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THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2018**

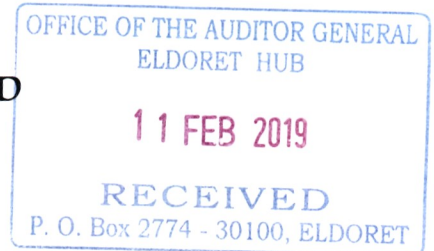


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND MARAKWET
EAST CONSTITUENCY**

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)

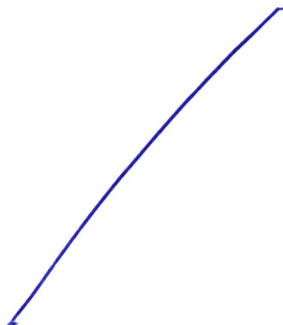


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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MARAKWET EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NGCDF) (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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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 NGCDF Act, 2015. At cabinet level, NGCDF 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 NGCDF 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, nondiscrimination 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 Socioeconomic 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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MARAKWET EAST CONSTITUENCY
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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 NG-CDF Marakwet East day today management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Edwin Siele
3.	Sub County Accountant	Rebecca Biwott
4.	Chairman NGCDFC	Noah Kiptoo
5.	Member NGCDFC	Emily Kimosop

(d) Fiduciary Oversight Arrangements

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

Marakwet East CDF Office
P.O. Box 29830705
Kapsowar.
Chesoi CDF hall
Chesoi, KENYA

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MARAKWET EAST CONSTITUENCY

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For the year ended June 30, 2018

(f) NGCDF Marakwet East Constituency Contacts

Telephone: (254) 728 573 065
: (254) 725 603 034
Email: cdfmarakweteast@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF Marakwet East Constituency Bankers

1. Equity Bank
Kapsowar
1570261546678
P.O.BOX 17430705
KAPSOWAR

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

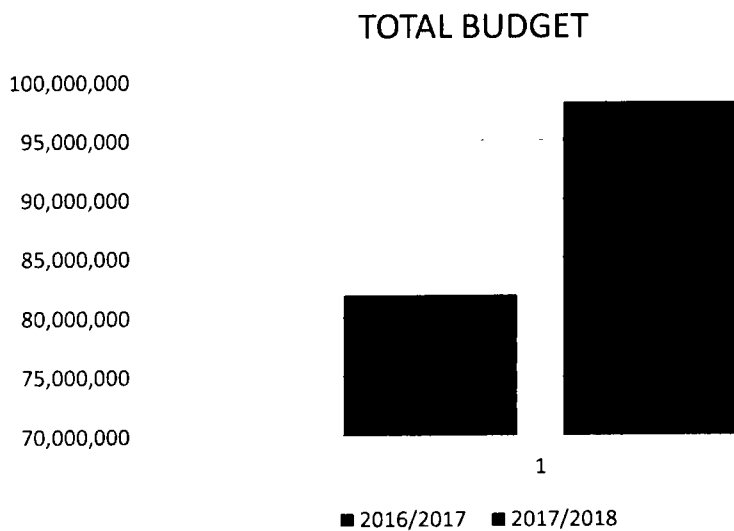
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
 MARAKWET EAST CONSTITUENCY
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II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The Chairman noted that there was improvement in the implementation of projects, this was due to capacity building done on of PMC's. There is need for the National assembly to increase allocation to bursary/social programmes in Marakwet East since there are many poor but bright students left out who are likely to drop out. The chairman would like to thank all stakeholders in CDF projects in Marakwet East including the project management committees, development partners, and government line ministries.

Budget allocation for the two years compared.

FY	AMOUNT
2016/2017	81,896,552
2017/2018	98,189,655



Total receipts Vs Expenditure

FY	RECEIPTS	EXPENDITURE
2016/2017	109,770,570	101,743,529
2017/2018	43,405,173	66,624,681

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MARAKWET EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 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 NG-CDF Marakwet East 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:

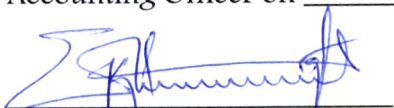
- i. Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- ii. Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity;
- iii. Designing, implementing 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 NG-CDF Marakwet East 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 Marakwet East 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 Marakwet East Constituency further confirms the completeness of the accounting records maintained for the Marakwet East, 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 NG CDF Marakwet East 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 Marakwet East Constituency financial statements were approved and signed by the Accounting Officer on _____ 2019.



Fund Account Manager
Name: Edwin Siele



Sub County Accountant
Name: Rebecca Biwott

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MARAKWET EAST 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 - Marakwet East Constituency set out on pages 1 to 28, which comprise the statement of financial assets as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation 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 - Marakwet East 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.

Basis for Qualified Opinion

1.0 Other Grants and Payments

Included in other grants and other payments figure of Kshs.24,707,913 is security projects expenditure of Kshs.6,610,000 as disclosed under Note 7 to the financial statements out of which an amount, Kshs.3,510,000.00 was disbursed to Marakwet East Sub-County Headquarters for the expansion of Sub-County Headquarters. A review of expenditure returns revealed that out of the entire amount of Kshs.3,510,000, Kshs.150,000 was spent on lunches, Kshs.3,828 was spent on bank charges and Kshs.3,356,172 was paid to an individual for purchase of land. However, no document of title in respect of the land, was provided for audit scrutiny.

Consequently, it is not possible to confirm the validity, accuracy and ownership of the land costing Kshs.3,356,172 and the propriety of the total expenditure of Kshs.3,510,000 for the year ended 30 June 2018 could be confirmed.

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

2.0 Project Management Committee Bank Balances

Note 15.4 to the financial statements shows project management committee account balances of Kshs.25.794,299 as at 30 June 2018 as summarized in annex 5 to the financial statements in respect of unutilized funds with the project management committees. However, cash books, bank confirmation certificates and bank reconciliation statements from the project management committees were not provided for audit review.

As a result, the accuracy, completeness and existences of the project management committees bank balances of Kshs.25.794,299 as at 30 June 2018 could not be confirmed.

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. In consequence, the negative effect and impact of the unimplemented audit recommendations leads to delayed service delivery to the Marakwet East constituents.

3.1 Unsupported Expenditure

The statement of receipts and payments reflects transfers to other government units balance of Kshs.41,709,020 relating to funds disbursed to various Project Management Committees (PMCs). However, actual expenditure returns and acknowledgement letters from project management committees were not availed for confirmation.

Under the circumstances, it was not possible to confirm whether the funds totaling Kshs.41,709,020 were actually received and utilized for the budgeted projects in the year under review.

3.2 Other Grants and Transfers

3.2.1 Bursary to Secondary Schools and Tertiary Institutions

As reported in the previous year, the statement of receipts and payments for the year ended 30 June 2017 reflects other grants and transfers of Kshs.49,410,946 which include bursary disbursements amounting to Kshs.17,627,843 for secondary schools and Kshs.7,925,280 for tertiary institutions. However, minutes of the bursary subcommittee indicating how the beneficiaries were identified and confirming two co-opted members one from the area education office seconded by the Ministry of Education as required by Constituency Development Fund circular reference No. Vol 1/111 dated 13 September 2010, were not availed for audit review.

Under the circumstances, the regularity of the total bursary disbursements of Kshs.25,553,123 could not be confirmed.

3.2.2 Security Projects

Also as previously reported included in other grants and transfers figure of Kshs.49,410,946 is disbursements to security projects figure of Kshs.8,890,000. However, the actual expenditure returns from project management committees were not availed for audit verification. Therefore, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, regularity of the expenditure of Kshs.8,890,000 on security projects could not be confirmed.

3.2.3 Emergency Projects

Included also in other grants and transfers figure of Kshs.49,410,946 is disbursements to emergency projects balance of Kshs.7,764,827. However, the actual expenditure returns from project management committees were not availed for audit verification. Therefore, it was not possible to confirm whether the money was used for the budgeted projects.

Consequently, the regularity of the expenditure of Kshs.7,764,827 on emergency projects could not be confirmed.

3.2.4 Sports Projects

Other grants and transfers figure of Kshs.49,410,946 further includes disbursements to sports projects balance of Kshs.743,829 as disclosed in note 7 to the financial statements. However, the actual expenditure returns together with procurement records from the project management committees to show how the funds were utilized were not availed for audit verification. Therefore, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, regularity of the expenditure of Kshs.743,829 on sports projects could not be confirmed.

3.2.5 Environmental Projects

Other grants and transfers figure of Kshs.49,410,946 further includes disbursements to emergency projects balance of Kshs.1,959,167 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. Therefore, it was not possible to confirm whether the money was used for the budgeted projects.

Consequently, the regularity of the expenditure of Kshs.1,959,167 on environment projects could not be confirmed.

3.3 Cash and Cash Equivalents

The statement of assets reflects a bank balance of Kshs.8,026,844. The bank reconciliation statement for the month of June 2017 reflects un-presented cheques amounting to Kshs.2,931,772 which had not been reversed in the cash book. In addition, details indicating when the un-presented cheques were subsequently cleared by the banks were not provided for audit review.

Consequently, the accuracy and completeness of the bank balance of Kshs.8,026,844 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Marakwet East 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.

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

4.0 Budget Performance

During the year under review, the Fund had approved budget of Kshs.173,343,103 against actual expenditure of Kshs.66,624,681.00 or 38% resulting in an under expenditure of Kshs.107,445,722 or 62% of the approved budget as detailed below:

Receipt/Expense Item	Approved Budget Kshs.	Actual on Comparable Basis Kshs.	Budget Utilisation Difference Kshs.	% of Utilisation
Compensation of Employees	4,146,000	2,420,101	1,725,899	42%
Use of goods and services	9,015,014	2,716,383	6,298,631	70%
Transfers to Other Government Units	53,600,000	35,900,000	17,700,000	33%
Other grants and transfers	90,228,035	24,860,897	65,367,138	72%
Acquisition of Assets	0		0	0%
Other Payments	16,354,054		16,354,054	100%
TOTALS	173,343,103	66,624,681	107,445,722	62%

Overall, from the above analysis, it is evident that the CDF under-spent on most of its budget line with Other grants and transfers with the highest amount of unutilized allocation of

Kshs.65,367,138 followed by Transfers to Other Government Units of Kshs.17,700,000, Other Payments of Kshs.16,354,054, Use of goods and services of Kshs.6,298,631 and compensation of employees of Kshs.1,725,899.

Management has explained that the failure to utilize the funds resulted from late disbursements from NGCDF board where AIE no. A892997 of Kshs.37,905,172.00 was received in May 2018 and non-funding of the entire approved budget of Kshs.86,810,345 for the financial year in which only Kshs.43,405,173 was received during the year. Consequently, the residents of Marakwet East constituency were denied the benefits that would have accrued from the projects that were to be implemented.

5.0 Project Implementation

The projects status report availed for audit review indicated that Kshs.89,345,544 was allocated to sixty five (65) projects out of which Kshs.45,450,257 had been disbursed to thirty one (31) projects as at 30 June 2018 as analysed in the attached appendix. Out of these, forty seven (47) projects with a budget of Kshs.42,221,027 had not started while eighteen (18) projects with a budget of Kshs.47,124,517 were ongoing as at 30 June 2018. The delay in implementation resulted from late disbursements of funds by the NGCDF Board and non-funding of the entire approved budget of Kshs.86,810,345 for the financial year in which only Kshs.43,405,173 was received.

Consequently, the residents of Marakwet East constituency were denied the benefits that would have accrued from the completion of projects during the financial year.

6.0 Project Verification Report

During the year under review, sixteen (16) projects costing Kshs.19,821,914.00 were verified in the month of January 2019 and the following observations were made:

S/No	Project Name	Project Activity	Amount Disbursed During the year (Kshs.)	Remarks
1	Kapchebau Girls Secondary School	Purchase of 51 seater School bus	6,500,000	The bus was delivered and is in use
2	Sambirir Girls Secondary School	Construction of 2 nd floor slab, walls, plaster, doors, and painting of ICT Library.	5,000,000	Slab and roofing complete. Windows, plastering and ceiling works ongoing.
3	Sambirir Chiefs Office	Roofing, plastering, painting doors and windows	500,000	Roofing, plastering and fitting of doors and windows complete. Painting incomplete. (Only one face out of four has been painted)

S/No	Project Name	Project Activity	Amount Disbursed During the year (Kshs.)	Remarks
4	Sambirir Community Library	Plastering, painting, flooring of library	1,250,000	Painting has not been done. Plastering and flooring complete. Window glasses have not been fitted.
5	Tangul Primary School	Sports equipment	371,914	The equipment have been delivered.
6	Tangul Primary School	Construction of 2 classrooms	500,000	Ongoing. Flooring, walling, roofing, windows and door grills complete.
7	Chesoi Primary School	Completion of four classrooms	600,000	Complete and in use. Cracks have developed on the floors.
8	Tebe Primary Scholl	Construction of 2 classrooms	500,000	Project is incomplete. Plastering, filling of cables and fitting of doors and window grills had not been done.
9	Mogil Day Secondary School	Roofing, doors, windows, plaster, flooring and painting of dining hall	700,000	Project incomplete. Plastering and painting has not been done.
10	Mogil Primary School	Renovation of 3 classrooms	600,000	Complete and in use
11	St. Mary's Mon Secondary School	Construction of staff houses	800,000	Incomplete. Plastering and fitting of window glasses not done.
12	Murkutwa AP Camp	Construction of 10 units and 2 pit latrines	500,000	Complete but not in use.
13	Tot Day Secondary School	Fencing Kshs.300,000 3 acres of land with metallic posts/chain link and construction of 4 ablution blocks Kshs.200,000	500,000	Fencing is not complete. Some sections have been fitted with chain link while other section has not been fitted. Six (6) makeshift toilets were done instead of an ablution block. No reason was

S/No	Project Name	Project Activity	Amount Disbursed During the year (Kshs.)	Remarks
				provided for the changes in activity.
14	St. Michael Boys High School	Flooring, doors, windows, plaster and painting of 4 classrooms	500,000	Incomplete - no plastering, no windows, no painting. Roofing is complete. A section of the wall leans on one side
15	Ishmael Chelanga Secondary School	Plastering, flooring, doors, windows of laboratory	500,000	Incomplete but in use. Fitting of laboratory tables, water piping and installation of water tanks instead of plastering. Windows not fitted with glasses. No reason was provided for the change in activity and evidence of approval.
16	Kaben Chief's Office	Roofing, plaster, doors, windows and painting of chief's office	500,000	Incomplete. Plastering, fitting of window glass and painting had not been done.
		TOTAL	19,821,914	

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/Qualified Opinion section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Transfers to Other Government Entities

Included in the transfers to other government entities figure of Kshs.35,900,000 as disclosed under note 6 to the financial statements is transfer to Secondary Schools figure of Kshs.18,250,000o out of which an amount of Kshs.1,250,000 as detailed below was disbursed to Sambirir Community Library project management committee for flooring, plastering and painting.

Examination of the project returns revealed that a total of Kshs.5,614,343 as detailed below were disbursed towards the project over five financial years contrary section 11(1)(j) of the National Government Constituencies Development Fund Regulations, 2016, which require projects to be allocated adequate funds and to be completed within three years.

S/No	Name	Financial Year	Activity	Amount (Kshs.)
1.	Sambirir Community Library	2013/2014	construction of community learning resource center	1,114,343.00
2.	Sambirir Community Library	2015/2016	Walling and roofing of the library	1,000,000.00
3.	Sambirir Community Library	2015/2016	Walling and roofing of the library	1,000,000.00
4.	Sambirir Community Library	2016/2017	Walling, roofing, plastering, flooring, doors & windows of a library	1,250,000.00
5.	Sambirir Community Library	2017/2018	Plaster, painting, flooring of library	1,250,000.00
Total				5,614,343.00

Further, National Government CDF Board declined a request of Kshs.1,000,000 to complete the project on the ground that the project is a function of the County Government. Physical inspection of the project during the month of January 2019 indicated that the project has stalled and therefore there is no value for money in the expenditure of Kshs.5,614,343.00 incurred on the project.

2.0 Project Management Committee (PMC) Account Balances

Note 15.4 to the financial statements indicates project management committee (PMC) balances of Kshs.7,320,239 as at 30 June 2018. No reasons were provided failure to utilize the funds disbursed to projects by the end of the financial year. Consequently, no value for money has been obtained from the unutilized funds

Further, three (3) PMC account balances as shown below, had been overdrawn, contrary to section 82 (7) of Public Finance Management (National Government) Regulations, 2015 which prohibits overdrawing official government bank accounts.

No	Project Name	Bank-Branch	A/C Number	A/C Balance
1	Murkutwo Primary School	Equity-Kapsowar	1570263899187	(231.35)
2	Sangach Primary School	Equity-Kapsowar	1570269995814	(596.05)
3	Ketut Chief's Office	KCB Kapsowar	1151454486	(1,740.00)
Total				(2,567.40)

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

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 - Marakwet East Constituency ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the National Government either intends to liquidate the National Government Constituencies Development Fund - Marakwet East 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 - Marakwet East 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 - Marakwet East 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:

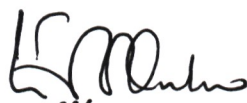
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

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 - Marakwet East 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 - Marakwet East 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 - Marakwet East 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

07 May 2019

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

Appendices

Appendix 1

No.	Project Name	Activity	Completion Date	Project Cost (Kshs)	Disbursement to PMCs	Status	Remark
	Project not Started						
1	Tuturung Assistant Chief's office	Roofing, plaster, doors and windows of chiefs office	30/6/2018	500,000	-	New	Not started
2	Tenderwa primary school	Construction of one classroom	30/6/2018	500,000	-	New	Not started
3	Chepkog primary school	Construction of one classroom	30/6/2018	500,000	-	New	Not started
4	Kaptich girls secondary school	Purchase of 51 seater school bus	30/6/2018	6,500,000	6,500,000	Ongoing	Advertised but not awarded
5	Kapchebau secondary school	Purchase of 51 seater school bus	30/6/2018	6,500,000	-	Ongoing	Contract awarded
6	Tebe primary school	Construction of 2classrooms	30/6/2018	1,000,000	500,000	Ongoing	Foundation excavation
7	Sebero primary school	Construction of 1 classroom	30/6/2018	500,000	500,000	Ongoing	Materials on site
8	Tangul primary school	Construction of 2classrooms	30/6/2018	1,000,000	500,000	Ongoing	Materials on site
9	Kipyebo primary school	Lintel casting, roofing, doors and windows of dormitory	30/6/2018	700,000	700,000	Ongoing	Materials on site
10	Constituency Strategic plan	Consultation, validation forum, consultancy fee, fact sheet data collection, printing and launching of constituency strategic plan.	30/6/2018	3,500,000	-	New	Not started
11	Kamelei Ap post	Foundation, walling, roofing of AP post	30/6/2018	1,000,000	-	New	Not started
12	Kapkobil AP camp	Foundation, walling, roofing, doors and windows of AP post.	30/6/2018	1,500,000	-	New	Not started
13	Kapkeny primary school	Plaster, doors, windows and flooring of dormitory	30/6/2018	500,000	-	New	Not started
14	Mkeno primary school	Purchase and supply of balls, games kits, discuss, javelin, first aid kit box,	30/6/2018	55,500	-	New	Not started

No.	Project Name	Activity	Completion Date	Project Cost (Kshs)	Disbursement to PMCs	Status	Remark
		netballs and rings in the school					
15	Kamasia primary school	Purchase and supply of balls, games kits, discuss, javelin, first aid kit box, netballs and rings in the school	30/6/2018	55,500	-	New	Not started
16	Nyirar primary school	Purchase and supply of balls, games kits, discuss, javelin, first aid kit box, netballs and rings in the school	30/6/2018	55,500	-	New	Not started
17	Moror primary school	Purchase and supply of balls, games kits, discuss, javelin, first aid kit box, netballs and rings in the school	30/6/2018	55,500	-	New	Not started
18	Mungwa primary school	Purchase and planting of tree seedlings.	30/6/2018	55,500	-	New	Not started
19	Kapchoge primary school	Purchase and planting of tree seedlings.	30/6/2018	55,500	-	New	Not started
20	Kipyebo primary school	Purchase and planting of tree seedlings.	30/6/2018	55,500	-	New	Not started
21	Kabaldamet primary school	Purchase and planting of tree seedlings.	30/6/2018	55,500	-	New	Not started
22	Kararia primary school	Plaster, flooring, painting, doors, windows of 3 classrooms	30/6/2018	500,000	-	New	Not started
23	Kabiego primary school	Plaster, flooring, painting & gables of 2classroom	30/6/2018	500,000	-	New	Not started
24	Liter primary school	Construction of one classroom	30/6/2018	500,000	-	New	Not started
25	Wewo primary school	Construction of one classroom	30/6/2018	500,000	-	New	Not started
26	Katilit primary school	Construction of one classroom	30/6/2018	500,000	-	New	Not started
27	Metipsoo primary school	Doors, window panes, flooring, plaster and painting of 3classes	30/6/2018	500,000	-	New	Not started

No.	Project Name	Activity	Completion Date	Project Cost (Kshs)	Disbursement to PMCs	Status	Remark
28	Nyirar primary school	Plastering, painting, flooring and re-roofing of 3classes	30/6/2018	500,000	-	New	Not Started
29	Queen of peace cheseger primary school	Construction of one classroom	30/6/2018	500,000	-	New	Not Started
30	Kimuren primary school	Construction of 1 classroom	30/6/2018	300,000	-	New	Not Started
31	Kipyebbo primary school	Lintel casting, roofing, doors and windows of dormitory	30/6/2018	300,000	-	New	Not Started
32	Tot day secondary school	Purchase of 130 lockers for students	30/6/2018	600,000	-	New	Not Started
33	Embobut/Embolot innovation hub	Purchase and installation of satellite Antenna, router, digital access kit and digitized ruggedized tablets.	30/6/2018	1,169,256.80	-	New	Not Started
34	Kapyego innovation hub	Purchase and installation of satellite Antenna, router, digital access kit and digitized ruggedized tablets.	30/6/2018	1,169,256.80	-	New	Not Started
35	Endo Innovation hub	Purchase and installation of satellite Antenna, router, digital access kit and digitized ruggedized tablets.	30/6/2018	1,169,256.80	-	New	Not Started
36	Sambirir Innovation hub	Purchase and installation of satellite Antenna, router, digital access kit and digitized ruggedized tablets.	30/6/2018	1,169,256.80	-	New	Not Started
37	Kapsicha primary school	Plaster, painting, window glasses for 1class	30/6/2018	200,000	-	New	Not started
38	Kapyego secondary school	Painting, plaster out, flooring of dining hall	30/6/2018	500,000	-	New	Not started
39	Kipkaner secondary school	Painting, Ceilings and doors and windows of	30/6/2018	500,000	-	New	Not started

No.	Project Name	Activity	Completion Date	Project Cost (Kshs)	Disbursement to PMCs	Status	Remark
		administration block					
40	Kipchumwa chiefs office	Plaster and painting of 2 door toilet and chiefs office	30/6/2018	300,000	300,000	New	Not Started
41	Kapchemurkeldet primary school	Construction of one classroom	30/6/2018	500,000	500,000	New	Not Started
42	Ishmael chelanga secondary school	Plastering, flooring, doors, windows of laboratory	30/6/2018	500,000	500,000	New	Not Started
43	Cheptobot primary school	Construction of one classroom	30/6/2018	500,000	500,000	Ongoing	Not Started
44	Nyirar Assistant chiefs office	Roofing, plaster, doors and windows painting of chiefs office	30/6/2018	500,000	500,000	Ongoing	Not Started
45	Murkutwo Ap Camp	Plaster, flooring, window glasses, doors, paints of AP camp.	30/6/2018	500,000	500,000	Ongoing	Not Started
46	Mogil secondary school	Roofing, doors, windows, plaster, flooring and painting of dining hall	30/6/2018	700,000	700,000	New	Not Started
47	Marakwet east sub-county headquarters	Purchase of 6acres of land to expand sub-county headquarters	30/6/2018	3,000,000	2,910,000	New	Not Started
	Sub total			42,221,027	15,110,000		
	Ongoing Projects						
48	Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	30/6/2018	5,137,931.04	1,800,000	Ongoing	Ongoing
49	Bursary Tertiary Schools	Payment of bursary to needy students in tertiary institutions.	30/6/2018	10,800,000.00	4,476,770	Ongoing	Ongoing
50	Bursary Secondary Schools	Payment of bursary to needy students in secondary institutions.	30/6/2018	17,186,586.20	10,063,487	Ongoing	Ongoing
51	Chorwa primary school	Plaster, painting, flooring, (500,000) and 50 beds of dormitory(300,000)	30/6/2018	800,000	800,000	Ongoing	Painting
52	Sambirir community library	Plaster, painting, flooring of library	30/6/2018	1,000,000	1,000,000	Ongoing	Plastered

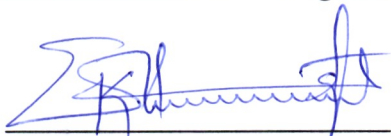
No.	Project Name	Activity	Completion Date	Project Cost (Kshs)	Disbursement to PMCs	Status	Remark
53	Maron primary school	Painting, windows panes of 2classes	30/6/2018	200,000	200,000	Ongoing	Tendering
54	St Michael primary school	Construction of one classroom	30/6/2018	500,000	500,000	Ongoing	Tendering
55	Kreel primary school	Construction of one classroom	30/6/2018	500,000	500,000	Ongoing	Tendering
56	Maina primary school	Construction of one classroom	30/6/2018	500,000	500,000	Ongoing	Tendering
57	Chelimwo primary school	Construction of one classroom	30/6/2018	500,000	500,000	Ongoing	Tendering
58	Chechan primary school	Construction of one classroom	30/6/2018	500,000	500,000	Ongoing	Tendering
59	Tot secondary school	Fencing Kshs300,000 3acres of land with metallic posts/chain link and four ablution blocks construction 200,000	30/6/2018	500,000	500,000	Ongoing	Tendering
60	Kapchoge primary school	Painting, doors, window panes, flooring & verandah of 3classes	30/6/2018	500,000	500,000	Ongoing	Tendering
61	Kaben chiefs office	Roofing, plaster, doors and windows painting of chiefs office	30/6/2018	500,000	500,000	Ongoing	Tendering
62	Kapchelaga primary school	Foundation, walling, beam of dormitory	30/6/2018	700,000	700,000	Ongoing	Tendering
63	Toroko primary school	Construction of one class 500,000 and plaster, flooring, doors, windows of 1class 300,000	30/6/2018	800,000	800,000	Ongoing	Tendering
64	Kamogo primary school	Construction of 2 new classrooms to completion	30/6/2018	1,500,000	1,500,000	Ongoing	Tendering
65	Sambirir girls secondary school	Construction of dormitory to completion	30/6/2018	5,000,000	5,000,000	Ongoing	Tendering
	Sub total			47,124,517	30,340,257		
	Grand Total			89,345,544	45,450,257		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MARAKWET EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

IV. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2017	2018	2016	2017
		Kshs		Kshs	
RECEIPTS					
Transfers from NGCDF board	1	75,153,447		49,948,276	
Proceeds from Sale of Assets	2				
Other Receipts	3				
TOTAL RECEIPTS		<u>75,153,447</u>		<u>49,948,276</u>	
PAYMENTS					
Compensation of employees	4	2,361,539		2,690,318	
Use of goods and services	5	3,655,229		7,734,646	
Transfers to Other Government Units	6	35,900,000		41,709,020	
Other grants and transfers	7	24,707,913		49,410,946	
Acquisition of Assets	8			198,600	
Other Payments	9				
TOTAL PAYMENTS		66,624,681		101,743,530	
SURPLUS/(DEFICIT)		<u>8,528,766</u>		<u>51,795,254</u>	

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



Fund Account Manager
Name: Edwin Siele



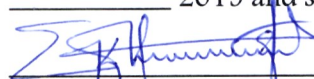
Sub-County Accountant
Name: Rebecca Biwott

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
 MARAKWET EAST CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2018**

V. STATEMENT OF ASSETS AS AT 30 JUNE 2018

	Note	2017	2018	2016	2017
		Kshs		Kshs	
FINANCIAL ASSETS					
Cash and Cash Equivalents					
Bank Balances	10A	16,555,610		8,026,844	
Cash Balances	10B				
Total Cash and cash equivalent		16,555,610		8,026,844	
Current receivables Outstanding Imprests	11				
TOTAL FINANCIAL ASSETS		16,555,610		8,026,844	
FINANCIAL LIABILITIES					
Accounts payable Retention	12				
NET FINANCIAL ASSETS		<u>16,555,610</u>		<u>8,026,844</u>	
REPRESENTED BY					
Fund balance b/fwd. 1st July...	13	8,026,844		59,822,097	
Surplus/Deficit for the year		8,528,766		(51,795,253)	
Prior year adjustments	14				
NET LIABILITIES		<u>16,555,610</u>		<u>8,026,844</u>	

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



Fund Account Manager
 Name: Edwin Siele



Sub-County Accountant
 Name: Rebecca Biwott

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MARAKWET EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

VI. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2018

Receipts for operating income		2017	2018	2016	2017
		Kshs		Kshs	
Transfers from NGCDF Board	1	75,153,447		49,948,276	
Other Receipts	3				
		75,153,447		49,948,276	
Payments for operating expenses					
Compensation of Employees	4	2,361,539		2,690,318	
Use of goods and services	5	3,655,229		7,734,645	
Transfers to Other Government Units	6	35,900,000		41,709,020	
Other grants and transfers	7	24,707,913		49,410,946	
Other Payments	9				
		(66,624,681)		(101,544,929)	
Adjusted for:					
Adjustments during the year	14				
Net cash flow from operating activities		8,525,766		(51,596,653)	

CASHFLOW FROM INVESTING ACTIVITIES

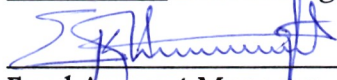
Proceeds from Sale of Assets	2				
Acquisition of Assets	9			(198,600)	
Net cash flows from Investing Activities				(198,600)	

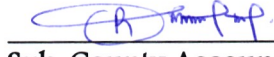
NET INCREASE IN CASH AND CASH EQUIVALENT **8,528,766** **(51,795,253)**

Cash and cash equivalent at BEGINNING of the year 13 **8,026,844** **59,822,097**

Cash and cash equivalent at END of the year **16,555,610** **8,026,844**

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


 Fund Account Manager
 Name: Edwin Siele


 Sub-County Accountant
 Name: Rebecca Biwott


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – MARAKWET EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018


VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30 JUNE 2018

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=cd	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	86,810,345	39,775,119	126,585,464	83,180,291	43,405,173	34%
Proceeds from Sale of Assets						
Other Receipts						
TOTALS	86,810,345	39,775,119	126,585,464	83,180,291	43,405,173	34%
PAYMENTS						
Compensation of Employees	2,250,000		2,250,000	2,361,539	111,539	5%
Use of goods and services	5,470,352	2,226,690	7,697,042	3,655,229	4,041,813	53%
Transfers to Other Government Units	32,100,000	14,600,000	46,700,000	35,900,000	10,800,000	23%
Other grants and transfers	38,812,966	22,948,429	61,761,395	24,707,913	37,053,482	60%
Acquisition of Assets						
Other Payments	8,177,027		8,177,027		8,177,027	
TOTALS	86,810,345	39,775,119	126,585,464	66,624,681	59,960,783	47%

Under-utilization above was attributed to delay in disbursements of funds by NGCDF Board to the constituency.

The NG-CDF Marakwet East Constituency financial statements were approved on _____ 2019 and signed by:


Fund Account Manager
Name: Edwain Siele


Sub-County Accountant
Name: Rebecca Biwott

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

2. Reporting entity

The financial statements are for the NG-CDF Marakwet East 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.

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2018

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 no 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 Ccash 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.

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
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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.

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM NG-CDF BOARD

Description		2017 2018	2016 2017
		Kshs	Kshs
NGCDF Board			
AIE NO. A855923	1	5,500,000	
AIE NO. A892598	2	31,748,275	
AIE NO. A892997	3	37,905,172	
AIE NO. A829917	1		4,094,827
AIE NO. A855059	2		36,853,449
AIE NO. A839735	3		9,000,000
TOTAL		75,153,447	49,948,276

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		

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEPTS

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

4. COMPENSATION OF EMPLOYEES

	2017 2018 Kshs	2016 2017 Kshs
Basic wages of contractual employees	2,134,931	2,690,318
Basic wages of casual labor		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Gratuity	226,608	
Other personnel payments		
Total	2,361,539	2,690,318

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND**Reports and Financial Statements****For the year ended June 30, 2018***NOTES TO THE FINANCIAL STATEMENTS (Continued)***5. USE OF GOODS AND SERVICES**

	2017 2018	2016 2017
	Kshs	Kshs
Committee Expenses	2,010,162	5,475,300
Utilities, supplies and services	1,380,709	1,347,122
Communication, supplies and services		
Domestic travel and subsistence		
Printing, advertising and information supplies & services		
Bank charges	14,358	181,000
Training expenses		
Hospitality supplies and services		
Insurance costs		88,275
Electricity		21,948
Office and general supplies and services		
Other operating expenses Fuel oil and lubricants	250,000	621,000
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets		
Total	3,655,229	7,734,645

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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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	17,650,000	29,209,020
Transfers to secondary schools	18,250,000	12,500,000
TOTAL	35,900,000	41,709,020

7. OTHER GRANTS AND OTHER PAYMENTS

	2017 2018 Kshs	2016 2017 Kshs
Bursary – secondary schools	10,063,487	17,627,843
Bursary – tertiary institutions	4,476,770	7,925,280
Security projects	6,610,000	8,890,000
Water projects		4,500,000
Sports projects	1,487,656	743,829
Environment projects		1,959,167
Emergency projects	1,800,000	7,764,827
Total	24,707,913	49,410,946

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non-Financial Assets

	2017 2018	2016 2017
	Kshs	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		198,600
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		198,600

9. OTHER PAYMENTS

	2017 2018	2016 2017
	Kshs	Kshs
Strategic plan		
ICT Hub		
TIVET		

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank balances

Name of Bank, Account No. & currency	2017 2018	2016 2017
	Kshs	Kshs
<i>Equity Kapsowar Branch A/c No 1570261546678</i>	16,555,610	8,026,844
Total	16,555,610	8,026,844
10B: CASH IN HAND		
Location 1		
Other Locations		
Total		

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>

Total

12 RETENTION

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

13. BALANCES BROUGHT FORWARD

	2017 2018	2016 2017
	Kshs	Kshs
Bank accounts	8,026,844	59,822,097
Cash in hand		
Imprest		
Total	8,026,844	59,822,097

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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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

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

15.2: PENDING STAFF PAYABLES

	Kshs	Kshs
Senior management		
Middle management		
Unionisable employees		
Others		

15.3: UNUTILIZED FUNDS (Annex 3)

	2017/2018 Kshs	2016/2017 Kshs
Compensation of employees		
Use of goods and services	2,226,690	
Amounts due to other Government entities	14,600,000	
Amounts due to other grants and other transfers	22,948,429	
Acquisition of assets		
Others		
	39,775,119	

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: Project Management Committee account balances (Annex 5)

	2017 2018	2016 2017
	Kshs	Kshs
PMC account Balances	25,794,299	10,290,191
	25,794,299	10,290,191

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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ANNEX 1 ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	a	b	c	d=ac		
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						

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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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=ac		
Senior Management							
1.							
2.							
3.							
Sub Total							
Middle Management							
4.							
5.							
6.							
Sub Total							
Unionisable Employees							
7.							
8.							
9.							
Sub Total							
Others							
10.							
11.							
12.							
Sub Total							
Grand Total							

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees				
Use of goods & services	Payment of committee sitting allowances	2,226,690		
Amounts due to other Government entities				
ST MARYS MON SECONDARY SCHOOL	Completion of staff quarters	800,000		
SAMBIRIR GIRLS SEC SCH	Walling roofing of ICT and Laboratory	500,000		
SAMBIRIR COMMUNITY LIBRARY	Completion of library	250,000		
MOGIL DAY SEC SCH	Walling, roofing of dining hall	700,000		
SAMBIRIR BOYS SEC SCH	Completion of dormitory	500,000		
KIPKANER DAY SEC SCH	Completion of admin block	500,000		
QUEEN OF PEACE SEC SCH	Walling, roofing of dormitory	1,000,000		
ST MICHAEL BOYS SEC SCH	Completion of four classes	500,000		
KAPTORA PRI SCH	Completion of dormitory	900,000		
MOKWONY PRI SCH	construction of 1class	500,000		
MUSWON PRI SCHOOL	Completion of 3classes	500,000		
ST PETERS KORION PRI SCH	construction of 1class	500,000		
CHESOI PRI SCH	Completion of four classes	200,000		
CHESOI SCHOOL FOR DEAF	Completion of one class	250,000		
KIMONGO PRI SCH	Completion of 1class	200,000		
BOROKO PRI SCH	Completion of 4classes	800,000		
ENDIWA PRI SCH	Completion of 1class	500,000		
KAPKOBIL PRI SCH	Completion of dormitory	500,000		
MOGIL PRI SCH	renovation of 3class	600,000		
KAPKENY PRI SCH	Completion of dormitory	400,000		
CHEMWOROR PRI SCH	construction of 1class	500,000		
KARARIA PRI SCH	Plaster, flooring, doors, windows and painting of 4classes	500,000		
KATILIT PRI SCH	Plaster, flooring, doors, windows and painting of 4classes	500,000		

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Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
TANGUL PRI SCH	construction of 1class	500,000		
KABIGO PRI SCH	Completion of two classes	500,000		
LITER PRI SCH	construction of 1class	500,000		
CHEPKOG PRI SCH	construction of 1class	500,000		
Tenderwa pri sch	construction of 1class	500,000		
Sub Total		14,600,000		
Amounts due to other grants and other transfers				
Kiptumbur chiefs office	Completion of chiefs office	200,000		
Sambirir chiefs office	Completion of chiefs office	500,000		
Kapyego police station	Construction of staff quarters	1,000,000		
Ketur chiefs office	Completion of chiefs office	200,000		
Endul assistant chiefs office	Completion of assistant chiefs office	200,000		
Kapsicha assistant chiefs office	Construction of assistant chiefs office	500,000		
Marakwet east sub-county headquarters	Purchase of land for expansion of hdnrts	2,910,000		
Kapkobil AP camp	Construction of 5 unit staff quarters and toilets	1,500,000		
TUTURUNG ASST CHIEFS OFFICE	Construction of assistant chiefs office	500,000		
Sub Total		7,510,000		
EMERGENCY				
Emergency	To cater for unforeseen occurrences within the constituency	530,000		
SPORTS				
BOROKO PRI SCH	Purchase and supply of sport equipment to school	50,000		
MUSWON PRI SCHOOL	Purchase and supply of sport equipment to school	50,000		
CHESETAN PRI SCHOOL	Purchase and supply of sport equipment to school	50,000		

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Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
KAPERO PRI SCHOOL	Purchase and supply of sport equipment to school	50,000		
KAPTOBENDO PRI SCH	Purchase and supply of sport equipment to school	50,000		
MARON PRI SCH	Purchase and supply of sport equipment to school	50,000		
MKENO PRI SCH	Purchase and supply of sport equipment to school	50,000		
KOISABUL PRI SCH	Purchase and supply of sport equipment to school	50,000		
	Totals	400,000		
ENVIRONMENT				
KALYA PRI SCH	Purchase and planting of tree seedlings	50,000		
KAPKAIN PRI SCH	Purchase and planting of tree seedlings	50,000		
KAPKENY PRI SCH	Purchase and planting of tree seedlings	50,000		
WEWO PRI SCH	Purchase and planting of tree seedlings	35,000		
CHELIMWO PRI SCH	Purchase and planting of tree seedlings	35,000		
	Totals	220,000		
BURSARY				
SECONDARY	Payment of school fee to needy learners in secondary schools	9,412,395		
TERTIARY	Payment of school fee to needy learners in tertiary institutions	4,876,034		
	Totals	14,288,429		
Acquisition of assets				
Others				
Grand Total		39,775,119		

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Historical Cost b/f (Kshs) 2016/17 Restated	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land	1,200,000	1,200,000			1,200,000
Buildings and structures	12,000,000	12,000,000			12,000,000
Transport equipment	9,383,255	9,483,255			9,483,255
Office equipment, furniture and fittings	523,100	523,100			523,100
ICT Equipment, Software and Other ICT Assets	1,163,500	812,500			1,063,500
Other Machinery and Equipment					
Heritage and cultural assets					
Intangible assets					
Total	24,269,855	24,018,855			24,018,855

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18 (Kshs)	Bank Balance 2016/17 (Kshs)
Chawis Primary School	EQUITYKAPSOWAR	1570266414935	440	440
Chorwa Primary School	EQUITYKAPSOWAR	1570264054753	808,705	119,365
Nyirar Primary School	EQUITYKAPSOWAR	1570262635352	1,885.50	9,940
Chelimwo Primary School	EQUITYKAPSOWAR	1570264231010	507,286	182,196
Muswon Primary School	EQUITYKAPSOWAR	1570264205214	475,824	108,835
Kapkuto Primary School	EQUITYKAPSOWAR	1570266863037	1,310	11,865
Kombases Primary School	EQUITYKAPSOWAR	1570261124604		1,060
Kapkobil Primary School	EQUITYKAPSOWAR	1570264023478	234,292	77
Queen Of Peace Cheseger Primary School	EQUITYKAPSOWAR	1570261739240	135	191,925
Murkutwo Primary School	EQUITYKAPSOWAR	1570263899187	231.35	201.25
Ishmael Chelanga Sec Sch	EQUITYKAPSOWAR	1570262776347	1,510.50	16,943
Chemisto Primary School	EQUITYKAPSOWAR	1570262653284	2,580	144,620
St Augustine Kapyego Sec Sch	EQUITYKAPSOWAR	1570264045144	516,723.80	503,964
Cheptany Pri Sch	EQUITYKAPSOWAR	1570264231665	11,285	515
Nyirar Chiefs Office	EQUITYKAPSOWAR	1570270180458	825	3,170
Liter Water Project	EQUITYKAPSOWAR	1570264207479	35,126	11,285
Segut Water Project	EQUITYKAPSOWAR	1570263753195	1,065	825
		1530163661564		35,125
Kakiptul Water Project	EQUITYKAPSOWAR	1570266679153	3,135	
Kapchoge Water Project	EQUITYKAPSOWAR	1570263753824	19,970	220,675
Tenderwa Water Project	EQUITYKAPSOWAR	1570264359273	1,263.46	3,135
Embobut Police Station	EQUITYKAPSOWAR	1570262343437	85	19,970
Liter Police Station	EQUITYKAPSOWAR	1570261708992	51,840	1,263
Chebilil Ap Line	EQUITYKAPSOWAR	1570264449314	303,260	85
Mogil Police Station	EQUITYKAPSOWAR	1570262692350	53,230	186,625
Kipchumwa Chiefs Office	EQUITYKAPSOWAR	1570266061270	855,633	3,260
Kipkaner Chiefs Office	EQUITYKAPSOWAR	1570266548914	5,470	501,250
St Marys Mon Secondary	EQUITYKAPSOWAR	1570269233373	596.05	34,895
Kimongo Primary School	EQUITYKAPSOWAR	1570264653431	29,141	501,330
Sangach Primary School	EQUITYKAPSOWAR	1570269995814	70,116	518
Itum Pri School	EQUITYKAPSOWAR	1570263833431	334,760	329,890
Lukuget Primary School	EQUITYKAPSOWAR	1570264190830	515	70,115
Sebero Primary School	EQUITYKAPSOWAR	1570271424260	503,170	90
Murkutwo Ap Camp	EQUITYKAPSOWAR	1570271087501	3,970	114,980
Chesewew Boys Sec School	EQUITYKAPSOWAR	1570268837853	148,515	939,725
Tuturung Assistant Chiefs Office	EQUITYKAPSOWAR	1570271786430	460	50,460
Mungwa Primary School	EQUITYKAPSOWAR	1570264235144	71,640	350
Meuno Primary School	EQUITYKAPSOWAR			
Kasokotow Primary School	EQUITYKAPSOWAR	1570671755916	1,820	169,930
Metipsoo Primary School	EQUITYKAPSOWAR	1570271743991	192	6,802
Sambirir Community Library	EQUITYKAPSOWAR	1570262393420	179,296	876
Chebilil Chiefs Office	EQUITYKAPSOWAR	1570264218132	62,425	2,980
Endul Assistant Chiefs Office	EQUITYKAPSOWAR			
Kamogo Chiefs Office	EQUITYKAPSOWAR	1570273274188	55,100	0
Murkutwa Ap Camp	EQUITYKAPSOWAR	1570271087501	3,970	114,980
Kapsicha Assistant Chiefs Office	EQUITYKAPSOWAR			

MARAKWET EAST NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND

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PMC	Bank	Account number	Bank Balance 2017/18 (Kshs)	Bank Balance 2016/17 (Kshs)
Marakwet East Sub-County Headquarters	EQUITYKAPSOWAR	1570271246110	4,153	1,040
Matum Primary School	EQUITY KAPSOWAR	1570263932649	100	2,185
Kaptobendo Primary School	EQUITY KAPSOWAR	1570263777724	90	
St. Marys Mon Sec Sch	EQUITY KAPSOWAR	1570269233373	855,633	
Kaben Chief's Office	EQUITY KAPSOWAR	1570270615625	501,620	
Kapkobil Ap Camp	EQUITY KAPSOWAR	1570277415487	0	
Wewo Primary School	KCBKAPSOWAR	1135343012	810	146,115.50
Maron Primary School	KCBKAPSOWAR	1135282293	2,228.10	400,178
Kamogo Primary School	KCBKAPSOWAR	1130448673	1,208,649.50	849.50
Mkeno Primary School	KCBKAPSOWAR	1135120455	845.90	845.90
Kapkeny Primary School	KCBKAPSOWAR	1136920218	AC CLOSED	00
Ratia Primary School	KCBKAPSOWAR	1148065253	1,927	2,257
Kilangata Primary School	KCBKAPSOWAR	1106926781	201,965.50	202,411
Kapsicha Primary School	KCBKAPSOWAR	1150322349	2,258.50	2,588.50
		1136801111		72,164.65
Koisabul Primary School	KCBKAPSOWAR	1169983677	2,734	
Lukuget Primary School	KCBKAPSOWAR	1136808582	2,100.65	00
St Peters Korion Primary School	KCBKAPSOWAR	1135075603	AC CLOSED	68,749.15
Kaptora Primary School	KCBKAPSOWAR	1127186736	6,562.30	4,328.40
Mokwony Primary School	KCBKAPSOWAR	1135150052	4,328.40	5,319
Kaptobendo Primary School	KCBKAPSOWAR	1111075972	99,873.50	489
Kamasia Primary School	KCBKAPSOWAR	1113957042	AC CLOSED	4,328.40
Kapchelaga Primary School	KCBKAPSOWAR	1137196505	4,328.40	136,166.50
		1103111817		15,860.80
Kapchoge Primary School	KCBKAPSOWAR	1138111538	701,306	95,633.35
Tebe Primary School	KCBKAPSOWAR	1135612331	500,000	801,069.70
Tangul Primary School	KCBKAPSOWAR	1131575555	1,084,824.20	14,299.50
Kamelei Primary School	KCBKAPSOWAR	1103110896	461,149	573,740.50
Kapero Primary School	KCBKAPSOWAR	1125897643	6,731.65	50,418.10
Tenderwa Primary School	KCBKAPSOWAR	1135369011	144.20	746.40
Kapchemurkeldet Primary School	KCBKAPSOWAR	1137061073	515.40	1,293
Kararia Primary School	KCBKAPSOWAR	1137009896	500,963	0
Kabiego Primary School	KCBKAPSOWAR	1169491650	AC CLOSED	2,413.80
Kimuren Primary School	KCBKAPSOWAR	1147892253	3,224.56	41,574.50
Maina Primary School	KCBKAPSOWAR	1180097815	5,013.50	168,689
Kumbulul Primary School	KCBKAPSOWAR	1130965198	62,640	1,620
Koibarak Primary School	KCBKAPSOWAR	1135067910	1,059	319.50
Chesongoch Small Home	KCBKAPSOWAR	1138718556	319.50	303,239.30
Tot Primary School	KCBKAPSOWAR	1103110063	182,513.80	1,450.40
Chesawach Primary School	KCBKAPSOWAR	1131308190	0.60	2,100
Liter Primary School	KCBKAPSOWAR	1102608777	1,770	7,054.20
Kabaldamet Primary School	KCBKAPSOWAR	1178117979	1,794.55	3,315
Barberi Primary School	KCBKAPSOWAR	1167891481	1,985	6,480
Kimongo Primary School	KCBKAPSOWAR	1141356035	6,150	0
Embomir Primary School	KCBKAPSOWAR	1136751890	AC CLOSED	1,301.60
Kipyebo Primary School	KCBKAPSOWAR	1130465470	1,301.60	786.60
Mogil Day Secondary School	KCBKAPSOWAR	1103039156	1,716.10	162,070
Kaptich Girls Secondary School	KCBKAPSOWAR	1133716342	522.90	15,190
Liter Seocndary School	KCBKAPSOWAR	1135436606	14,513.50	79,955

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PMC	Bank	Account number	Bank Balance 2017/18 (Kshs)	Bank Balance 2016/17 (Kshs)
Kipkaner Day Secondary School	KCBKAPSOWAR	1103113259	625	469.
Sambirir Girls Secondary School	KCBKAPSOWAR	1137266678	167,015.63	440
Chesewew Boys Secondary School	KCBKAPSOWAR	1106940350	5,029,684.50	65,000
Queen Of Peace Secondary School	KCBKAPSOWAR	1135794677	6,200.01	115,545
St Michael Secondary School	KCBKAPSOWAR	1135257183	AC CLOSED	442,915
St Pauls Kapkondot Sec Sch	KCBKAPSOWAR	1125069430	502,585	846.5
Kapchebau Sec Sch	KCBKAPSOWAR	1158544421	53,051	376,748.50
Sambirir Boys Sec Sch	KCBKAPSOWAR	1127490167	3,473,868.50	
Kiteche Water Project	KCBKAPSOWAR	1147759227	383,190.50	978.80
Kessum Water Project	KCBKAPSOWAR	1157946062	978.80	5,898.15
Kipkaner Water Project	KCBKAPSOWAR	1118293045	5,898.15	1.05
Wewo Water Project	KCBKAPSOWAR	1153886855	1.05	4,594.95
Kapyego Police Station	KCBKAPSOWAR	1147835837	4,670.10	
Mokoro Chiefs Office	KCBKAPSOWAR	1137960884	AC CLOSED	
Kiptumbur Chiefs Office	KCBKAPSOWAR	1137052724	4,077.55	1,213
Tenderwa Chiefs Office	KCBKAPSOWAR	1179550374	AC CLOSED	51,712
Cheptobot Chiefs Office	KCBKAPSOWAR	1179478711	51,712	39,084.50
Katilit Primary School	KCBKAPSOWAR	1135191689	28,121.70	71,414.45
		1137335157		N/A
Cheptobot Primary School	KCBKAPSOWAR	1183902352	1,281.75	28,044
Chesetan Primary School	KCB KAPSOWAR	1198683414	500,733	120.80
Kabaldamet Primary School	KCB KAPSOWAR	1178117979	AC CLOSED	1,210
St Marys Mon Sec Sch	KCB KAPSOWAR	1103279521	279,308.50	
Kapchebau Secondary	KCB KAPSOWAR	1136975918	97,400	
Kabetwa Primary School	KCB KAPSOWAR	1130959112	4,173.50	4,589.50
Kreel Pri Sch	KCB KAPSOWAR	1180368845	499,889.50	N/A
Kerbut Pri Sch	KCB KAPSOWAR	1149202122	121,634.50	500,864.5
Kimitel Pri Sch	KCB KAPSOWAR	1136434178	287,084.45	371,119.95
Tobongon Pri Sch	KCB KAPSOWAR	1136788492	0	195
Boroko Primary School	KCB KAPSOWAR	1136778918	79,475	2,555
Kalya Primary School	KCB KAPSOWAR	1205071318	61,839.90	
Kapkain Primary School	KCB KAPSOWAR	1136944087	2,518	41,848
Chugor Primary School	KCB KAPSOWAR	1137160551	1,515.90	510,345.90
Chesoi Primary School	KCB KAPSOWAR	1103113178	5,764.71	
Endiwa Primary School	KCB KAPSOWAR	1153760347	66,880	67,760
Mogil Primary School	KCB KAPSOWAR	1136922784	606,216.60	0
Tirap Primary School	KCB KAPSOWAR	1214152937	477,820	
Chemworor Primary School	KCB KAPSOWAR	1148682791	501,084.50	1,530
Sambirir Chief's Office	KCB KAPSOWAR	1200787153	77,174	55
Chebilil Chiefs Office	KCB KAPSOWAR	1135319650	2,553.20	
Ketut Chiefs Office	KCB KAPSOWAR	1151454486	1,740	
Endul Assistant Chiefs Office	KCB KAPSOWAR	NA	AC CLOSED	
Meuno Primary School	KCB KAPSOWAR	1106939050	4,554	
Moror Pri Sch	KCB KAPSOWAR	181040809	15,232.51	
Tot Day Sec Sch	KCB KAPSOWAR	1116213451	592,718.50	
TOTAL			25,794,299	10,290,191

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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)
1.0	Unsupported PMC expenditure	Expenditure returns, acknowledgement letters from PMC have been availed to the auditor for review	Fund Account Manager	Not resolved	
2.1	Bursary to secondary schools and tertiary institutions	Minutes for bursary committee showing how the beneficiaries were identified and acknowledgment letters from beneficiary institutions have been availed to the auditor for review.	Fund Account Manager	Not resolved	
2.2	Security projects	Actual expenditure returns form PMC have been availed to the auditor for audit review	Fund Account Manager	Not resolved	
2.3	Emergency projects	Actual expenditure returns form PMC have been availed to the auditor for audit review	Fund Account Manager	Not resolved	
2.4	Sports projects	Actual expenditure returns form PMC including procurement records have been availed to the auditor for audit review	Fund Account Manager	Not resolved	
2.5	Environment projects	Actual expenditure returns form PMC have been availed to the auditor for audit review	Fund Account Manager	Not resolved	
3.1	Bank balances	Stale cheques as at 30 th June 2017 were reversed to the cash book. A schedule showing when the unpresented cheques as at 30 th June 2017 were cleared in the statement has been provided to the auditor for review.	Fund Account Manager	Not resolved	
3.2	Project Management	Bank confirmation certificates confirmation the PMC bank account balances as at 30 th June 2017 has been availed for audit review.	Fund Account Manager	Not 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)
	Committee balances				
3.0 (1)	Chechan primary school	The classroom is complete and waiting to be handed over for use.	Fund Account Manager	Not resolved	
3.0 (2)	Lukuget primary school	Reallocation letter has been sought from NGCDF Board to change the activity.	Fund Account Manager	Not resolved	
3.0 (3)	Ishmael chelanga sec sch	Plastering of the laboratory and fixing of sinks and pipes is complete.	Fund Account Manager	Not resolved	
3.0 (4)	St. Michael secondary school	The project is currently ongoing at roofing stage.	Fund Account Manager	Not resolved	
3.0 (5)	Mungwa primary school	Plastering, painting, doors and windows of classrooms. Complete and handed over for use	Fund Account Manager	Not resolved	
3.0 (6)	Cheptobot primary school	Construction of one classroom to completion. Complete and handed over for use.	Fund Account Manager	Not resolved	
3.0 (7)	Kapyego secondary school	Dining hall. Complete up to roofing and plaster. More funds allocated for flooring, painting and wiring	Fund Account Manager	Not resolved	
3.0 (8)	Chesewew secondary school	Dormitory. Currently the construction is at slab level. More funding has been allocated for completion.	Fund Account Manager	Not resolved	
3.0 (9)	Queen of peace secondary school	Dormitory Construction. Level of construction currently at beam. Partitions already done inside. More funds have been allocated for roofing and completion of the dorm.	Fund Account Manager	Not resolved	