESOLVED	
4.0	Project Management Committee Account Balances	Disbursement to PMCS done towards end of financial year	B.SUGUT - FAM	RESOLVED	
5.1	Budgetary Performance	Under performance due to delay in disbursement from Board	B.SUGUT - FAM	RESOLVED	
5.2	Project Implementation	Tendering and formation of committees take long	B.SUGUT - FAM	RESOLVED	
5.3	Project Verification	Completion rate being increased	B.SUGUT - FAM	RESOLVED	

