

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



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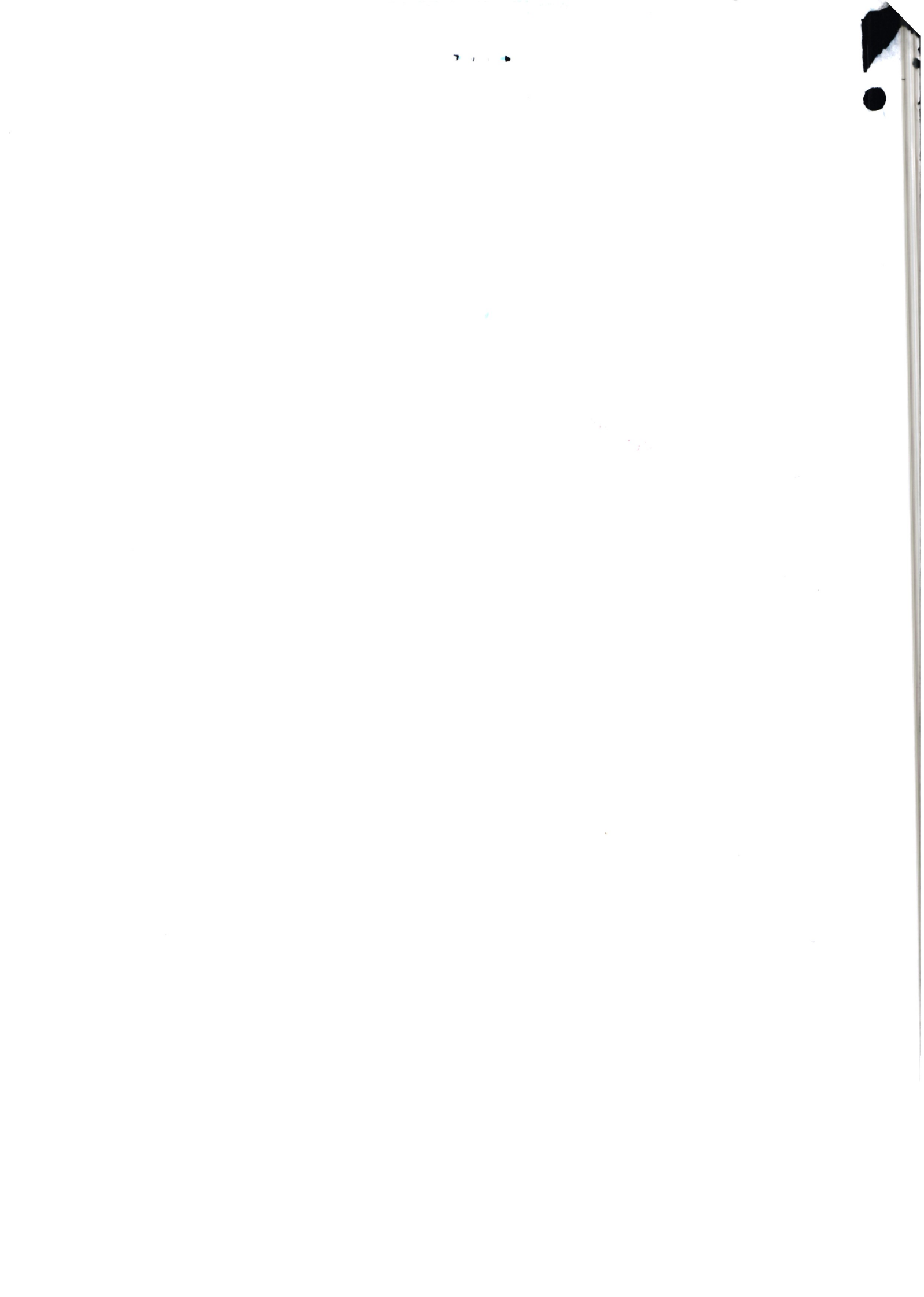
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
KEIYO NORTH CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2018





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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND KEIYO NORTH
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)



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO
NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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



Core Values

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

(b) Key Management

The NGCDF KEIYO NORTH 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	Milcah Sugut
3.	Sub-County Accountant	David Odiyo
4.	Chairman NGCDFC	Paul Tarus
5.	Member NGCDFC	Kenneth Cherop

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF –KEIYO NORTH 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 KEIYO NORTH Constituency Headquarters

Keiyo North Constituency,
P.O BOX 640-30700,
Iten.



(f) NGCDF KEIYO NORTH Constituency Contacts

Telephone: (254) 726884581,
E-mail: cdfkeiyonorth@cdf.go.ke
Website: www.cdf.go.ke

(g) NGCDF KEIYO NORTH Constituency Bankers

1. Kenya Commercial Bank
A/c:1103235303,
P.O, BOX, 640-30700,
Iten.

(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

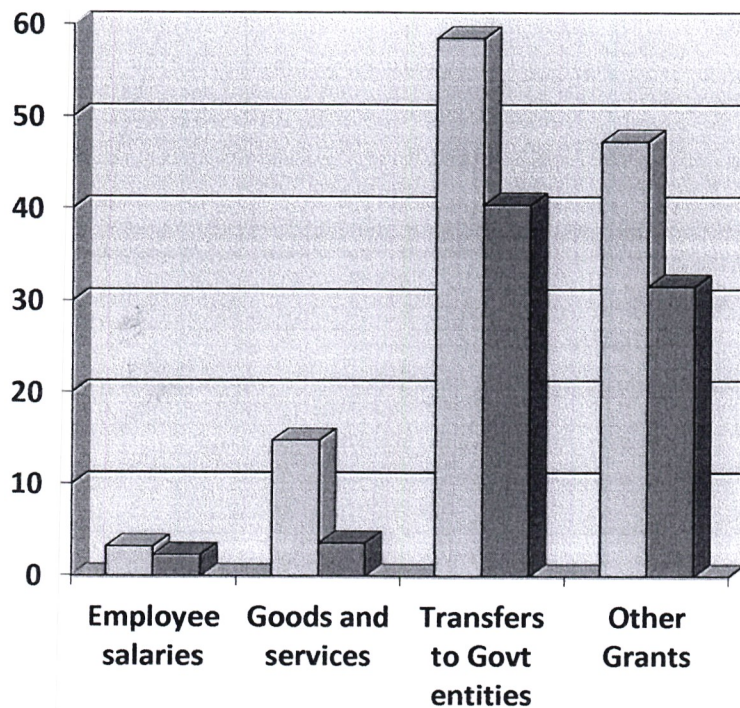
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya



II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

I wish to mention that this year's performance of the fund has been progressive especially on development which includes provision of learning facilities in schools by constructing classrooms and other facilities within the required timeframe in the education sector, enhancing security through construction and completion of AP Houses within the chief's offices.

The graph below represents the performance based on the final budget against the actual on comparable basis. The final budget includes the original budget, the balances from the prior year and the funds for the prior year that had not been received at the beginning of the year for 2017/2018. The total allocation for the year was Kshs.86, 810,345 which was distributed to various sectors as represented in the graph.



Original budget - allocation percentage per sector



Actual on comparable basis - expenditure percentage per sector



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

To highlight a few transfers to other government institutions comprise of funds disbursed to education sector i.e. primary and secondary schools to develop infrastructure, while other grants are funds transferred to bursaries, emergency and security.

Bursaries form the integral part of the fund; the funds have ensured transition of students from secondary to colleges and promote continued learning for needy students. The figure below shows the bursaries disbursed to secondary schools and tertiary institutions and the number of beneficiaries for the FY 2017/2018.

Figure 1.0

	Partial Sponsorship		Partial Sponsorship		Partial Sponsorship		Total
	Male	Kshs	Female	Kshs.	PWD's	Kshs.	
Universities	380	3,506,000	400	3,663,200			7,169,200
Tertiary Institutions	309	2,557,000	427	3,711,000			6,268,000
High Schools / Secondary Schools	520	4,975,000	655	6,267,000	3	30,000	11,272,000
Total							24,709,200

Other key achievements in the constituency includes completion of classrooms in most of the primary schools, completion of chief's offices and AP houses in two stations and funding of 11 projects from the emergency fund.

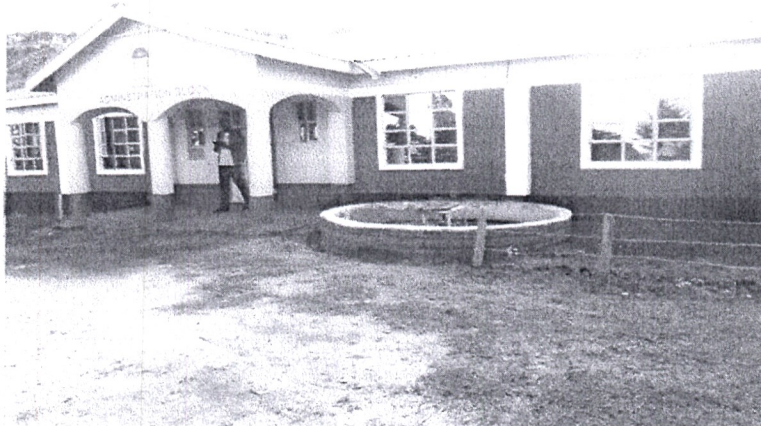


ACC's office.
 Location: Emsoo ward





Kapsio primary school
Project: Classrooms
Kapchemutwa ward, Irong location



Kibendo secondary school
Project: Administration block
Location: Emsoo ward, Kokwao location



Despite the progressive achievements some challenges have been experienced which includes low consumption of funds meant for infrastructure hence lower completion rate. Poor road networks and flooding caused by prolong rains has been also a major challenge which led to non implementation of projects in time. Transition in schools also affected in implementation and continuity of the ongoing projects.

In view of the challenges mentioned measures shall be taken to ensure that all the PMC's report in time on the challenges faced so as to be addressed where possible.

Sign



CHAIRMAN NGCDF COMMITTEE



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

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-KEIYO NORTH 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-KEIYO NORTH 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-NORTH 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-NORTH 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-NORTH Constituency financial statements were approved and signed by the Accounting Officer on 15/4/2019 2019.



Fund Account Manager

Name: Milcah Sugut



Sub-County Accountant
Name: David Odoyo
ICPAK Member Number:

13213



REPUBLIC OF KENYA

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Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Keiyo North Constituency set out on pages 1 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 flows and statement of comparison of budget and actual amounts 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 National Government Constituencies Development Fund - Keiyo North Constituency 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 Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Project Management Committee (PMC) Bank Accounts Balance

Annex 4 to the financial statements disclose project management committee accounts balances of Kshs.14,897,978 as at 30 June 2018. However, the cashbooks as well as bank reconciliation statements in respect of the bank accounts were not provided for audit verification. Consequently, the accuracy, validity and completeness of the project management committee bank accounts balance of Kshs.14,897,978 as at 30 June 2018 could not be confirmed.

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Keiyo North Constituency for the Year Ended 30 June 2018

2.0 Summary of Fixed Asset Register

The summary of fixed asset register under Annex 4 reflects opening total assets figure of Kshs.10,994,133 which is at variance with the corresponding prior year certified financial statements figure of Kshs.10,741,633 resulting in unexplained variance of Kshs.252,500. Further, there is an addition to fixed of Kshs.35,000 that is not reflected in the statement of receipts and payments which shows nil acquisition of assets.

Under the circumstances, the validity, accuracy and completeness of the opening total assets figure of Kshs.10,994,133 for the year ended 30 June 2018 could 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 - Keiyo North Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

3.0 Unresolved Prior year audit matters

Annexed to the financial statements submitted for audit, is the progress on follow up of auditor recommendations, which includes the following matters which were raised in the audit report for 2016/2017 financial year, but remains unresolved contrary to section 68(2)(l) of the public finance management act,2012 which require accounting officers to take appropriate measures to resolve any issues arising from audit which may remain outstanding.

3.1 Unsupported Expenditure

The statement of receipts and payments for the year ended 30 June 2017 reflects transfers to other government units' figure of Kshs.40,608,750 relating to funds disbursed to various project management committees (PMCs). However, actual expenditure returns from PMCs were not availed for audit confirmation.

Under the circumstances, it was not possible to confirm whether the funds totaling Kshs.40,608,750 was actually received and utilized for the budgeted projects in the year under review.

3.2 Security Projects

Included in other grants and transfers figure of Kshs.41,131,880 is disbursements to security projects amount of Kshs.3,000,000. However, the actual expenditure returns from those project management committees were not availed for audit verification.

Under the circumstances, it was not possible to confirm whether the money was used for the budgeted projects and therefore the validity and propriety of the expenditure of Kshs.3,000,000 could not be confirmed.

3.3 Emergency Projects

Included also in other grants and transfers figure of Kshs.41,131,880 is disbursements to emergency projects balance of Kshs.6, 993,000. However, the actual expenditure returns from those project management committees were not availed for audit verification. Under the circumstances, it was not possible to confirm whether the money was used for the budgeted projects and therefore the validity and propriety of the expenditure of Kshs.6,993,000 could not be confirmed.

3.4 Sports Projects

Other grants and transfers figure of Kshs.41,131,880 further includes disbursements to sports projects amount of Kshs.1,992,540 as disclosed in note 7 to the financial statements. However, the actual expenditure returns from the project management committees to show how the funds were utilized were not availed for audit verification.

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

3.5 Project Management Committee Balances

Note 15.4 and Annex 5 to the financial statements reflects project management committee balances of Kshs.7,318,573 as at 30 June 2017 in respect of unutilized funds with the project management committees. However, an amount of Kshs.1,545,257 relating to unutilized funds in the Constituency Development Fund environment project account meant for environment projects has been excluded. In addition, cash books and bank reconciliation statements for the project management committees' balances were not availed for audit review. Under the circumstances, the accuracy and completeness of the project management committees balance of Kshs.7,318,573 could not be confirmed.

3.6 Bank Balance

The statement of financial assets as at 30 June 2017 reflects bank balance figure of Kshs.10,153,184. However, the bank reconciliation statement availed for audit reflects un-presented cheques totaling to Kshs.1,352,756.50 out of which cheques amounting to Kshs.279,958 had become stale but had not been reversed in the cashbook. No explanation has been provided for this anomaly. In addition, details showing when the other balance was cleared by the bank was not availed for audit review.

Consequently, the accuracy and validity of the bank balance of Kshs.10,153,184 could not be confirmed.

3.7 Unaccounted for Transfers from CDF Board

The statement of receipts and payments for the year ended 30 June 2017 reflects transfers from CDF board figure of Kshs.40,948,276 in respect of 50% of projects budgeted for in 2016/2017 financial year. However, receipts relating to unfunded projects in the year 2015/2016 whose funds were released in 2016/2017 financial year have not been included in the transfer from CDF Board total balance of Kshs.40,948,276 hence understating the total receipts for the year. Under the circumstances, the accuracy and completeness of the transfers from CDF Board figure of Kshs.40,948,276 could be confirmed.

3.8 Unfunded projects

The statement of receipts and payments for the year ended 30 June 2017 reflects an amount of Kshs.40,948,276 under transfers from CDF Board which is in respect of 50% of projects budgeted for in 2016/2017 financial year. However, the management has not attached an annex to the financial statement disclosing the total amount of funds owed by the CDF board and a schedule of the projects which were to be funded but did not receive funds.

Under the circumstances, it was not possible to confirm which project never received funds.

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 Budget performance

During the year under review, the Fund had approved budget of Kshs.149,291,115 against actual receipts of Kshs.92,268,700 or 38% resulting in an under expenditure of Kshs.71,891,081 or 48% of the approved budget as detailed below:

Receipt /Expense Item	Final Budget	Actual on Comparable Basis	Under Utilization Difference	Under Utilization
	Kshs.	Kshs.	Kshs.	%
RECEIPTS				
Transfers from NGCDF Board	149,291,115.00	92,268,700.00	57,022,415.00	38
PAYMENTS				
Compensation of Employees	3,202,216.00	2,271,054.00	931,162.00	29
Use of goods and services	15,656,587.00	3,616,201.00	12,040,386.00	77

Receipt /Expense Item	Final Budget	Actual on Comparable Basis	Under Utilization Difference	Under Utilization
	Kshs.	Kshs.	Kshs.	%
Transfers to Other Government Units	68,500,000.00	40,400,000.00	28,100,000.00	41
Other grants and transfers	47,842,656.00	31,612,779.00	16,229,877.00	34
Acquisition of Assets	7,000,000.00	0	7,000,000.00	100
Other Payments	7,589,656.00	0	7,589,656.00	100
Total	149,791,115.00	77,900,034.00	71,891,081.00	48

Overall, from the above analysis, it is evident that the CDF under-spent on most of its budget line with Other Payments, Acquisition of assets, Use of goods and services, Transfers to other government Units, Other grants and transfers and Compensation to employees with the highest % of unutilized allocation of 100%, 100%, 77%,41%,34% and 29% respectively.

Management has explained that the failure to utilize the funds resulted from late disbursements from NGCDF board and non-funding of the entire approved budget. Consequently, the residents of Keiyo North constituency were denied the benefits that would have accrued from the projects that were to be implemented.

2.0 Project Implementation Status Report

During the financial year, the Fund had a budget of Kshs.149,791,115.00 out of which they planned to spend Kshs.98,031,034 on 140 development projects. A project implementation status report made available showed that eighty-four projects with a budget of Kshs.42,141,379 were complete, thirty-seven projects with a budget of Kshs.35,668,663 projects were on going while nineteen projects with a budget of Kshs.20,220,992 had not started as shown on the attached Appendix.

3.0 Project Verification report

A physical verification conducted in March 2019 revealed the following;

No.	Payee	Project Description	Amount Disbursed Kshs.	Auditor's Comments
1	Bugar Secondary School	Foundation and slab for the administration block	600,000.00	Project ongoing. Administration block was under construction at lintel level.
2	Muno Secondary School	construction of classroom	500,000.00	Project ongoing. The classroom was under construction. Walling had been done. Project was at lintel level. It was not labelled.

No.	Payee	Project Description	Amount Disbursed Kshs.	Auditor's Comments
3	Kessup Day Secondary School	Plastering and painting of offices within the tuition block (1,300,000) and construction of gate (250,000)	800,000.00	The project is incomplete. Roofing, plastering of internal and external walls done, floor tiles not yet done, painting works not done, window panes not done. Project not labelled.
4	Kabulwo Secondary School	Walling and painting of the dining hall	1,000,000.00	Project ongoing. Walling had been done, Roofing had been completed with steel roofing, Aluminium foil was in place to keep the hall cool, painting works had not been done, Window panes and some doors were yet to be fixed, no furniture The project had not been labelled.
5	Kapkonga Secondary School	Plastering, painting and fittings of the lab.	1,000,000.00	The lab is equipped and in use. The funds were initially meant to construct a classroom. Approvals for reallocation of funds were not availed for audit verification.
6	Bugar Secondary School	Walling, roofing of administration block and purchase of 50 lockers	1,000,000.00	Lockers not identifiable. The technical specifications for the lockers was not availed for audit verification. The lockers were not labelled hence difficult to ascertain whether they were purchased.
7	Chegilet Secondary School	construction of classroom	250,000.00	The project was complete and but use. The school had constructed two classrooms. They had not been painted. They had not labelled the projects.
8	Iten Day Secondary School	Plastering and painting of offices within the tuition block(1,300,000) and construction of gate (250,000)	1,000,000.00	The administration block is not complete. The pillars had been erected and roofing done. Walling not done. The school is operating under 3 names; St. Peters Iten Secondary School, Iten Mixed Secondary School, Iten Day Secondary school. The project had not been labelled. The funds were meant for

No.	Payee	Project Description	Amount Disbursed Kshs.	Auditor's Comments
				plastering and painting of offices within the tuition block and gate construction but during physical verification, the funds had been used to erect pillars and roof the administration block. The approvals for reallocation of funds were not availed for audit verification.
9	Kabulwo Secondary School	Walling and painting of the dining hall	1,000,000.00	The project was ongoing. Walling had been done, Roofing had been completed with steel roofing, Aluminium foil was in place to keep the hall cool, painting works had not been done, Window panes and some doors were yet to be fixed, no furniture The project had not been labelled.
10	Kamariny Secondary School	Roofing and plastering of the laboratory	500,000.00	The building is incomplete and not in use. Plastering of both interior and exterior walls had been done. Windows, doors, window panes had been done. Paint works and flooring had not been done. The project had not been labelled. There were no approvals for reallocation of funds.
11	Kapkonga Secondary School	construction of classroom	500,000.00	The laboratory was complete and in use. The funds disbursed were for construction of a classroom, however, the school used the funds to equip the laboratory. The fittings and lab equipment had not been labelled. There were no approvals for reallocation of funds.
12	Kessup Day Sec School	Plastering and flooring of Administration block	500,000.00	The project is incomplete. Roofing, plastering of internal and external walls done, floor tiles not yet done, painting works

No.	Payee	Project Description	Amount Disbursed Kshs.	Auditor's Comments
				not done, window panes not done. Project not labelled.
13	Aic Kessup Girls High School	Plastering, flooring, painting and fittings of doors and windows for two classrooms	500,000.00	Complete and in use. Tiles, plastering of shutters, doors and window panes complete. Paint works not complete. Project not labelled.
14	Muno Sec School	construction of classroom	250,000.00	Project ongoing. The classroom was under construction. Walling had been done. Project was at lintel level. It was not labelled.
15	Siroch Secondary School	Construction of one classroom(1,000,000), painting and fittings of the lab(1,000,000)	1,000,000.00	The project is ongoing. The classroom construction was on the lintel level. The laboratory was equipped but not labelled hence the furniture/fittings were unidentifiable.
16	Kimuron Secondary School	Roofing and plastering of the dormitory	1,000,000.00	Complete and in use. The project was not labelled.
17	Iten Day Secondary School	roofing of the administration block	2,500,000.00	The project is ongoing. The roofing had been done. Walling had not been done. Project not labelled.
18	Kapsio Primary School	construction of classroom	500,000.00	The classroom was complete and in use as a staffroom. Painting works had not been done. Project had not been labelled.
19	Iten Special School	completion of staff house	500,000.00	The twin staff house was complete and in use. Project was not labelled.
20	Kolol Primary School	construction of classroom	500,000.00	Incomplete. Roofing and windows fixed. No fascial board. External painting incomplete. Project not labelled.

No.	Payee	Project Description	Amount Disbursed Kshs.	Auditor's Comments
21	Emkong Primary School	construction of classroom	500,000.00	Classroom was complete and in use. There were major cracks on the wall. There was no fascial board at the back of the classroom. The project was not labelled.
22	Rimoi Primary School	construction of classroom	250,000.00	Project was complete and in use, No fascial board. Project was not labelled.
24	Kipsabu Primary School	construction of classroom	500,000.00	2 Classrooms were complete and in use. Painting works not complete. Project not labelled.
25	Nyalil Primary School	construction of classroom	500,000.00	Land ownership process ongoing. Land ownership process is ongoing, since the land in which the school seats is private. The school was given funds by NGCDF to purchase the land from the owner.
26	Mindililwo Special School	Plastering and painting of staff house-kshs.100,000 and foundation, walling and roofing of admin block-kshs.500,000	600,000.00	The project is stalled at foundation level December 2018. There is a pit latrine adjacent to the foundation that needs to be moved before the project proceeds. In addition, no progress due to a grave at the proposed verandah.
27	Msekekwa Primary School	construction of classroom	500,000.00	1 classroom complete and in use. Certificates of inspection and acceptance committee for the works were not prepared and issued.
28	Emkong Primary School	construction of classroom	250,000.00	Classroom was complete and in use. The classroom had cracks on the wall, No fascial board at the back, Project was not labelled.
29	Kiboi Primary School	construction of classroom	250,000.00	Two classrooms were complete and in use. No fascial boards. Project was not labelled.

No.	Payee	Project Description	Amount Disbursed Kshs.	Auditor's Comments
30	Kipsabu Primary School	construction of classroom	250,000.00	2 Classrooms were complete and in use. Painting works not complete. Project not labelled.
31	Nyalil Primary School	construction of classroom	500,000.00	Classroom was complete and in use. The project was not labelled.
32	Rimoi Primary School	construction of classroom	250,000.00	Classroom was complete and in use.
33	Moi Tambach Primary School	Foundation, slab, walling of tuition block	500,000.00	The classrooms were complete and in use. The project was not labelled.
34	Sergoit Chiefs Office	construction of toilets -kshs.100,000 and purchase of Cabinet, tables, and chairs- Kshs.100,000	200,000.00	The cabinets, tables and chairs were not availed for verification. The cabinets, tables and chairs were not available for verification. The toilets were also not seen. Instead the funds were used to paint the 3 AP houses that had initially been constructed by 2015/16 NGCDF Funds.
35	Kamogich Chiefs Office	painting and construction of 3 door toilets	200,000.00	Complete and in use. Painting not done on back side of building. Painting poorly done on the sides. The project was labelled.
36	A.P Camp-Kermuk	Construction of 3 AP houses up to completion	700,000.00	Complete and not in use. The administration police were yet to occupy the houses until five units were complete. It was noted that there were no land ownership documents. The project was not labelled. It is against existing Government policy to house the police.
37	Kapchemutwa Chiefs Office	Painting, fitting of window panes of chief's office.	100,000.00	furniture seen. Window panes and internal painting works done. Project not labelled. certificates of inspection and acceptance committee for the works done were not prepared and issued.

No.	Payee	Project Description	Amount Disbursed Kshs.	Auditor's Comments
38	Kapchemutwa Do's Office	purchase of Cabinet, tables, and chairs- Kshs.100,000	100,000.00	Furniture seen. The furniture was not labelled.
39	Cheptarit Primary School	construction of 6 door toilet	300,000.00	The toilets were complete and in use. The project not labelled, .
40	Anin Secondary School	construction of staff toilets 4 door	300,000.00	Complete and in use. Fascial board not fixed. Project not labelled.
41	Anin Primary School	construction of 6 door toilet	200,000.00	Staff toilets complete and in use. Project not labelled.
42	Kabulwo Primary School	construction of 6 door toilet	300,000.00	door toilets complete and in use. Project was not labelled.
43	Chegilet Primary School	construction of 10 door toilet	500,000.00	The classroom was complete and in use. Painting works had not been done. Project had not been labelled. .
44	Tambach High School	opening of storm drain channel	440,000.00	complete
45	Sergoit Primary School	construction of septic tank	300,000.00	The septic tank was complete and in use. The project had not been labelled.
			24,140,000.00	

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 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

1.0 Transfer to Other Government Entities

Included in the transfer to other government entities of Kshs.40,400,000 which includes an amount of Kshs.700,000 in respect of construction of Kermuk Administration Police Camp.

Examination of the PMC returns revealed that an undated advert for tender was issued and opened on 26 July 2018. Ten bid were received, five for construction and another five for supply of materials. However, tender opening committee minutes dated 26 July 2018 which also awarded the construction job to one of the bidders, was signed by only one person, the chairman. In addition, no evaluation minutes were made available for audit review. Further, a physical verification revealed that the three residential units were complete but not labelled. In addition, the land on which the project is constructed belongs to the community and no document of title was produced for verification.

Consequently, the propriety and regularity of the expenditure of Kshs.700,000 for the construction of Kermuk Administration Police Camp 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 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, 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 National Government Constituencies Development Fund - Keiyo North Constituency ability to 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 National Government Constituencies Development Fund - Keiyo North Constituency 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 National Government Constituencies Development Fund - Keiyo North Constituency 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 National Government Constituencies Development Fund - Keiyo North Constituency 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 National Government Constituencies Development Fund - Keiyo North Constituency 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 National Government Constituencies Development Fund - Keiyo North Constituency 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 National Government Constituencies Development Fund - Keiyo North Constituency 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

12 July 2019



Appendices

Appendix 1

Project Implementation Status Report

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
1	Mutei Chief's Office	Painting of AP Houses and Construction of 3 door toilets	250,000	complete
2	Berese Primary	Construction of one classroom upto completion.	500,000	complete
3	Bugar Primary	Construction of one classroom upto completion	500,000	complete
4	Cheberen Primary	Renovation of floors, walls of 3 classrooms	300,000	complete
5	Chelingwa Primary	Construction of two classrooms upto completion.	1,000,000	complete
6	Kapsio Primary	Construction of one classrooms upto completion	500,000	complete
7	Katalel Primary	Construction of one classroom upto completion	500,000	complete
8	Kibendo Primary	Renovation of floors and walls for 3 classrooms	300,000	complete
9	Kiboi Primary	Construction of one classroom upto completion	500,000	complete
10	Kipchawat Primary	Purchase of 60 desks	300,000	complete
11	Kipka Primary	Renovation of floors and walls for 4 classrooms	500,000	complete
12	Kipsabu Primary	Construction of one classroom upto completion	500,000	complete
13	Kiptabus Primary	Construction of one class upto completion	500,000	complete
14	Kobil Primary	Construction of one class for adult section (500,000)and one class for primary section(500,000) upto completion	500,000	complete

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
15	Komotony Primary	Construction of one classroom upto completion.	500,000	complete
16	Lamaon Primary	Construction of one classroom upto completion	500,000	complete
17	Msekekwa Primary	Construction of one classroom upto completion	500,000	complete
18	Nyawa Primary	Construction of one classroom upto completion	500,000	complete
19	Rimoi primary	Construction of one classroom upto completion	500,000	complete
20	Salaba Primary	Construction of one classroom upto completion (500,000)and construction of 6 door toilets (200,000)	700,000	complete
21	Muno Primary	Renovation of floors and walls of 5 classrooms	500,000	complete
22	Songeto Primary	Construction of one classroom upto completion	500,000	complete
23	William Murgor Primary	Construction of one classroom upto completion	500,000	complete
24	Yokot Primary	Renovation of floors and walls of 6 classrooms	800,000	complete
25	Kolol Primary	Purchase of 40 desks	50,000	complete
26	Mindililwo Primary	Re-flooring ,painting of walls and construction of pavement of 4 classrooms.	500,000	complete
27	Kapsio Primary	Construction of two classrooms. Upto completion	500,000	complete
28	Katalel Primary	Construction of two classrooms.Upto completion	500,000	complete
29	Iten Special School	Walling, roofing, plastering and painting of staff house	500,000	complete
30	Kiptabus Primary	Construction of one classrooms.Upto completion	250,000	complete

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
31	Kamariny Primary	Construction of toilets Kshs.100,000 and construction of two classrooms Kshs.1,000,000 upto completion	500,000	complete
32	William Murgor Primary	Construction of one classrooms Kshs.500,000 and plastering and painting of one classroom. Kshs.250,000	500,000	complete
33	Cheberen Primary	Plastering and painting of one classroom – Kshs.200,000 and connection of water to the school-Kshs.150,000	250,000	complete
34	Chelingwa Primary	Construction of two classroom Kshs.1,000,000 and completion of one classroom Kshs.100,000	500,000	complete
35	Yokot Primary	Renovation of floors and painting of walls of 3 classrooms	300,000	complete
36	Kapteren Primary	Renovation of floors and painting of walls of 3 classrooms	300,000	complete
37	Chepkitony Primary	Plastering and painting of one classroom – Kshs.150,000 and construction of one classroom Kshs.500,000 upto completion	500,000	complete
38	Chesitek Primary	Construction of one classroom	250,000	complete
39	Kapsinende Primary	Construction of one classroom to completion	500,000	complete
40	Sergoit Primary	Renovation of floors and walls of 4 classrooms	500,000	complete
41	Chebonet Primary	Renovation pf floors and walls of 3 classrooms	300,000	complete

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
42	Songeto Primary	Construction of one classroom to completion	500,000	complete
43	Kolol Primary	Construction of one classroom to completion	500,000	complete
44	Kipka Primary	Flooring, fixing of doors and windows and painting of one classroom- Kshs.100,000 and renovation of 4 classrooms Kshs.400,000	500,000	complete
45	Berese Primary	Construction of one classroom Kshs.500,000 and painting of one classroom Kshs.50,000.	550,000	complete
46	Emkong Primary	Construction of one classroom Kshs.500,000.	500,000	complete
47	Nyawa Primary	Construction of one classroom to completion	250,000	complete
48	Rimoi Primary	Construction of one classroom Kshs.500,000 and construction of toilets Kshs.200,000	250,000	complete
49	Kiboi Primary	Construction of one classroom Kshs.500,000 and walling of toilet Kshs.150,000	250,000	complete
50	Kipsabu Primary	Construction of two classrooms upto completion	500,000	complete
51	Kayoi Primary	Plastering, window and door fittings, and painting of administration block	500,000	complete
52	Kermuk Primary	Plastering and painting of 4 classrooms	400,000	complete
53	Nyalil Primary	Construction of two classrooms Kshs.1,000,000 and painting of one class Kshs.50,000	500,000	complete

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
54	Salaba Primary	Plastering and painting of one classroom Kshs.100,000 and construction of one classroom Kshs.500,000 upto completion	600,000	complete
55	Kiptoit Primary	Construction of two classrooms upto completion	500,000	complete
56	Kapkessum Primary	Plastering, painting and fitting of doors of the library	300,000	complete
57	Mindililwo Special School	Plastering and painting of staff house Kshs.100,000 foundation, walling and roofing and construction of administration block Kshs.500,000	600,000	complete
58	Komotony Primary	Construction of two classroom upto completion	500,000	complete
59	Bugar Primary	Construction of one classroom upto completion	500,000	complete
60	Lamaon Primary	Painting and fixing of 2 steel doors Kshs.100,000 and construction of one classroom Kshs.500,000	500,000	complete
61	Msekekwa Primary	Construction of one classroom upto completion	500,000	complete
62	Kobil Primary	Completion of library and classroom	400,000	complete
63	Kabore Secondary	Construction of one classroom to completion(500,000), foundation and walling of laboratory(1,000,000)	500,000	complete
64	Kabulwo Secondary	Walling and painting of the dining hall	2,000,000	complete
65	Kapkessum Secondary	Plastering and painting of the dormitory	700,000	complete
66	Kaptum Secondary	Construction of one classroom upto completion	500,000	complete

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
67	St.Alphonsus Mutei Girls Secondary	Painting of the laboratory	200,000	complete
68	St.Francis Kimuroon Secondary	Roofing and plastering of the dormitory	1,300,000	complete
69	Chebonet Secondary School	Construction of one classroom to completion.	500,000	complete
70	Chelingwa Secondary	Fitting of the library fume chamber	150,000	complete
71	Muno Secondary	Construction of one classroom upto completion	500,000	complete
72	Kapkoii Secondary	Construction of 6 door toilets upto completion	200,000	complete
73	Kibargoiyet Secondary	Construction of one classroom Kshs.500,000 and purchase of 20 desks Kshs.100,000	500,000	complete
74	Kabulwo Secondary	Walling, roofing of the dining hall	1,000,000	complete
75	Kapkonga Secondary	Plastering, painting and fittings of the laboratory	1,000,000	complete
76	AP Line Iten	Construction of AP houses	700,000	complete
77	Kapchemutwa DO's Office	Construction of AP houses	800,000	complete
78	Kamogich Chiefs Office	Plastering and painting of Administration Police houses- Kshs.150,000 and construction of toilets- Kshs.150,000	200,000	complete
79	Administration Police Camp Kermuk	Construction of 3 Administration police houses upto completion	700,000	complete
80	Kapchemutwa Chiefs Office	Painting and fitting of window panes of chiefs office	100,000	complete
81	Keiyo North DCC's Office	Construction of 6 door ablution toilets upto completion	641,379	complete

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
82	AIC Kessup Girls Secondary School	Plastering, flooring, painting and fittings of doors and windows for two classrooms	500,000	Complete
83	Kibendo Secondary School	Construction of one classroom to completion.	500,000	Complete
84	Chegilet Secondary	Construction of one classrooms upto completion	500,000	Complete
85	Sports	Carry out constituency sports tournament and the winning teams/schools to be awarded with trophies, balls, and games kits	1,637,931	Not started
86	Motor vehicle	Purchase of motor vehicle	7,000,000	Not started
87	Youth Empowerment Centre Constituency Innovation Hubs	Procuring of ICT systems and services through Telkom Kenya.	1,169,257	Not started
88	Mutei Chief Office Constituency Innovation Hubs	Procuring of ICT systems and services through Telkom Kenya.	1,169,257	Not started
89	Kapchemutwa DO's office- Constituency Innovation Hubs	Procuring of ICT systems and services through Telkom Kenya.	1,169,257	Not started
90	Tambach D.O's office- Constituency Innovation Hubs	Procuring of ICT systems and services through Telkom Kenya.	1,169,257	Not started
91	Irong Chief's Office	Plastering, fittings and painting of chief's office	900,000	Not started
92	Kamoi Chief's Office	Plastering ,fittings and painting of chief's office	500,000	Not started
93	Irong Chiefs Office	Foundation, slab and walling of the chiefs office	500,000	Not started
94	Kamoi Chiefs Office	Foundation, slab and walling of the chiefs office	500,000	Not started
101	Kabore Primary	Construction of one classroom upto completion	500,000	Not started

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
110	Siroch Primary	Construction of one classroom upto completion	500,000	Not started
95	Audit fees proposed in FY 15/16		500,000	Not yet released from the board
96	Emergency	To cater for unforeseen calamities within the constituency	4,568,966	Ongoing
97	Emergency	To cater for unforeseen calamities within the constituency	568,966	Ongoing
98	Sports	Carry out Constituency Sports tournament and the winning teams/schools to be awarded with trophies, balls, and games kits	868,103	Ongoing
99	Keiyo North NG-CDF Office	Painting of walls, renovation of washrooms, fitting of window grills for the NG-CDF office	712,629	Ongoing
100	Emkong Primary	Construction of one classroom upto completion	500,000	Ongoing
102	Kapkerembe Primary	Construction of one classrooms upto completion	500,000	Ongoing
103	Kaptum Primary	Construction of one classrooms to completion	500,000	Ongoing
104	Kipkulot Primary	Construction of one classroom upto completion	500,000	Ongoing
105	Kiptoit Primary	Construction of one classroom upto completion	500,000	Ongoing
106	Kokwao Primary	Construction of one classroom(500,000) painting and fittings of one class(100,000) and Purchase of 50 lockers(200,000)	800,000	Ongoing
107	Matany Primary	Construction of one classroom upto completion	500,000	Ongoing

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
108	Nyalil Primary	Construction of one classroom(500,000) and purchase of land(500,000)	1,000,000	Ongoing
109	Singore Primary	Walling, roofing and painting of staff house	500,000	Ongoing
111	Moi Tambach Primary	Foundation, slab for the tuition block	1,000,000	Ongoing
112	Kipkenda Primary	Construction of one classroom to completion.	500,000	Ongoing
113	Matany Primary	Construction of one classroom to completion	250,000	Ongoing
114	Cheptarit Primary	Plastering and painting of administration block	400,000	Ongoing
115	Kipkulot Primary	Construction of one classroom to completion	500,000	Ongoing
116	Kaptum Primary	Purchase of 40 beds for the boys dormitory Kshs.300,000 and walling, roofing, plastering and painting of 6 door toilets Kshs.200,000	400,000	Ongoing
117	Kaplamai Primary	Renovation of 2 classrooms	200,000	Ongoing
118	Bugar Secondary	Walling, roofing of administration block and purchase of 50 lockers	1,000,000	Ongoing
119	Chegilet Secondary	Construction of one classrooms upto completion	500,000	Ongoing
120	Iten Day Secondary	Plastering and painting of offices within the tuition block.	3,500,000	Ongoing
121	Kamariny Secondary	Roofing and plastering of the laboratory	1,000,000	Ongoing
122	Kapchelal Secondary	Plastering and painting of dining hall	1,000,000	Ongoing
123	Kessup Day Secondary	Plastering and flooring of Administration block	500,000	Ongoing

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
124	Muno secondary	Construction of one classroom upto completion	500,000	Ongoing
125	Siroch Secondary	Construction of two classroom (1,000,000), painting and fittings of the lab(1,000,000)	2,000,000	Ongoing
126	Kessup Day Secondary School	Roofing, plastering and painting of 14 door toilets	400,000	Ongoing
127	Siroch Day Mixed Secondary School	Fittings of the fume chamber and tables, chairs for the laboratory.	500,000	Ongoing
128	Kokwao Secondary School	Construction of 14 door toilets	500,000	Ongoing
129	Kapchelal Secondary School	Roofing, plastering and flooring of dormitory.	800,000	Ongoing
130	Bugar Secondary	Foundation and slab for the administration block	600,000	Ongoing
131	Kessup Day Secondary	Walling, roofing, plastering of administration block	800,000	Ongoing
132	Kapchelal Secondary	Walling, roofing, plastering and painting of dining hall	800,000	Ongoing
133	Kipsoen TTI	Construction of hostels	5,800,000	Ongoing
134	Sergoit Chiefs Office	Plastering and painting of administration police 3 houses for Kshs.100,000, construction of toilets kshs.100,000 and purchase of cabinets, tables and chairs- Kshs.100,000	200,000	Ongoing
135	Tambach tree planting	Planting of trees , in Kamogich and Kiptuilong areas and protection of water catchment areas.	217,026	Reallocated
136	Emsoo tree planting	Planting of trees in Kapchelal, Nyalil, Emsoo Chegilet areas and construction of gabions Rimoi valley.	217,026	Reallocated

No.	Project Name	Sub-Project/ Activities	Estimated Cost Kshs.	Implementation Status
137	Kamariny tree planting	Planting of trees in Kipsoen, Mutei, and Sergoit and Chelingwa areas and protection of catchment areas.	217,025	Reallocated
138	Kapchemutwa tree planting	Planting of trees in Kamoi, Kapchemutwa , lten and Chebaror areas and protection of catchment areas.	217,026	Reallocated
139	Environment	carry out environmental activities	1,637,931	reallocated
140	Kapkonga secondary	Construction of one classroom upto completion.	500,000	Reallocated to complete the lab
	TOTAL FOR PROJECTS		98,031,034	
	TOTAL BUDGET		149,791,114	





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

III. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017 - 2018	2016 - 2017
RECEIPTS		Kshs	Kshs
Transfers from NGCDF board	1	82,115,516	40,948,276.60
Proceeds from Sale of Assets	2		
Other Receipts	3		
TOTAL RECEIPTS			
PAYMENTS			
Compensation of employees	4	2,271,054	1,569,836
Use of goods and services	5	3,616,201	5,186,535
Transfers to Other Government Units	6	40,400,000	40,608,750
Other grants and transfers	7	31,612,779	41,131,880
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		77,900,034	88,497,001
SURPLUS/(DEFICIT)		<u>4,215,482.</u>	<u>(47,548,724.40)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KEIYO NORTH Constituency financial statements were approved on 15/4 2018 and signed by:


 Fund Account Manager
 Name: Milcah Sigit


 Sub-County Accountant
 Name: CPA DAVID ODIYO
 ICPAK Member Number: 13213



KEIYO NORTH CONSTITUENCY


Reports and Financial Statements


For the year ended June 30, 2018

IV. STATEMENT OF ASSETS AND LIABILITIES.

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	14,368,666	10,153,184.10
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents			
Current receivables - Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		14,368,666	10,153,184.10
FINANCIAL LIABILITIES			
Accounts payable - Retention	12	-	-
NET FINANCIAL ASSETS		14,368,666	10,153,184.10
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	10,153,184	57,701,908.50
Surplus/Deficit for the year		4,215,482	(47,548,724.40)
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		14,368,666	10,153,184.10

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KEIYO NORTH Constituency financial statements were approved on 15/4 2018 and signed by:


 Fund Account Manager
 Name: Milcah Sigut


 Sub-County Accountant
 Name: CPA DAVID ODIYO
 ICPAK Member Number: 13213



KEIYO NORTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

V. STATEMENT OF CASHFLOW

Receipts for operating income		2017-2018	2016-2017
Transfers from NGCDF Board	1	82,115,516	40,948,276.60
Other Receipts	3	-	-
		82,115,516	40,948,276.60
Payments for operating expenses			
Compensation of Employees	4	2,271,054	1,569,836
Use of goods and services	5	3,616,201	5,186,535
Transfers to Other Government Units	6	40,400,000	40,608,750
Other grants and transfers	7	31,612,779	41,131,880
Other Payments	9	-	-
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities			
		77,900,034	88,497,001
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		4,215,482	(47,548,724.40)
Cash and cash equivalent at BEGINNING of the year	13	10,153,184	57,701,908.50
Cash and cash equivalent at END of the year	14	14,368,666	10,153,184.10

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KEIYO NORTH Constituency financial statements were approved on 15/4/2018 and signed by:

Fund Account Manager

Name: Nulcal Sigut

Sub-County Accountant

Name: CPA DAVID ODYO
ICPAK Member Number: B213



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO NORTH CONSTITUENCY
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VI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	86,810,345.00	62,980,770.00	149,291,115.00	92,268,700.00	57,522,415.00	62
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts	-	-	-	-	-	
PAYMENTS						
Compensation of Employees	2,000,000.00	1,202,216.00	3,202,216.00	2,271,054.00	931,162.00	71
Use of goods and services	5,812,931.00	9,843,656	15,656,587.00	3,616,201.00	12,040,386.00	24
Transfers to Other Government Units	35,450,000.00	33,050,000.00	68,500,000.00	40,400,000.00	28,100,000.00	69
Other grants and transfers	31,157,758.00	16,684,898.00	47,842,656.00	31,612,779.00	16,229,877.00	67
Acquisition of Assets	7,000,000.00	-	7,000,000.00	-	7,000,000.00	0
Other Payments	5,389,656.00	2,200,000.00	7,589,656.00	-	7,589,656.00	0
Total	86,810,345.00	62,980,770.00	149,791,115.00	77,900,034.00	71,891,081.00	

Explanations on underutilization of funds

Transfers from the board: The difference amounting to Kshs.57, 522,415 includes funds that had not been received meant for FY 2017/2018.

Compensation of employees: The unutilized funds comprise of gratuity which shall be payable to staff at the end of contract.

Use of goods and services: Funds were committed towards end of year after the receipts from the board since the item had not been prioritised in the first disbursement.



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO NORTH CONSTITUENCY
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Transfers to other government entities: the underutilization was due to the funds not yet received and also the supplementary budget that was submitted in May 2018,


Other grants and transfers: The underutilization was due to the funds that were yet to be received from the board.

Acquisition of assets: Funds yet to be received

Other payments: Funds yet to be received.

The NGCDF-KEIYO NORTH Constituency financial statements were approved on 19/4/2018 and signed by:


Fund Account Manager
Name: Nileah Sygnt


Sub-County Accountant
Name: CPA DAVID ODITTO
ICPAK Member Number: B213



VII. 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-KEIYO NORTH 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.



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 NGCDF Act, 2015.



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.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –KEIYO
NORTH CONSTITUENCY**

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VIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017-2018	2016-2017
		Kshs	Kshs
NGCDF Board			
AIE NO	1	5,500,000	4,094,827.60
AIE NO	2	38,710,344	36,853,449
AIE NO	3	37,905,172	
TOTAL		82,115,516	40,948,276.60

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		



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –KEIYO
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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	1,195,990	1,176,836
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	195,000	196,500
Transport allowance	195,000	196,500
Leave allowance	-	-
Gratuity	685,064	
Other personnel payments		
Total	2,271,054	1,569,836



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –KEIYO
NORTH 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 Kshs	2016-2017 Kshs
Committee Expenses	1,379,100	1,730,405
Utilities, supplies and services	208,295	698,890
Communication, supplies and services	125,000	120,400
Domestic travel and subsistence	174,000	258,200
Printing, advertising and information supplies & services	-	13,000
Rentals of produced assets	-	
Training expenses	544,000	1,040,000
Hospitality supplies and services	12,000	-
Insurance costs	46,905	48,914
Specialized materials and services	-	-
Office and general supplies and services	311,604	89,999
Other operating expenses	275,222	78,645
Fuel	300,000	552,500
Routine maintenance –vehicle	203,535	555,582
Routine maintenance –other assets	36,540	-
Total	3,616,201	5,186,535



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

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018 Kshs	2016-2017 Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	23,900,000	20,600,000
Transfers to secondary schools (see attached list)	16,500,000	12,900,000
Transfers to tertiary institutions (see attached list)	-	5,500,000
Transfers to health institutions (see attached list)	-	1,608,750
TOTAL	40,400,000	40,608,750

7. OTHER GRANTS AND OTHER PAYMENTS

	2017-2018	2016- 2017
Bursary – secondary schools (see attached list)	11,272,000	11,489,000
Bursary – tertiary institutions (see attached list)	13,478,400	14,614,800
Bursary – Special schools (see attached list)	40,000	-
Mock & CATS		
Security projects (see attached list)	3,191,379	3,000,000
Sports projects	-	1,992,540
Environment projects	-	1,992,540
Emergency projects (see attached list)	3,671,000	6,993,000
Agriculture	-	1,050,000
Total	31,612,779.00	41,131,880.00



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

8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2017-2018 Kshs	2016-2017 Kshs
Purchase of Buildings		
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		
Purchase of ICT Equipment, Software and Other ICT Assets		
Purchase of Specialized Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
Total	-	-

9. OTHER PAYMENTS

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –KEIYO
NORTH CONSTITUENCY**

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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>Kenya Commercial Bank, Iten branch A/c no:1103235303</i>	14,368,666	10,153,184.10
Total	<u>14,368,666</u>	<u>10,153,184.10</u>
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		



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

11: OUTSTANDING IMPRESTS

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

12 RETENTION

	2017 - 2018	2016-2017
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1	-	-
Supplier 2	~*	-
Supplier 3	-	-
Total	-	-

13. BALANCES BROUGHT FORWARD

	2017-2018	2016-2017
	<i>Kshs</i>	<i>Kshs</i>
Bank accounts	10,153,184.	57,701,908.50
Cash in hand	-	-
Imprest	-	-
Total	10,153,184	57,701,908.50



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

14. PRIOR YEAR ADJUSTMENTS

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

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017- 2018 Kshs	2016-2017 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: UNUTILIZED FUNDS (See Annex 3)

	2017-2018 Kshs	2016-2017 Kshs
Compensation of employees	931,162	
Use of goods and services	11,230,042	
Amounts due to other Government entities (see attached list)	18,100,000	23,050,000
Amounts due to other grants and other transfers (see attached list)	15,660,911	12,427,585
Acquisition of assets	7,000,000	-
Others (<i>Funds meant for CIH Hubs and renovation of office</i>) Additional funding	18,968,966	-
	71,891,081	35,477,585



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –KEIYO
NORTH CONSTITUENCY**

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	14,897,978	7,318,573



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-KEIYO NORTH CONSTITUENCY
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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 2016 d=a-c	Outstanding Balance 2014	Comments
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -KEIYO NORTH CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
		A	b	C	d=a-c		
Senior Management							
1.		-					
2.							
3.							
Sub-Total		-					
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) - KEIYO NORTH CONSTITUENCY
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ANNEX 3 – UNUTILIZED FUNDS.

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees	Payment of salaries and gratuity	931,162		
Use of goods & services	Committee expenses, capacity building	11,230,042		
Amounts due to other Government entities				
Transfers to primary schools		13,350,000	17,050,000	
Transfers to secondary schools		4,750,000	5,550,000	
Transfers to tertiary Institutions		-		
Sub-Total		18,100,000	23,050,000	
Amounts due to other grants and other transfers				
Security		2,800,000	2,841,379	
Bursaries		5,165,098	6,310,344	
Sports		2,506,034	1,637,931	
Environment		2,506,034	1,637,931	
Emergency		2,683,745		
Sub-Total		15,660,911	12,427,585	
Acquisition of assets		7,000,000		
Others				
Constituency innovation Hubs		4,677,027	-	
Renovation of CDF Office		712,629	-	
Strategic plan		1,200,000	-	
Audit fee		1,000,000	-	
Additional funding		11,379,310		
Sub-Total		25,968,966	-	
Grand Total		71,891,081	35,477,585	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-KEIYO NORTH CONSTITUENCY.
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ANNEX 4 – 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	5,307,292	-	-	5,307,292
Transport equipment	4,711,876	-	-	4,711,876
Office equipment, furniture and fittings	654,965	35,000	-	689,965
ICT Equipment, Software and Other ICT Assets	320,000	-	-	320,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	10,994,133	-	-	11,029,133



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
KEIYO NORTH CONSTITUENCY**
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ANNEX 5-PMC BANK BALANCES AS AT 30TH JUNE 2018.

PMC	Bank	Account number	Bank Balance 2017/18
Sergoit primary	KCB	1133490964	311,479.00
Chepkitony primary	KCB	1167595718	33,758.50
Berese ECD	KCB	1172799776	240,369.50
Bugar Primary	KCB	1125184744	250,734.50
Cheberen Primary	KCB	1114429961	11,803.50
Chegilet primary	KCB	1168371260	8,250.00
Chepkogin Primary	KCB	1168103355	389.50
Emkong Primary	KCB	1159303770	263,076.50
Iten Day Secondary	KCB	1111933162	3,534,905.05
Iten Primary	KCB	1121647103	252.00
Kabulwo primary	KCB	1203526636	314,965.65
Kabulwo secondary	KCB	1119713129	658,362.00
Kamagut ECD	KCB	1168234646	2,698.80
Kamariny primary Acc 2	KCB	1205404112	54,517.50
Kameza Primary	KCB	1168351588	51,186.00
Kamogich chiefs office	KCB	1172097054	49,466.00
Kapchelal Primary	KCB	1178082709	342.40
Kapchelal secondary	KCB	1112882448	433,107.00
Kapkessum Primary	KCB	1169435297	11,269.50
Kapkessum Secondary	KCB	1116468085	705,744.00
Kapkoi Secondary	KCB	1135421935	185,115.85
Kapkonga secondary	KCB	1153809281	1,628.00
Kapsio primary	KCB	1159576254	485,437.20
Kapsoiyo Primary	KCB	1156897998	172,696.40



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-KEIYO
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PMC	Bank	Account number	Bank Balance 2017/18
Katalel primary	KCB	1173925139	583,710.45
Kendur primary	KCB	1169287255	4,173.66
Kermuk Primary	KCB	1109611943	94,160.00
Kewapsos Primary	KCB	1167748530	250,473.15
KibargoiyetPrimary	KCB	1174873485	3,682.95
Kibendo Secondary	KCB	1158353634	2,894.00
Kiboi primary	KCB	1168706157	251,504.50
Kipka primary	KCB	1151275212	658,119.00
Kipkenda Primary	KCB	1168749530	164.10
Kipkulot Primary	KCB	1181178797	800,900.10
Kipsabu Primary	KCB	1177510715	704.45
Kiptingo primary	KCB	1124955275	4,074.50
Kiptoit primary	KCB	1197594353	716,054.00
Kipyeyigor primary	KCB	1167821025	1,224.50
KMTC Iten	KCB	1116403366	125,394.90
Kobil Primary	KCB	1135876770	99,918.50
KogiaCharar foot bridge	KCB	1206203854	265.00
KokwapTarakwaEtyo foot bridge	KCB	1204991278	1,155.00
Kolol Primary	KCB	1158318944	326,272.00
Komotony Primary	KCB	1125185228	56,185.00
Korkitony Secondary	KCB	1111623392	875.00
Lamaon primary	KCB	1134333617	53,086.50
Matany Primary	KCB	1154478017	68,249.50
Msekekwa Primary	KCB	1157219268	1,210.00
Muno Secondary	KCB	1183032455	301,052.50



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PMC	Bank	Account number	Bank Balance 2017/18
Nyawa Primary	KCB	1112631054	250,848.50
Rimoi primary	KCB	1160193061	341,428.00
Salaba Primary	KCB	1164754866	702,142.00
Sergoit Chiefs office	KCB	1172097763	108,490.50
Sergoit Secondary	KCB	1124982752	2,920.00
Siroch Mixed Day	KCB	1136477977	54,780.50
Songeto primary	KCB	1160301085	285,093.50
St.AlphonsusMutei	KCB	1122141890	214,500.00
William Murgor Primary	KCB	1166506606	250,291.85
Total			14,897,978



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-KEIYO NORTH CONSTITUENCY.

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
REF: ELD-KEIYO NORTH - NGCDF 2016-2017 - 1-01-0149-	<p>1.0 Unsupported expenditure.</p> <p>The statement of receipts and payments for the year ended 30 June 2017 reflects transfers to other government units of Kshs.40,608,750 relating to funds disbursed to PMC's.</p>	Actual expenditure returns were availed for verification during the audit. The utilization of funds can be further supported by the physical verifications and also supported by the Project Implementation Schedule(PIS).	Milcah Sugut Fund Account Manager	Resolved	
	<p>Bursaries</p> <p>Observation The Statement of receipts and payments for the year ended 30 June 2017 reflects Other Grants and transfers of Kshs.41,131,880 which includes bursaries of Kshs.26,103,800 comprising of bursaries to Secondary Schools and tertiary institutions of Kshs.11,489,614,800 respectively. Minutes of the ward bursary committees to show how the beneficiaries were identified and confirming co-opting an officer from Ministry of Education</p> <p>Acknowledgement letters from beneficiary institutions not provided.</p>	A bursary subcommittee was established to steer the bursary processes and program. The subcommittee members comprising of six NG-CDFC Members and one officer co-opted from the ministry of education. The NGCDF Bursary sub Committee initiates the process of bursary disbursements where they sit to discuss on the criterion and prepare the program for vetting beneficiaries. This is then approved by the NGCDFC during the meeting. The process of identifying beneficiaries is done in a manner that will ensure all the sub locations benefits equally by identifying 20 students secondary school students and at most 80% of the beneficiaries in tertiary	Milcah Sugut	Resolved	



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
		<p>institutions. Once vetting is done, ratification of the lists is done then funds are approved for disbursements by the committee. Attached is the copy of minutes co-opting the officer from the ministry of education and minutes of the sub committee and the NGCDFC committee approving bursaries. Acknowledgements were done by most of the beneficiary institutions.</p>			
	<p>Unaccounted for transfers from the Board. The figure of Kshs. 40,948,276 represents the funds released in the FY 2016/2017 transferred to various projects.</p>	<p>There were no funds meant for the FY 2015/2016 released in FY 2016/2017. The funds for FY 2015/2016 were released on 29th June 2016. The bank statement showing the date the funds were received is attached.</p>	<p>Milcah Sugut Fund Account Manager</p>	<p>Resolved</p>	
	<p>Lack of expenditure returns security, sports</p>	<p>Expenditure returns for the funds utilized had been availed</p>	<p>Milcah Sugut Fund Account Manager</p>	<p>Resolved</p>	

