

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

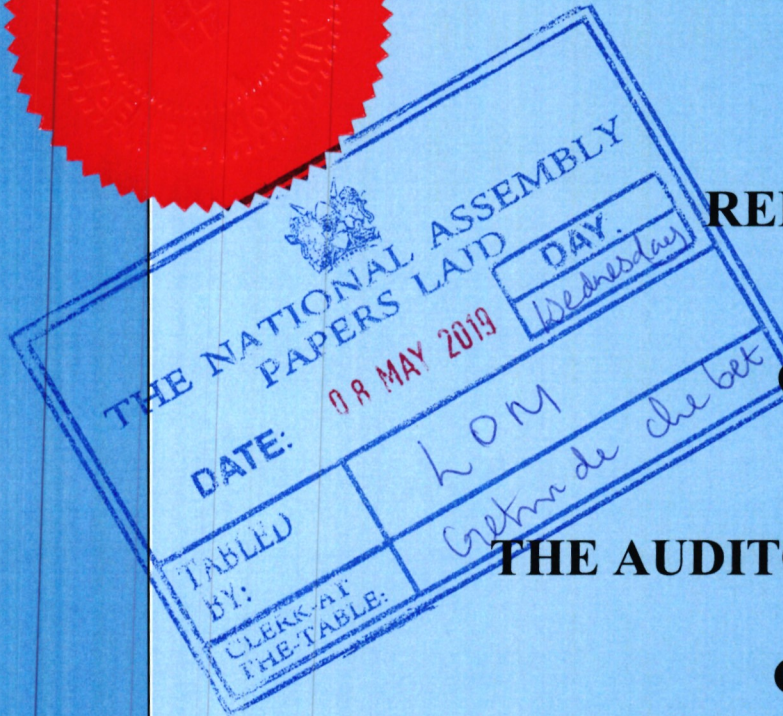
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
SOY CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2018





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
SOY 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) SOY
CONSTITUENCY**

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

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY 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 (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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**

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

Core Values

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

(b) Key Management

The NGCDF SOY 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	LUKA KIMOSOP
3.	Sub-County Accountant	RAEL C. LIMOLEL
4.	Chairman NGCDFC	FELIX K. BETT
5.	Member NGCDFC	MONDESTER C. ROTICH

(d) Fiduciary Oversight Arrangements

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

P.O. Box 731-30100
NG-CDFC Building
COUNTY COMMISSIONERS COMPOUND UASIN-GISHU
Eldoret, KENYA

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**

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

(f) NGCDF SOY Constituency Contacts

Telephone: (254)0721965454

E-mail: cdfsoyconstituency@gmail.com

Website: www.ngcdfsoyconstituency.go.ke

(g) NGCDF SOY Constituency Bankers

1. Cooperative Bank
Eldoret West Branch
P O Box 2220-30100
Eldoret

(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 (NGCDF)
SOY CONSTITUENCY**

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

II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG-CDFC)

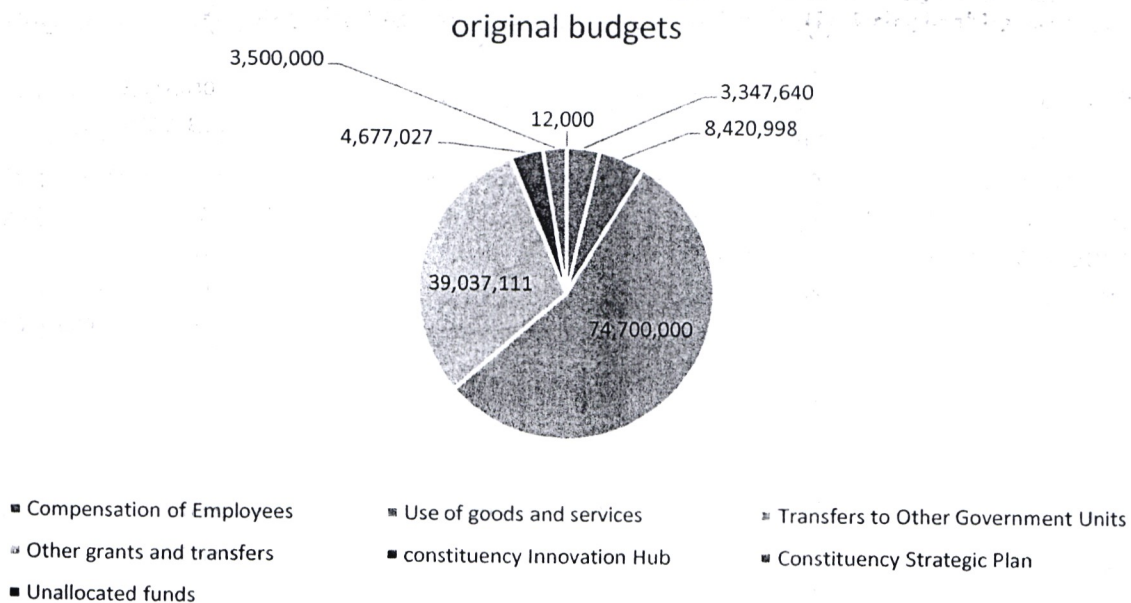
This report and financial statement represents the financial position of Soy constituency for the financial year 2017/2018. It lays down the receipts and expenditures of all the funds that Soy NG-CDFC received from the NG-CDF BOARD.

I wish to make the following remarks;

a). Year Performance

In the financial year 2017/2018 Soy NG-CDF was able to achieve the following comparative performance in various sectors

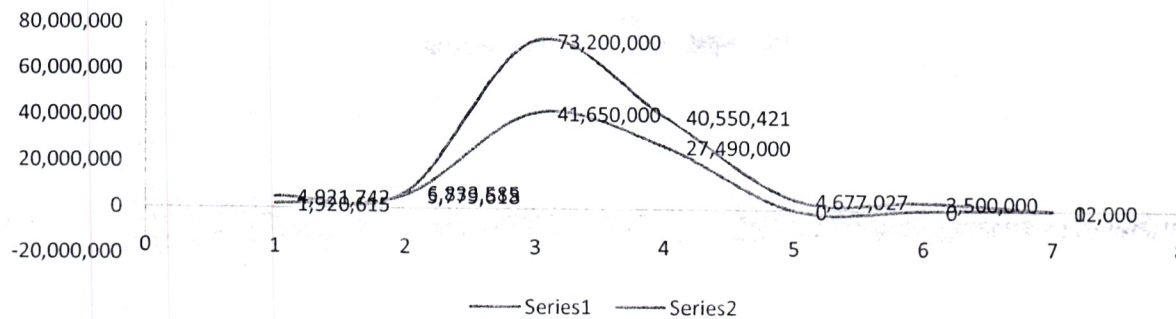
PAYMENTS	Final Budget	Total expenditure	Budget Utilisation Difference	% of Utilisation
Compensation of Employees	3,347,640	1,920,615	1,427,025	57.00%
Use of goods and services	8,420,998	5,779,618	2,641,380	69.00%
Transfers to Other Government Units	74,700,000	41,650,000	33,050,000	56.00%
Other grants and transfers	39,037,111	27,490,000	11,547,111	70.00%
constituency Innovation Hub	4,677,027	0	4,677,027	0.00%
Constituency Strategic Plan	3,500,000	0	3,500,000	0.00%
Unallocated funds	12,000	0	12,000	0.00%
TOTAL	133,694,775	76,840,233	56,854,542	59.00%



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**

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

original budget againts expenditure



b).NG-CDF SOY has been able to achieve the following;

1. Construction of NG-CDFC office in the FYR 2015/2016 now complete and in use.
2. It has completed 32 primary school projects, 6 secondary school projects, 1 chief's offices which are in use and has resulted in improved infrastructure in our institutions.
3. Funded 2086 needy students in both secondary and tertiary institutions which has resulted in students' retention in school and improved their academic performance in the FYR2017/2018.



Fig 1.0 Matunda Location chiefs office

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**

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

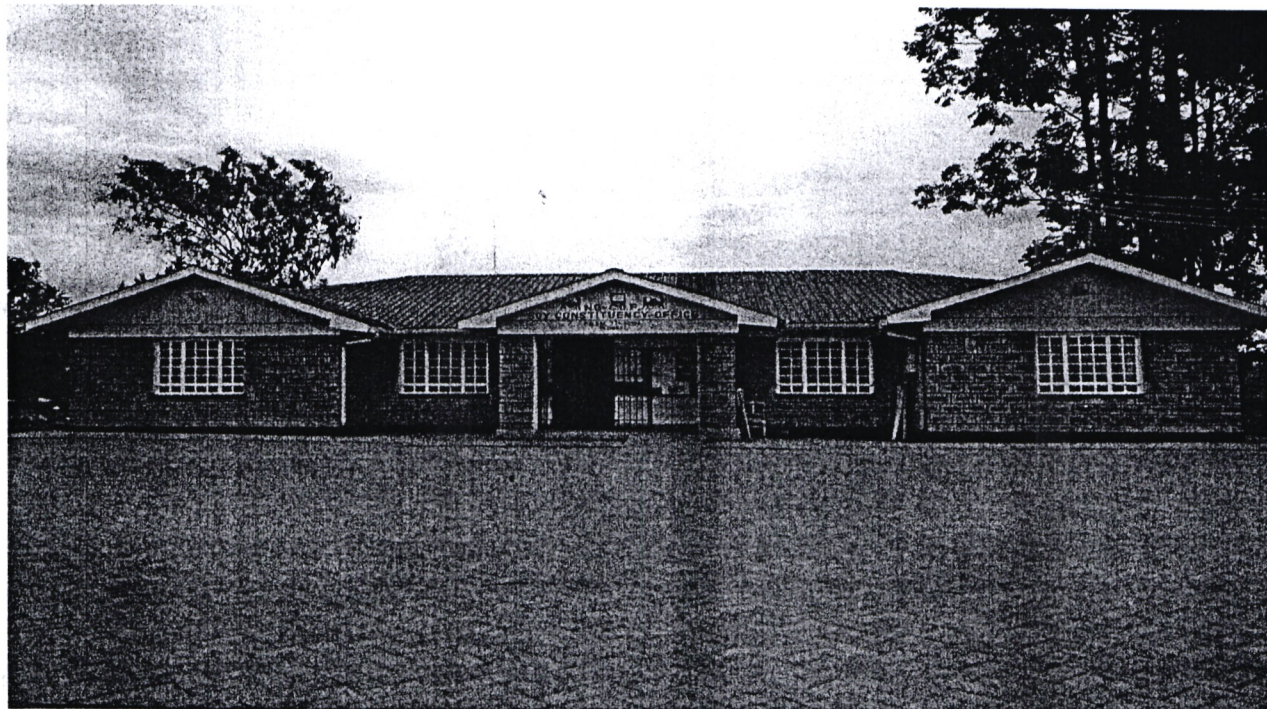


Fig 1.1 NG-CDFC Office completed in FYR 2016/2017

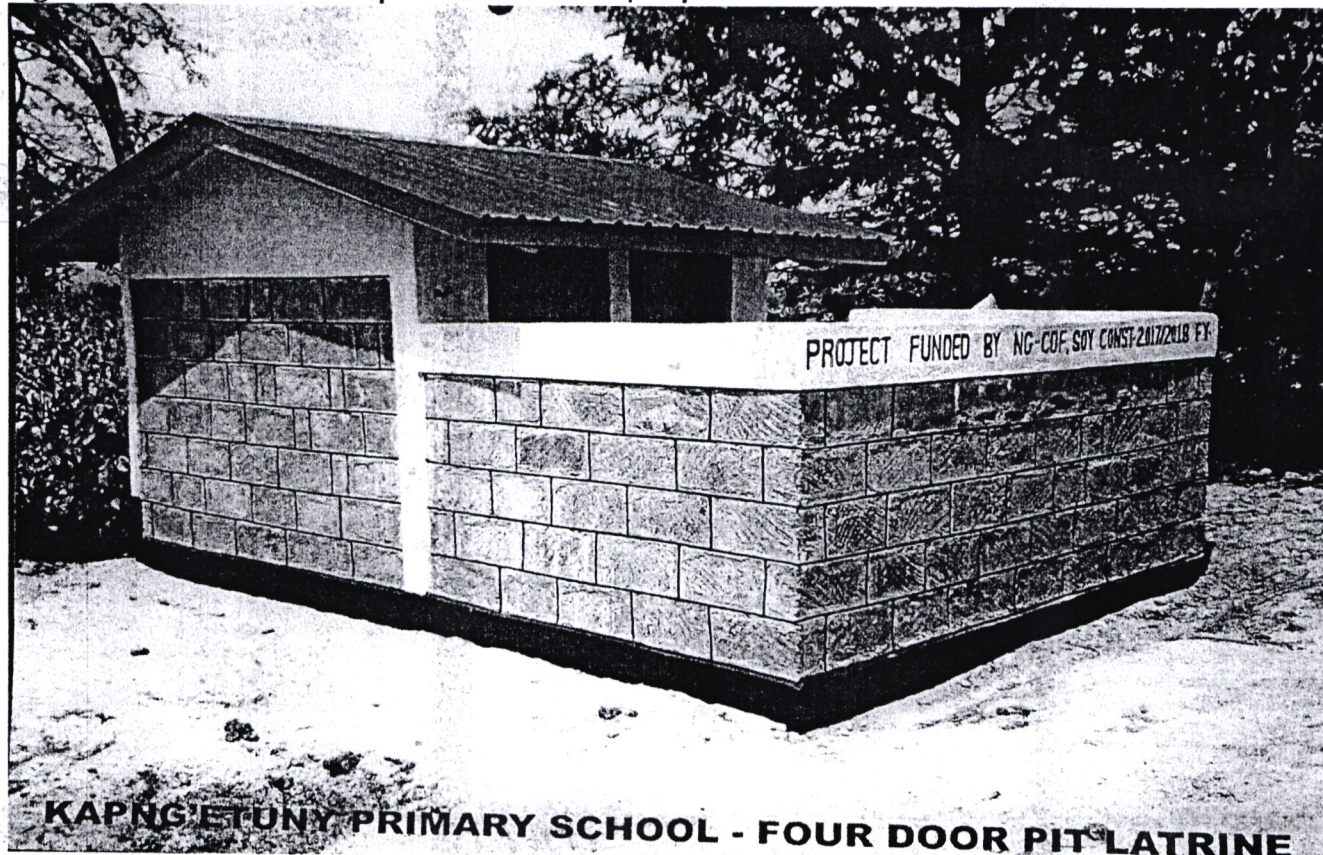
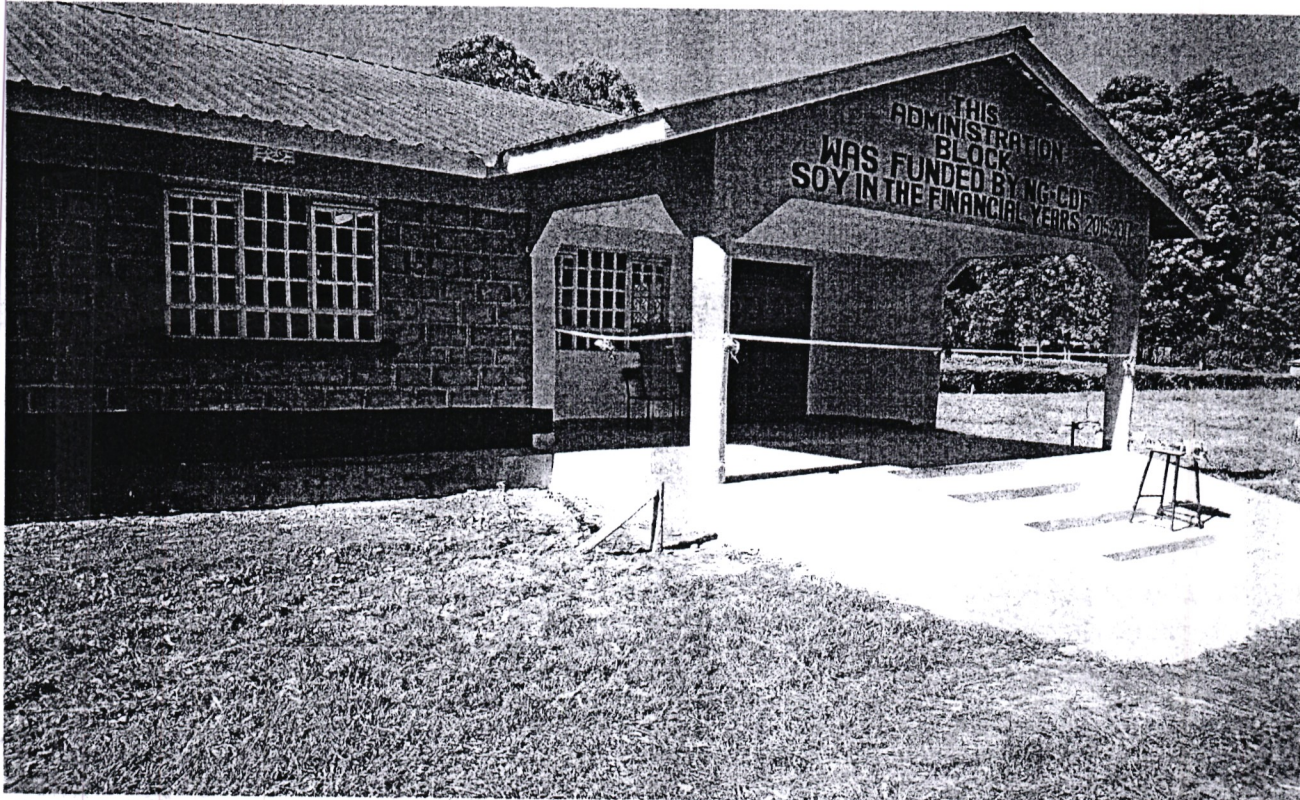


Fig 1.2 Kapng'etuny primary school 4 door pit latrine emergency project FYR 2017/2018

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**

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



Cheplelaibe North secondary School administration block completed FYR 2017/2018

c). Emerging issues related to NG-CDF in SOY Constituency are;

1. All learning institutions i.e. secondary and primary schools depend on NG-CDF 100% on development as directed by ministry of education
2. Security projects infrastructure depends on NGCDF funding 100%
3. Due to the 100% transition to secondary school of pupils there is more need on schools infrastructure i.e. classrooms, laboratories, administration blocks etc

d). NG-CDF Implementation challenges in SOY Constituency are;

1. Overdependence of the fund by the public on all development related issues. (Here public participation is involved in identification of projects for funding and bursary beneficiaries within the constituency).
2. Funds disbursement from the board is at times untimely leading to unnecessary adjustments. (NG-CDF committees are disbursing funds as soon as funds are received).
3. Many projects allocated funds- leading to projects receiving funds not able to complete projects. (NG-CDF is focusing on allocating enough funds to complete the project within 2 years).
4. Implementation of projects through labour based which makes it difficult to comply with all government regulations on procurement and line ministry supervision. (NG-CDFC is educating the Project Management Committees to contract contractors on full contract.)

Through my leadership, NG-CDFC Soy constituency will endeavour to fulfil its mandate in disbursement and monitoring of projects funds as per the guidelines of the NG-CDF ACT 2015

FELIX BETT

CHAIRMAN NG-CDFC

SIGN

Date

14/09/18

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**

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

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-SOY 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-SOY 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 in charge of the NGCDF-SOY 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-SOY 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-SOY Constituency financial statements were approved and signed by the Accounting Officer on 17/09/2018 2018.

NG-CDF SOY
FUND ACCOUNT MANAGER
P.O. BOX 731-30100,
ELDORET
Name: LUKA KIMOSOP
J.K.M. 2018



Sub-County Accountant
Name: RAEL LIMOLELE
ICPAK Member Number:

REPUBLIC OF KENYA

Telephone: +254-20-342330
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NAIROBI



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - SOY 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-Soy Constituency set out on pages 9 to 45, 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 summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund-Soy 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 National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Cash and Cash Equivalents

The statement of assets and liabilities as at 30 June 2018 reflects cash and cash equivalents balance of Kshs.2,070,060. However, the bank reconciliation statement availed for audit review reflects unpresented cheques totalling Kshs.2,873,502 out of which cheques amounting to Kshs.714,119 had become stale but had not been reversed in the cash book. Further, out of the stale cheques of Kshs.714,119, a cheque of Kshs.25,403 was in respect of statutory deductions. The management did not explain whether the cheques were replaced to avoid imposition of penalties by Kenya Revenue Authority for failure to remit taxes as required by the law.

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

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.2,070,060 as at 30 June 2018 could not be confirmed.

2.0 Transfers from Constituencies Development Fund (CDF) Board

The statement of receipts and payments for the year ended 30 June 2018 reflects transfers from Constituencies Development Fund Board figure of Kshs.76,353,447 which is at variance with the Constituencies Development Fund (CDF) Board records figure of Kshs.95,889,655. The resulting difference of Kshs.19,536,208 has not been explained or reconciled.

Consequently, it has not been possible to confirm the accuracy and completeness of the transfers from Constituencies Development Fund (CDF) Board figure of Kshs.76,353,447 for the year ended 30 June 2018.

3.0 Project Management Committee (PMC) Account Balance

Note 15.4 to the financial statements reflects Project Management Committee accounts balance total figure of Kshs.8,894,321 held in one hundred and forty-six (146) bank accounts in various commercial banks as at 30 June 2018. However, bank reconciliation statements, bank confirmation certificates and cashbooks were not made available for audit verification.

Consequently, the existence and accuracy of the project management committee bank account balance of Kshs.8,894,321 as at 30 June 2018 could not be confirmed and its incorporation in the cash and cash equivalents balance.

4.0 Summary Statement of Appropriation: Recurrent and Development Combined

The summary statement of appropriation: recurrent and development combined for the year ended 30 June 2018 reflects approved original budget figure of Kshs.86,810,345 which is at variance with the approved budget figure of Kshs.98,189,655 as approved by Board. No explanation or reconciliation was provided for the resultant difference of Kshs.11,379,310.

Under the circumstances, the accuracy and completeness of the approved original budget figure of Kshs.86,810,345 for the year ended 30 June 2018 could not be confirmed.

5.0 Adjustments

The summary statement of appropriation: recurrent and development combined for the year ended 30 June 2018 also reflects adjustment figure of Kshs.46,884,431 whose supporting documents were not provided for audit review. As a result, the accuracy and completeness of the adjustment figure of Kshs.46,884,431 for the year ended 30 June 2018 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 – Soy 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

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 matters 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 Matters

1.0 Budget Performance

During the year under audit, the National Government Constituencies Development Fund -Soy Constituency had an approved budget amounting to Kshs.133,694,776. against actual expenditure of Kshs.76,840,233 or 57% of the approved budget resulting to under-expenditure of Kshs.56,854,542 or 42.5 % of the approved budget as detailed below:

Receipts	Final Budget	Actual on Comparable basis	Variance	% of Utilization
Approved Budget	133,694,775	78,910,293	54,784,483	59
Payments				
Compensation of Employees	3,347,640	1,920,615	1,427,025	57
Use of goods and services	8,420,998	5,779,618	2,641,380	69
Transfers to Other Government Units	74,700,000	41,650,000	33,050,000	56
Other grants and transfers	39,037,111	27,490,000	11,547,111	70
constituency Innovation Hub	4,677,027	0	4,677,027	0
Constituency Strategic Plan	3,500,000	0	3,500,000	0
Unallocated funds	12,000	0	12,000	0
TOTAL	133,694,776	76,840,233	56,854,543	57

Failure to utilize funds as budgeted is an indication that programmes or activities are not being implemented as planned and thus not achieving the intended objectives of improving service delivery to the people of Soy constituency.

2.0 Non Implementation of Approved Projects

A review of the approved projects as per the code list from NG- CDF Board secretariat and comparison of the same with expenditure returns reveal that projects costing a total of Kshs14,400,000 that were approved and funds received, were not implemented by the NG-CDF Soy during the financial year 2017/2018. Failure to implement approved projects by the fund denies the public the benefit which could have accrued to them if the projects could have been implemented.

3.0 Non Maintenance of Store Records

A physical verification of the projects in December 2018, noted that all the projects were labour based. The Project Management Committees (PMCs) were procuring materials and contracting labour. However, there was no inventory record maintained for the materials that were being procured. Control of the same could not be confirmed. The details are tabulated below:

No.	Project	Activity	Amount Disbursed Kshs
1	Cheblelaibei North Secondary School	Continuation of administration block	1,000,000
2	Kiborom Secondary School	Completion of dormitory	2,000,000
3	Kokwet Secondary School	Completion of laboratory	800,000
4	Korotet Secondary School	Finishing of laboratory	800,000
5	Kuinet Secondary School	Construction of twin staff house	1,000,000
	Total		5,600,000

In the circumstances, it was not possible to ascertain how the funds were utilized.

4.0 Construction of Eight Classrooms at Ziwa Secondary School

A review of the financial records confirmed that construction of one storey building of eight classrooms of Ziwa secondary school commenced in the year 2013/2014 drawing a total of Kshs.9,000,000 by the end of financial year 2017/2018. The disbursement were made as follows: 2013/14 - Kshs.1,000,000; 2014/2015 - Kshs.1,000,000; 2016/2017 - Kshs.2,000,000 and 2017/2018 - Kshs.5,000,000. The construction was labour based and the Project Management Committee was purchasing materials. A physical verification of the project in December 2018, confirmed that the building was complete

even though no certificate of completion was availed for audit verification. Further, site instructions from the Clerks of work were not was availed for audit review.

Consequently, it was not possible to confirm the propriety of the expenditure of Kshs.9,000,000 on the project.

5.0 Projects Verification

During the audit, thirty-nine (39) projects with total disbursements amounting to Kshs.26,550,000 were physically verified during the month of December 2018 and the details are at appendix I.A number of projects were noted to be incomplete despite disbursements of funds to the PMCs.

The people of Soy Constituency may have not benefited from the incomplete projects. Therefore, there is need for the management to fast track the implementation process to ensure that projects are completed as scheduled for efficiency and effective service delivery to the residents of Soy Constituency.

6.0 Projects Implementation

During the financial year under review, Soy Constituency had budgeted to disburse Kshs.80,400,000 towards the implementation of one hundred and fourteen (114) projects. However, an amount of Kshs.78,600,000 was disbursed to one hundred and thirteen (113) projects. It was further noted that one (1) project with a budget of Kshs.800,000 for the construction of a class room to completion at Moi's Bridge secondary school was not implemented. The details of the projects are summarized at appendix II.

Projects not implemented may impact negatively on service delivery to the people of Soy Constituency.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for [Conclusion on Lawfulness and Effectiveness in Use of Public Resources/ 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 Bursary Disbursement

The statement of receipts and payments reflect other grants and transfers balance of Kshs.27,490,000 as disclosed in note 7 to the financial statements which include total

bursaries amount of Kshs.21,298,000 comprising of disbursements of Kshs.7,300,000 to secondary schools and Kshs.13,988,000 to tertiary institutions. However, the minutes of the bursary sub-committee indicating how the beneficiaries were identified and evidence that two members of whom one should be area education officer or officer seconded from the Ministry of Education were co-opted as required by the CDF Board Circular Ref. CDF Board circulars/Vol 1/111 dated 13 September 2010 were not provided for audit review.

Consequently, the management is in breach of the law and propriety of the bursary disbursement of Kshs.21,298,000 for the year ended 30 June 2018 could not be confirmed.

2.0 Purchase of Land

As previously reported, an amount of Kshs.1,000,000 was disbursed to Tegeiyat Gaa primary school for purchase of 2 acres of school land. However, procurement records such as opening, evaluation and award minutes, search results from lands office, valuation report, document of ownership such as title/lease and school's registration certificate from the Ministry of Education were not availed for audit verification. In addition, payment records availed for audit indicates that an amount of Kshs.919,000 was paid to Mr. Koronei Serem instead of Mr. Sikei Kogo who was the vendor. No explanation has been provided for paying a different person other than the vendor.

Further, an amount of Kshs.1,000,000 was disbursed to Kapchan primary school on 16 March 2017 vide PV No. 291277 and cheque No. 5012 for purchase of 2 acres of land. Although ownership documents were provided for audit review, information available shows that Kapchan primary school paid an additional Kshs.100,000 in respect of survey, rates and administration fees contrary to the provisions of the sale agreement which stipulated that the vendor shall pay outstanding land rates, rents and/or any other liabilities relating to the land.

Under the circumstances, the ownership, validity and propriety of the parcels of land costing Kshs.2,000,000 could not be confirmed.

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, except for the matters described in the Basis for Qualified Opinion section of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were

operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern/ sustain services, disclosing, as applicable, matters related to sustainability of services and using the alternative basis of accounting unless the Board either intends to liquidate the Fund 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 Fund's 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 Fund's 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 Fund's ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the

audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund 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 Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

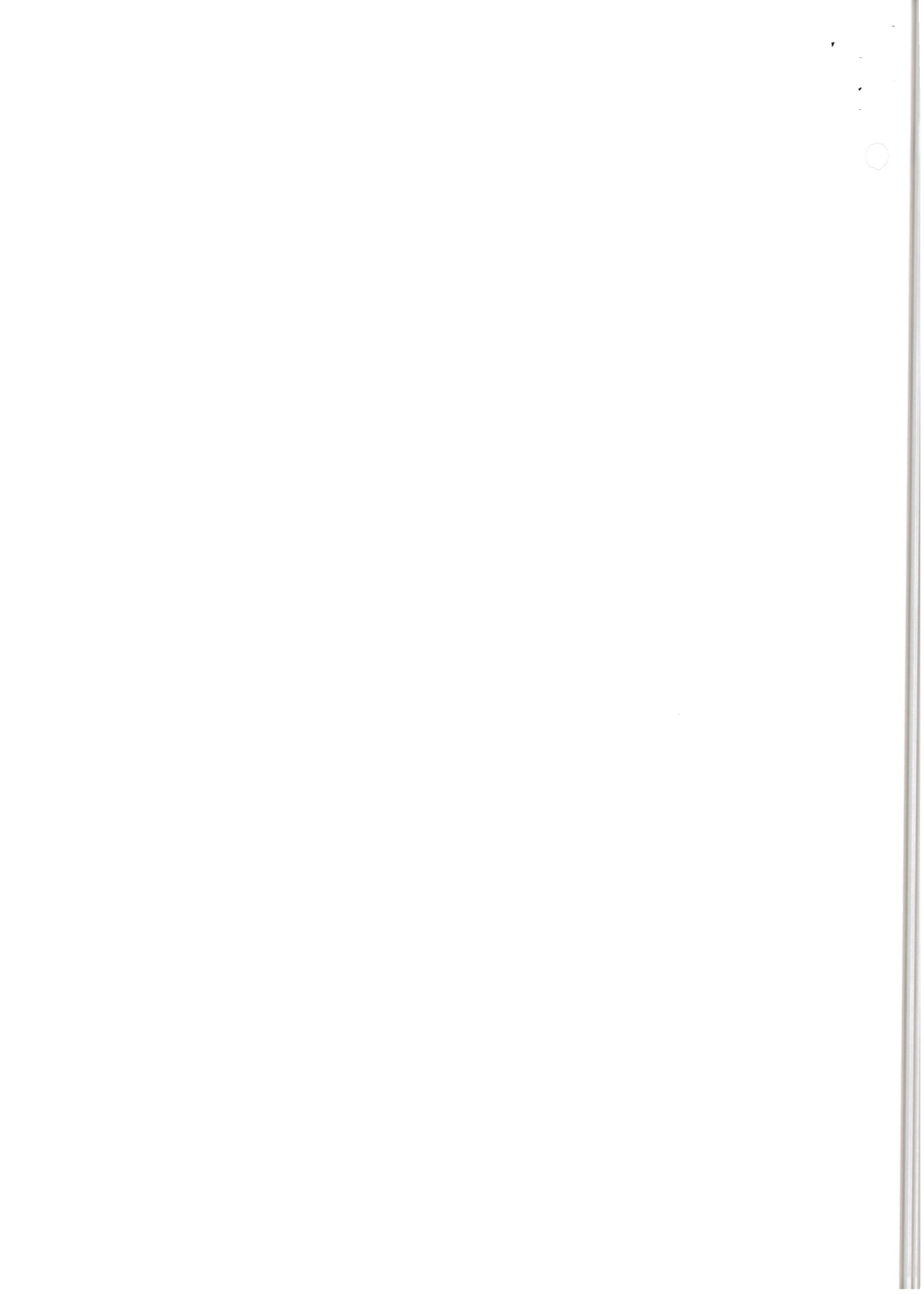
I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



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

Nairobi

08 April 2019



Appendix I: Projects Verification Status

S/No	Name of Project	Project Activity	Disbursed Amount in 2017/2018 Kshs.	Field Visit Report
1	Kilima Primary School	Plastering, installation of window panes, electrical works, painting works, doors, window of a dormitory	500,000	Dormitory co funded by PTA ,Completed and in use
2	Matunda Primary School	Renovation and replacement of worn out iron sheet of 8 classrooms	800,000	Roofing of all 8 class rooms completed
3	Kidiwa Primary School	Renovation and replacement of ashebestos with iron sheet of 6 classrooms	800,000	Renovation of six(6) classrooms completed
4	Vumilia Primary School	Foundation, walling, doors, windows, plastering, electrical and painting works of 2 classroom	1,200,000	Construction of two (2) classrooms completed and in use, good workmanship
5	Kiwato Primary School	Plastering, flooring, painting, exterior wall finishes and electrical works and labelling of 2 classrooms to completion	500,000	Construction of two (2) classrooms completed and in use , good workmanship
6	Kipsomba Farm Primary School	Plastering, flooring installation of window panes, electrical works and painting works of 2 classrooms	500,000	Construction of two (2) classrooms completed and in use, good workmanship
7	Sigaon Primary School	Foundation, walling, doors, windows, plastering, electrical and painting works of 1 classroom	600,000	Construction of two (2) classrooms not completed though in use, fair workmanship
8	Bondeni Primary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 3 classrooms to completion	1,800,000	Construction of three (3) classrooms completed and in use, very good workmanship
9	Mukunga Primary School	Plastering, installation of doors and windows, electrical works and painting works of 2 classrooms	500,000	Construction of two (2) classrooms use , good workmanship
10	Kaptebengwet Primary School	Plastering, flooring, painting, exterior wall finishes and electrical works and labeling of 2 classrooms to completion	500,000	Construction of two (2) classrooms use, good workmanship
11	Jabali Assistant Chief's Office	Plastering, flooring, Installation of window panes, ceiling, electrical and painting works of chiefs office	700,000	Construction of chiefs office ongoing but in use, good workmanship , painting not done

S/No	Name of Project	Project Activity	Disbursed Amount in 2017/2018	Field Visit Report
12	Kipsomba Chief's Office	Installation of window panes, flooring, ceiling, electrical and painting works of chiefs office	600,000	Construction of chief's office completed awaiting handing over, good workmanship
13	Soy Chief's Office	Floor tiles, ceiling, electrical & painting works and labelling of chiefs office to completion.	500,000	Construction of chief's office ongoing but in use, good workmanship, painting not done
14	Lower Moiben Chief's Office	Installation of window panes, plastering, flooring, ceiling, electrical and painting works of chiefs office	800,000	Plastering, flooring, electrical works and painting done. Window panes and ceiling in progress
15	St. Peters Kamukunji Sec Sch	Foundation and walling of a laboratory	1,000,000	Works ongoing at the lental stage
16	St. Michaels Kipsomba Sec Sch	Roofing, installation of doors, windows, plastering, flooring, electrical and painting works of 2 unit staff houses	1,000,000	Construction of two (2) staffs quarters ongoing, good workmanship
17	St. Peters Kapkorren Sec Sch	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 2 classroom to completion	1,200,000	Construction of two (2) classrooms
18	Kipketiengwet Pri School	Plastering, flooring, doors, windows electrical and painting works of 4 classrooms	900,000	Construction of four (4) classrooms
19	Mobet Sec School	Construction of 3 doors toilet	150,000	Construction of toilets completed and in use, good workmanship
20	St. Peters Kamukunji Sec Sch	Construction of 3 doors toilet	200,000	Construction of toilets completed and in use, good workmanship
21	Sigaon Primary School	Construction of 3 doors toilet	150,000	Construction of toilets completed and in use, good workmanship
22	Kipsomba Pri School	Construction of 3 doors toilet	150,000	Construction of toilets completed and in use, good workmanship
23	Ndalat Simatwo Pri School	Construction of 3 doors toilet	200,000	Construction of toilets completed and in use, good workmanship
24	Kapkuis Primary School	Construction of 4 door toilet	150,000	Construction of toilets completed and in use, good workmanship
25	Kesogon Primary School	Construction of 4 door pit latrine	150,000	Construction of pit latrines 90% complete.

S/No	Name of Project	Project Activity	Disbursed Amount in 2017/2018	Field Visit Report
26	Lolkinyei Primary School	Construction of 4 door pit latrine	150,000	Construction of pit latrines completed and in use , good workmanship
27	Kapngetuny Primary School	Construction of 4 door pit latrine	150,000	4 door pit latrines completed and in use , good workmanship
28	Sachangwan Primary School	Construction of 4 door pit latrine	150,000	Built 6 door pit latrine, completed and in use , good workmanship
29	Emdin Primary School	Construction of 4 door pit latrine	150,000	Built 8 door pit latrine, completed and in use, good workmanship
30	St. Theresa Of Avilla Tekeyat Pr	Construction of 4 door pit latrine	150,000	Built 8 door pit latrine, completed and in use, good workmanship
31	Majimazuri Primary School	Construction of 4 door pit latrine	150,000	Built 8 door pit latrine, completed and in use, good workmanship
32	Kuinet Secondary School	Construction of twin staff houses	1,000,000	Construction done upto roofing level, workmanship was ok but there was no site instructions and inspection certificate
33	Ziwa Secondary School	Construction of 8 classrooms	3,000,000	Complete workmanship was ok but there was no site instructions and inspection certificate
34	Kiborom Secondary School	Construction of girls dormitory	2,000,000	Constructed upto roofing level workmanship was ok but there was no site instructions and inspection certificate
35	Cheplelai North Sec. School	Completion of administration block	1,000,000	Roofing and fixtures done workmanship was ok but there was no site instructions and inspection certificate
36	St. Peters Kapkorren Sec.	Construction of two classrooms	1,200,000	Complete workmanship was ok but there was no site instructions and inspection certificate

S/No	Name of Project	Project Activity	Disbursed Amount in 2017/2018	Field Visit Report
37	Korotet Sec. School	Finishing of laboratory	800,000	Done upto plastering level workmanship was ok but there was no site instructions and inspection certificate
38	Kokwet Sec. School	Completion of laboratory	800,000	Done upto plastering level workmanship was ok but there was no site instructions and inspection certificate
39	Soy Chief's Office	Land reclamation, water drainage, planting of tree seedlings and fencing of chiefs office	500,000	Trees planted but not well maintained
		Total	26,550,000	

Appendix II: Projects Implementation

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
			Kshs.	Kshs.				
1	Mois Bridge Secondary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1 classroom to completion	800,000	-	15/08/2017	Not started	0%	Not started
2	Kipsangui Boys High School	Foundation and walling, of administration block	2,000,000	2,000,000	15/08/2017	Ongoing	20%	Completed in FYR 2018/19
3	Kiborom Secondary School	Foundation, walling, roofing, plastering of girls dormitory	2,500,000	2,500,000	15/08/2017	Ongoing	30%	Completed in FYR 2018/19
4	Ndabarnach Secondary School	Foundation, walling and roofing of a laboratory	1,000,000	1,000,000	15/08/2017	30-09-2018	40%	Completed in FYR 2018/19
5	St. Peters Kamukunji Sec Sch	Foundation and walling of a laboratory	1,000,000	1,000,000	15/08/2017	Ongoing	40%	Completed in FYR 2018/19
6	Kokwet Secondary School	Roofing, windows, doors, electrical works and plastering of a laboratory	800,000	800,000	03/08/2017	30-06-2018	50%	Completed in FYR 2018/19
7	Kuinet Secondary School	Plastering, installation of doors and windows, electrical and painting works of a dining hall	1,000,000	1,000,000	03/08/2017	30-06-2018	50%	Completed in FYR 2018/19
8	St. Michaels Kipsomba Sec Sch	Roofing, installation of doors, windows, plastering, flooring, electrical and painting works of 2 unit staff houses	1,000,000	1,000,000	03/08/2017	30-06-2018	50%	Completed in FYR 2018/19
9	Rcea Shirika Secondary School	Foundation, walling and roofing of a laboratory	1,000,000	1,000,000	15/08/2017	15th Nov 2018	50%	Completed in FYR 2018/19

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
10	Ziwa Chiefs Office	Foundation, walling, roofing, plastering, flooring, electrical, painting works and labelling of 4 roomed Administration Police house.	700,000	700,000	15/08/2017	15/11/2018	50%	Completed in FYR 2018/19
11	Saramek Primary School	Roofing, plastering, electrical works, doors and windows of 1 classroom	300,000	300,000	03/08/2017	30/06/2018	60%	Completed in FYR 2018/19
12	Sigaon Primary School	Foundation, walling, doors, windows, plastering, electrical and painting works of 1 classroom	600,000	600,000	03/08/2017	30/06/2018	60%	Completed in FYR 2018/19
13	Kerotet Mixed Secondary School	Windows, doors, plastering, flooring, electrical and painting works and installation of lab fittings	800,000	800,000	03/08/2017	30/06/2018	60%	Completed in FYR 2018/19
14	Rcea Chepkigen Secondary School	Installation of gas piping, lab fitting and equipment of a laboratory	700,000	700,000	03/08/2017	30/06/2018	60%	Completed in FYR 2018/19
15	Lower Moiben Chiefs Office	Installation of window panes, plastering, flooring, ceiling, electrical and painting works of chiefs office	800,000	800,000	03/08/2017	30/06/2018	60%	Completed in FYR 2018/19
16	St. Pauls Makongi Secondary Sch	Installation of window panes, flooring, windows, electrical and painting works of a dining hall	600,000	600,000	03/08/2017	30/06/2018	70%	Completed in FYR 2018/19
17	Saramek Secondary School	Installation of gas piping, electrical and lab	800,000	800,000	03/08/2017	30/06/2018	70%	Completed in FYR 2018/19

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		fitting and equipment of a laboratory						
18	Jabali Ass. Chiefs Office	plastering, flooring, Installation of window panes, ceiling, electrical and painting works of chiefs office	700,000	700,000	03/08/2017	30/06/2018	70%	Completed in FYR 2018/19
19	Kaptebengwet Secondary School	Foundation, walling, roofing, installation of windows and doors of a dormitory	1,500,000	1,500,000	15/08/2017	15/11/2018	70%	Completed in FYR 2018/19
20	Lemoru Primary School	Plastering, electrical works, installation of window panes, flooring and painting works of an administration block	500,000	500,000	03/08/2017	30/06/2018	80%	Completed in FYR 2018/19
21	St. Josephs' Mobet Sec School	Plastering, ceiling, floor tiles, electrical works and painting of one wing of an Administration block to completion.	800,000	800,000	15/08/2017	30/09/2018	80%	Completed in FYR 2018/19
22	Chiefs Office Moisbridge	Plastering, floor tiles, ceiling, painting, electrical works and labeling of chiefs office to completion.	1,000,000	1,000,000	15/08/2017	15/11/2018	90%	Completed in FYR 2018/19
23	Aic Tamboiyot Primary Sch	Partitioning, electrical works, plastering, doors and windows and painting works of 2 classrooms.	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
24	Sda Ainamoi Primary School	walling, roofing, plastering, electrical works, doors & windows of 2 classrooms.	800,000	800,000	03/08/2017	30/06/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
25	St. Mathews Lamaiywet Pri School	Plastering, flooring, electrical works, and painting works of 4 classrooms.	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
26	Majimazuri Primary Sch	Plastering, flooring, installation of window panes, electrical works and painting works of 2 classrooms	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
27	Kilima Primary School	Plastering, installation of window panes, electrical works, painting works, doors, window of a dormitory	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
28	Mukunga Primary School	Plastering, installation of doors and windows, electrical works and painting works of 2 classrooms	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
29	Kuinet Primary School	Roofing, plastering, painting works, doors, window, electrical works of a one classroom	400,000	400,000	03/08/2017	30/06/2018	100%	Complete and in use
30	Tamboiyot Primary School	Plastering, installation of doors and windows electrical and painting works of 2 classrooms	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
31	Lelboinet Primary School	Plastering, installation of doors and windows, electrical and painting works of 2 classrooms	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
32	Kipketiengwet Pri School	Plastering, flooring, doors,	900,000	900,000	03/08/2017	30/06/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		windows electrical and painting works of 4classrooms						
33	Kamoiywo Primary School	Plastering, flooring installation of window panes, electrical works and painting works of 2 classrooms	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
34	Kipsomba Farm Primary School	Plastering, flooring installation of window panes, electrical works and painting works of 2 classrooms	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
35	Sinendet Primary School	Plastering, flooring installation of window panes, electrical works and painting works of 2 classrooms	300,000	300,000	03/08/2017	30/06/2018	100%	Complete and in use
36	Matunda School Of Disabled	Plumbing, electrical works, Plastering and painting works of dormitory	400,000	400,000	03/08/2017	30/06/2018	100%	Complete and in use
37	Cheukta Primary School	Plastering, flooring installation of window panes , electrical and painting works of 4 classrooms	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
38	Sugutek Primary School	Plastering, flooring installation of window panes , electrical and painting works of 3 classrooms	500,000	500,000	03/08/2017	30/06/2018	100%	Complete and in use
39	Koitebes Primary School	Foundation, walling, doors, windows, plastering, electrical and	600,000	600,000	03/08/2017	30/06/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		painting works of 1 classroom						
40	Kidiwa Primary School	Renovation and replacement of asbestos with iron sheet of 6 classrooms	800,000	800,000	03/08/2017	30/06/2018	100%	Complete and in use
41	Lalakin Primary School	Foundation, walling, doors, windows, plastering, electrical and painting works of 1 classroom	600,000	600,000	03/08/2017	30/06/2018	100%	Complete and in use
42	Vumilia Primary School	Foundation, walling, doors, windows, plastering, electrical and painting works of 2 classroom	1,200,000	1,200,000	03/08/2017	30/06/2018	100%	Complete and in use
43	Kapchan Primary School	Foundation, walling, doors, windows, plastering, electrical and painting works of 1 classroom	600,000	600,000	03/08/2017	30/06/2018	100%	Complete and in use
44	Cheptarit Primary School	Foundation, walling, doors, windows, plastering, electrical and painting works of 1 classroom	600,000	600,000	03/08/2017	30/06/2018	100%	Complete and in use
45	Kosirai North Pri School	Foundation, walling, doors, windows, plastering, electrical and painting works of 1 classroom	600,000	600,000	03/08/2017	30/06/2018	100%	Complete and in use
46	Matunda Primary School	Renovation and replacement of worn out iron sheet of 8 classrooms	800,000	800,000	03/08/2017	30/06/2018	100%	Complete and in use
47	Desks	Purchase of 50 pupils' desks for 23 primary schools at a cost of 150,000 each	3,450,000	3,450,000	03/08/2017	30/06/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		for the following schools;1. ndabarnach pri,2.kapkorren pri,3.cheptarit pri,4.teldet pri,5.Sinendet Pri,6.Kipsomba pri,7.Kesogon Pri,8.Lalakin pri,9.Ngobitwa Pri,10.Barsombe Pri,11.Roret pri,12.Emdin pri,13.Chelabal pri,14.AIC Saniak pri,15.Kapkatet pri,16.Sirikwa pri,17.Sachangwan pri,18.Jabali pri,19.Kilima pri,20.Moisbridge pri,21.Kiptanui pri,22.Lelboinet pri,23.Kuinet pri						
48	Aic Tamboiyot Secondary School	Installation of gas piping, electrical and lab fitting and equipment of a laboratory	800,000	800,000	03/08/2017	30/06/2018	100%	Complete and in use
49	Kipsomba Chiefs Office	Installation of window panes, flooring, ceiling, electrical and painting works of chiefs office	600,000	600,000	03/08/2017	30/06/2018	100%	Complete and in use
50	Legebet Primary School	Floor tiles, ceiling, painting, electrical installations and labeling of an administration block to completion.	500,000	500,000	15/08/2017	30/09/2018	100%	Complete and in use
51	St Stephen Jabali Pri School	Plastering, flooring, painting, exterior wall finishes and electrical works and labeling of 4	800,000	800,000	15/08/2017	30/09/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		classrooms to completion.						
52	Kapkures Primary School	Floors tiles, ceiling, painting, electrical works and labeling of an administration block to completion.	400,000	400,000	15/08/2017	30/09/2018	100%	Complete and in use
53	Soy Primary School	Plastering, flooring, painting, electrical works and labeling of 2 classrooms to completion.	400,000	400,000	15/08/2017	30/09/2018	100%	Complete and in use
54	Kiwato Primary School	Plastering, flooring, painting, exterior wall finishes and electrical works and labeling of 2 classrooms to completion	500,000	500,000	Apr-18	30/06/2018	100%	Complete and in use
55	St. Barnabas Kipsomba Pri School	Plastering, flooring, painting, exterior wall finishes and electrical works and labeling of 2 classrooms to completion	500,000	500,000	15/08/2017	30/09/2018	100%	Complete and in use
56	Cheplelaibei Primary School	Ceiling, flooring, painting, exterior wall finishes, electrical works and labeling of administration block to completion	300,000	300,000	15/08/2017	30/09/2018	100%	Complete and in use
57	Kwenet Primary School	Plastering, flooring, painting, exterior wall finishes and electrical works and labeling of 4 classrooms to completion.	500,000	500,000	15/08/2017	30/09/2018	100%	Complete and in use
58	Kaptebengwet Primary School	Plastering, flooring, painting, exterior wall finishes and electrical works	500,000	500,000	15/04/2018	30/10/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		and labeling of 2 classrooms to completion						
59	Kongasis Primary School	Plastering, flooring, painting, exterior wall finishes and electrical works and labeling of 2 classrooms to completion	500,000	500,000	15/08/2017	30/09/2018	100%	Complete and in use
60	Saniak Gaa Primary School	Plastering, flooring, painting, exterior wall finishes and electrical works and labeling of 3 classrooms to completion	600,000	600,000	15/08/2017	30/09/2018	100%	Complete and in use
61	Green Fields Primary School	Ceiling, painting, window panes, electrical works and labeling of an admin block to completion	400,000	400,000	15/08/2017	30/09/2018	100%	Complete and in use
62	Bondeni Primary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 3 classrooms to completion	1,800,000	1,800,000	15/04/2018	30/06/2018	100%	Complete and in use
63	Kambugu Primary School	Foundation, walling, roofing, plastering, electrical works, painting and labeling of one classroom for children living with Disability to completion	700,000	700,000	15/08/2017	20/11/2018	100%	Complete and in use
64	AIC Itigo Primary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 2 classrooms to completion	1,200,000	1,200,000	15/04/2018	30/06/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
65	Lamaiywet Primary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 2 classrooms to completion	1,200,000	1,200,000	15/08/2017	20/11/2018	100%	Complete and in use
66	St Teresa Of Avilla Tegeiyat Pri Sch	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1 classroom to completion	600,000	600,000	15/08/2017	20/11/2018	100%	Complete and in use
67	Majimazuri Primary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1 classroom to completion	600,000	600,000	15/04/2018	30/06/2018	100%	Complete and in use
68	Natwana Primary School	purchase of 40 benches , 20 tables for class 1-3 and 55 desks for class 4-8	300,000	300,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
69	Kambugu Primary School	Construction of 4 door pit latrine for Children living with Disability	250,000	250,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
70	Green Fields Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
71	Limnyomoi Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
72	Matunda Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
73	Lamaiywet Primary School	Purchase of 50 pupils' desks at a cost of Kshs	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		3,000 each for the school						
74	Kiwato Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
75	Ripmoy Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
76	Mafuta Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
77	Kapsang Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
78	Chepkigen Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
79	Kapchan Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
80	Kosirai North Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
81	SDA Ainamoi Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
82	Makongi Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
83	Aic Segero Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
84	Ngeny Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
85	Mukunga Primary School	Purchase of 50 pupils' desks at a cost of Kshs 3,000 each for the school	150,000	150,000	15/08/2017	30/09/2018	100%	Desks purchased and used by pupils
86	Makongi Primary School	Plastering, flooring, painting, exterior wall finishes and electrical works and labeling of 1 classrooms to completion.	300,000	300,000	15/08/2017	30/09/2018	100%	Complete and in use
87	Cheptuon Primary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1 classroom to completion	600,000	600,000	15/08/2017	30/09/2018	100%	Complete and in use
88	Sinendet Primary School	Renovation of 6 classrooms by flooring, painting and installation of steel doors	600,000	600,000	15/08/2017	30/09/2018	100%	Complete and in use
89	Aic Kabobo Primary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1 classroom to completion	600,000	600,000	15/08/2017	30/09/2018	100%	Complete and in use
90	Lokinyei Secondary School	Plastering, floor tiles, painting, exterior wall finishes, electrical works and labeling of girls dormitory to completion.	1,000,000	1,000,000	15/08/2017	30/09/2018	100%	Complete and in use
91	Cheplelaibei North Sec School	Plastering, ceiling, floor tiles, electrical works and painting of one wing of an	1,000,000	1,000,000	15/08/2017	30/09/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		Administration block to completion.						
92	Aic Kosyin Secondary School	plastering exterior walls, painting and electrical works, fume chambers and labeling of a laboratory to completion.	700,000	700,000	15/08/2017	30/09/2018	100%	Complete and in use
93	Sisyobei Adventist Sec School	Ceiling, floor tiles, plumbing and electrical works, painting and labeling Of a staff quarters to completion	500,000	500,000	15/08/2017	30/09/2018	100%	Complete and in use
94	Ziwa Secondary School	Terrazzo Floor, plastering, painting, exterior wall finishes, electrical works and labeling of 8 storey classrooms	5,000,000	5,000,000	15/08/2017	30/09/2018	100%	Complete and in use
95	Soy Secondary School	Plastering exterior walls, painting and electrical works and labeling of a dining hall to completion.	800,000	800,000	15/08/2017	30/09/2018	100%	Complete and in use
96	Ngeny Secondary School	Flooring , painting, electrical works and installation of work tables of a laboratory.	600,000	600,000	15/04/2018	30/06/2018	100%	Complete and in use
97	Sinendet Secondary School	Plastering, flooring, painting, electrical works and labeling of 2 classrooms to completion.	400,000	400,000	15/08/2017	30/09/2018	100%	Complete and in use
98	Aic Itigo Sec School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1	600,000	600,000	15/04/2018	30/06/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		classroom to completion						
99	St.Peters Kapkorren Sec Sch	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 2 classroom to completion	1,200,000	1,200,000	15/04/2018	30/06/2018	100%	Complete and in use
100	Kamoiywo Sec School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1 classroom to completion	600,000	600,000	15/08/2017	15/11/2018	100%	Complete and in use
101	St. Stephen Jabali Sec School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1 classroom to completion	600,000	600,000	15/08/2017	15/11/2018	100%	Complete and in use
102	Loreto High School Matunda	Worktops, stools, gas piping, fume chamber, water systems, doors, ceiling, floor tiles, electrical works and painting of twin laboratory to completion.	2,200,000	2,200,000	15/08/2017	05/01/2019	100%	Complete and in use
103	Aic Kamoiywo Secondary School	Foundation, walling, roofing, plastering, electrical and painting works and labelling of 1 classroom to completion	600,000	600,000	15/08/2017	15/11/2018	100%	Complete and in use
104	Kiborom Secondary School	Final payment of school bus debt owed to KCB for a bus school had partially paid	1,500,000	1,500,000	15/08/2017	30/10/2018	100%	Final payment made and debts cleared
105	Segero Chiefs Office	Floor tiles, ceiling, electrical & painting works	800,000	800,000	15/08/2017	15/11/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		and labelling of chiefs office to completion.						
106	Lower Moiben Chiefs Office	Plastering, floor tiles, ceiling, painting, electrical works and labelling of chiefs office to completion.	400,000	400,000	15/08/2017	15/11/2018	100%	Complete and in use
107	Koisagat Chiefs Office	Ceiling, floor tiles, painting, electrical works & Labeling of chiefs office to completion.	500,000	500,000	15/08/2017	15/11/2018	100%	Complete and in use
108	Kuinet Chiefs Office	Ceiling, floor tiles, painting, electrical works and Labelling of chiefs office to completion.	600,000	600,000	15/08/2017	30/09/2018	100%	Complete and in use
109	Kongasis Chiefs Office	Plastering, ceiling floor tiles, painting, electrical works and labeling of chiefs office to completion.	800,000	800,000	15/08/2017	30/09/2018	100%	Complete and in use
110	Legebet Assistant Chiefs Office	Ceiling, floor tiles, painting, electrical works and labeling of chiefs office to completion.	800,000	800,000	15/08/2017	30/09/2018	100%	Complete and in use
111	Kipsomba Chiefs Office	Ceiling, floor tiles, painting, electrical works and labeling of chiefs office to completion.	600,000	600,000	15/08/2017	30/09/2018	100%	Complete and in use
112	Matunda Chiefs Office	Ceiling, floor tiles, painting, electrical works and Labelling of chiefs office to completion.	400,000	400,000	15/08/2017	30/09/2018	100%	Complete and in use
113	Soy Chiefs Office	Floor tiles, ceiling, electrical & painting works and labelling of	300,000	300,000	15/08/2017	30/09/2018	100%	Complete and in use

S/No	Project Name	Project Activity	Amount Allocated	Amount Disbursed	Start Date	Completion Date	%completed	Status
		chiefs office to completion.						
114	Kapsabul Primary School	Purchase of 2 acres of school land	1,000,000	-		Re-allocate d to construct two classrooms in the same school		
	Total		80,400,000	78,600,000				

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**


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

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017-2018 Kshs	2016 - 2017 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	76,353,447	109,778,153
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	5,000
TOTAL RECEIPTS		76,353,447	109,783,153
PAYMENTS			
Compensation of employees	4	1,920,615	3,120,535
Use of goods and services	5	5,779,618	8,126,828
Transfers to Other Government Units	6	41,650,000	55,350,000
Other grants and transfers	7	27,490,000	45,039,000
Acquisition of Assets	8	-	3,525,829
Other Payments	9	-	-
TOTAL PAYMENTS		76,840,233	115,162,192
SURPLUS/DEFICIT		(486,786)	(5,379,039)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SOY Constituency financial statements were approved on 17/09 2018 and signed by:


 Fund Account Manager
 Name: LUKA KIMOSOP


 Sub-County Accountant
 Name: RAEL LIMOLEL
 ICPAK Member Number:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**

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


V. 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	2,070,060	2,556,845
Cash Balances (cash at hand)	10B	-	-
TOTAL CASH		2,070,060	2,556,845
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		2,070,060	2,556,845
REPRESENTED BY			
Retention	12	-	937,033
Fund balance b/fwd 1st July...	13	2,556,846	6,998,852
Surplus/Deficit for the year		(486,786)	(5,379,039)
Prior year adjustments	14	-	-
NET LIABILITIES		2,070,060	2,556,846

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SOY Constituency financial statements were approved on

17/09 2018 and signed by:

**NG-CDF SOY
FUND ACCOUNT MANAGER
P.O. Box 731-30100,
Mombasa
Name: LUKA KIMOSOP**



**Sub-County Accountant
Name: RAEL LIMOLEL
ICPAK Member Number:**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
SOY CONSTITUENCY**

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

VI. STATEMENT OF CASHFLOW


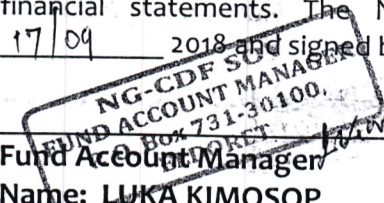
Receipts for operating income		2017-2018	2016-2017
Transfers from CDF Board	1	76,353,447	109,778,153
Other Receipts	3	-	5,000
		76,353,447	109,783,153
Payments for operating expenses			
Compensation of Employees	4	1,920,615	3,120,535
Use of goods and services	5	5,779,618	8,126,828
Transfers to Other Government Units	6	41,650,000	55,350,000
Other grants and transfers	7	27,490,000	45,039,000
Other Payments	9	-	-
		76,840,233	111,636,364
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		(486,786)	(1,853,211)

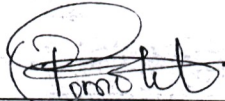
CASHFLOW FROM INVESTING ACTIVITIES

Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(3,525,829)
Net cash flows from Investing Activities		-	(3,525,829)
NET INCREASE IN CASH AND CASH EQUIVALENT		(486,786)	(4,442,007)
Cash and cash equivalent at BEGINNING of the year	13	2,556,846	6,998,852
Cash and cash equivalent at END of the year		2,070,060	2,556,845

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SOY Constituency financial statements were approved on

17/09 2018 and signed by:



Fund Account Manager
Name: LUKA KIMOSOP


Sub-County Accountant
Name: RAEL LIMOLEL
ICPAK Member Number:

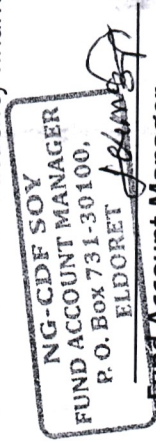
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	86,810,345	46,884,431	133,694,776	78,910,293	54,784,483	59%
Proceeds from Sale of Assets	-	-	-	-	-	
TOTAL RECEIPTS	86,810,345	46,884,431	133,694,776	78,910,293	54,784,483	59%
PAYMENTS						
Compensation of Employees	2,019,000	1,328,640	3,347,640	1,920,615	1,427,025	57%
Use of goods and services	5,793,931	2,627,067	8,420,998	5,779,618	2,641,380	69%
Transfers to Other Government Units	35,250,000	39,450,000	74,700,000	41,650,000	33,050,000	56%
Other grants and transfers	35,570,387	3,466,724	39,037,111	27,490,000	11,547,111	70%
constituency Innovation Hub	4,677,027	-	4,677,027	0	4,677,027	0%
Constituency Strategic Plan	3,500,000	-	3,500,000	0	3,500,000	0%
Unallocated funds	-	12,000	12,000	0	12,000	0%
TOTAL	86,810,345	46,884,431.00	133,694,776	76,840,233	56,854,543	59%

GIVE EXPLANATION ON ALL ITEMS BELOW 100% UTILIZATION

- i. On Receipts, the percentage of total Receipts from NG-CDF Board as a percentage of final budget is 59%. The reasons for the 59% is due to disbursement of Kshs 52,484,483.15 on August 2018 dated 08/08/2018 AIE no. B005133 one and half months after the end of 2017/18 financial year. Financial years final budget amounts (Kshs 122,315,465 and additional allocation of Kshs 11,379,310. Had we received the funds before the close of the financial year, we could have improved on our utilization of receipts performance.
- ii. Compensation of Employees stands at 57% against the previous financial year of 79% which is due to additional funds of Kshs 1,328,640 being adjustments.
- iii. Use of Goods and services is 69%, this was occasioned by an adjustment of Kshs 2,627,067 from the previous year thus hindering us from achieving 100% utilization.
- iv. Transfer to other Government units is 56%, this was due the non disbursement of Kshs 29,450,000 and the additional allocation funds to the projects amounting to Kshs 10,000,000 approved in May 2018 and further disbursement of funds from NG-CDF Board amounting to Kshs 52,484,483.15 dated 08/08/2018 AIE no. B005133 was on August 2018 after the end of the financial year thereby hindering us from achieving 100%.
- v. Other grants and transfers 70%, this was occasioned by an adjustment of Kshs 3,466,724 from the previous year and late disbursement of Kshs 11,547,111 from NG-CDF Board.
- vi. Constituency Innovation Hub Kshs 4,677,027 was disbursed by NG-CDF board on 08/08/2018 AIE no. B005133 therefore utilization of the same could not be done in the current financial year.
- vii. Constituency Strategic Plan stands at 0%, Kshs 3,500,000 was disbursed by NG-CDF board on 08/08/2018 AIE no. B005133 therefore utilization could not have done in the current financial year.

The NGCDF-SOY Constituency financial statements were approved on 17/09 2018 and signed by:



Fund Account Manager
Name: LUKA KIMOSOP

Sub-County Accountant
Name: RAEEL LIMOLEL
ICPAK Member Number:

iii. 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-SOY 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.

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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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOY CONSTITUENCY

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

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

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

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) – SOY
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Reports and Financial Statements For the year ended June 30, 2018

iv. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT AGENCIES				
	Description		2017 - 2018	2016 - 2017
			Kshs	Kshs
1330407	Normal Allocation	A892510	5,500,000	
		A892720	32,948,275	
		A892904	37,905,172	
		A 825891	-	60,329,876
		A825970	-	500,000
		A839502	-	4,094,828
		A855091	-	36,853,449
		A839741	-	8,000,000
1330408	Conditional grants		-	-
1330409	Receipt from other Constituency		-	-
	TOTAL		76,353,447	109,778,153
2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS				
3510000				
	Description		2017 - 2018	2016 - 2017
			Kshs	Kshs
3510202	Receipts from the Sale of Buildings		-	-
3510601	Receipts from the Sale of Vehicles and Transport Equipment		-	-
3510801	Receipts from the Sale Plant Machinery and Equipment		-	-
3510803	Receipts from the Sale of Office and General Equipment		-	-
	TOTAL		-	-
3 OTHER RECEIPTS				
1400000				

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOY
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	Description	2017 - 2018	2016 - 2017
		Kshs	Kshs
1410107	Interest Received	-	-
1410405	Rents	-	-
1420601	Sale of Tender Documents	-	-
1450207	Other Receipts (hiring out of projector)	-	5,000
	TOTAL	-	5,000
2110000	4 COMPENSATION OF EMPLOYEES		
	Description	2017 - 2018	2016 - 2017
		Kshs	Kshs
2110201	Basic wages of contractual employees	1,178,815	1,238,396
2110202	Basic wages of casual labour	159,000	180,000
	Personal allowances paid as part of salary		
2110301	House allowance	307,000	331,000
2110314	Transport allowance	267,200	279,317
2110320	Leave allowance	-	-
2110326	Other personnel payments	-	-
2120101	Employer contribution to NSSF	8,600	17,200
2710120	Gratuity-contractual employees	-	1,074,622
	TOTAL	1,920,615	3,120,535
2200000	5 USE OF GOODS AND SERVICES		
	Description	2017 - 2018	2016 - 2017
		Kshs	Kshs
2210100	Utilities, supplies and services	592,420	255,000
2210101	Electricity	37,401	-
2210102	Water & sewerage charges	14,702	-
2210104	Office rent	-	82,998
2210200	Communication, supplies and services	140,000	370,000
2210300	Domestic travel and subsistence	-	-
2210500	Printing, advertising and information supplies & services	-	62,640

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2210600	Rentals of produced assets		-	-
2210700	Training expenses		482,000	1,066,0
2210800	Hospitality supplies and services		-	-
2210802	Other committee expenses		-	-
2210809	Committee allowance		3,555,579	4,918,200
2210900	Insurance costs		-	182,760
2211000	Specialised materials and services		-	-
2211100	Office and general supplies and services		299,000	540,000
2211200	Fuel , oil & lubricants		423,260	440,650
2211300	Other operating expenses		-	-
2211301	Bank service commission and charges		45,498	-
2211313	Security operations		-	-
2220100	Routine maintenance - vehicles and other transport equipment		189,758	208,580
2220200	Routine maintenance- other assets		-	-
	TOTAL		5,779,618	8,126,828
2630200	6 TRANSFER TO OTHER GOVERNMENT ENTITIES			
	Description		2017 - 2018	2016 - 2017
			Kshs	Kshs
2630204	Transfers to Primary schools		24,150,000	32,150,000
2630205	Transfers to Secondary schools		17,500,000	22,500,000
2630206	Transfers to Tertiary institutions		-	700,000
2630207	Transfers to Health institutions		-	-
	TOTAL		41,650,000	55,350,000
2640000	7 OTHER GRANTS AND OTHER PAYMENTS			
	Description		2017 - 2018	2016 - 2017
			Kshs	Kshs
2640101	Bursary -Secondary		7,300,000	14,320,000
2640102	Bursary -Tertiary		13,998,000	16,619,000
2640104	Bursary-Special schools		-	-
2640105	Mocks & CAT		-	-
2640504	Water		-	-

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2640505	Food security		-	-
2640506	Electricity		-	-
2640507	Security		2,100,000	9,800,000
2640508	Roads and Bridges		-	-
2640509	Sports		-	-
2640510	Environment		500,000	200,000
2640512	Cultural Projects		-	-
2640513	Agriculture		-	-
2640200	Emergency Projects		3,592,000	4,100,000
	TOTAL		27,490,000	45,039,000
3100000	8 ACQUISITION OF ASSETS			
	Non Financial Assets		2017 - 2018	2016 - 2017
			Kshs	Kshs
3110102	Purchase of Buildings		-	-
3110202	Construction of Buildings		-	2,995,729
3110302	Refurbishment of Buildings		-	-
3110701	Purchase of Vehicles		-	-
3110704	Purchase of Bicycles & Motorcycles		-	-
3110801	Overhaul of Vehicles		-	-
3111001	Purchase of office furniture and fittings		-	432,100
3111002	Purchase of computers ,printers and other IT equipments		-	98,000
3111005	Purchase of photocopier		-	-
3111009	Purchase of other office equipments		-	-
3111112	Purchase of soft ware		-	-
3130101	Acquisition of Land		-	-

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	TOTAL			-	3,525,8
	9 Other Payments				
	specify			-	-
	specify			-	-
	specify			-	-
	TOTAL			-	-
10A: Bank Balances (cash book bank balance)					
	Name of Bank, Account No. & currency	Account Number	2017 - 2018	2016 - 2017	
			Kshs(30-6-2018)	Kshs (30/6/2017)	
	Cooperative Bank Eldoret West Branch	O114145896 5900	2,070,060	2,556,845	
			-	-	
	TOTAL		2,070,060	2,556,845	
10B: CASH IN HAND)					
			2017 - 2018	2016 - 2017	
			Kshs (30/6/2018)	Kshs (30/6/2017)	
	Location 1		-	-	
	Location 2		-	-	
	Location 3		-	-	
	Other receipts (specify)		-	-	
	TOTAL		-	-	
11: OUTSTANDING IMPRESTS					
	Name of Officer		Amount Taken	Amount Surrendered	
		Date imprest taken	Kshs	Kshs	
			-	-	
			-	-	
			-	-	

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12 Retention				
Supplier/Contractor	PV No.	2017 - 2018	2016 - 2017	
Wayshan Ltd	291286	-	438,558	
		-	-	
TOTAL		-	438,558	
13 BALANCES BROUGHT FORWARD				
		2017 - 2018	2016 - 2017	
		Kshs (1/7/2017)	Kshs (1/7/2016)	
Bank accounts		2,556,845	6,998,852	
Cash in hand		-	-	
Imprest		-	-	
TOTAL		2,556,845	6,998,852	
14. PRIOR YEAR ADJUSTMENTS				
		2017 - 2018	2016 - 2017	
		Kshs	Kshs	
Bank accounts		-	-	
Cash in hand		-	-	
Imprest		-	-	
TOTAL		-	-	
15. OTHER IMPORTANT DISCLOSURES				
15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)				
		2017 - 2018	2016 - 2017	
		Kshs	Kshs	
Construction of buildings		-	-	
Construction of civil works		-	-	
Supply of goods		-	-	
Supply of services		-	-	
TOTAL		-	-	

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15.2: PENDING STAFF PAYABLES (See Annex 2)		2017 - 2018	2016 - 2017
		Kshs	Kshs
Senior management		-	-
Middle management		-	-
Unionisable employees		-	-
Others (specify)		-	-
15.3: OTHER PENDING PAYABLES (See Annex 3)		2017 - 2018	2016 - 2017
		Kshs	Kshs
Amounts due to other Government entities (see attached list)		33,050,000	26,450,000
Amounts due to other grants and other transfers (see attached list)		11,547,111	4,111,069
Others (Wages)		4,068,405	4,932,051
ICT Hub		4,677,027	0
Strategic plan		3,500,000	0
un allocated from sale of tender and hiring out of projector		12,000	12,000
TOTAL		56,854,543	35,505,120

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15.4: PMC account balances (See Annex 5)

	Kshs	Kshs
PMC account Balances (see attached list)	8,894,321	4,188,737

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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
Construction of buildings	a	b	c	d=a-c		
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						

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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 2016	Outstanding Balance 2014	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							

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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance		Comments
		2017/18	2016/17	
Compensation of employees	funds not yet received from NG-CDF Board	1,427,025	1,535,301	Ongoing payment of wages
Use of goods & services	funds not yet received from NG-CDF Board	2,641,380	1,596,750	Ongoing purchase of goods and payment of services
Sub-Total		4,068,405	3,132,051	
Amounts due to other Government entities				
Primary school projects	Kshs 13,050,000 for 2017/18 had not been received from the board while kshs 1,000,000 for had not been disbursed to the project by the committee	14,050,000	21,150,000	To be disbursed to projects as soon as funds are received
Secondary school projects	funds not yet received from NG-CDF Board	19,000,000	7,100,000	To be disbursed to projects as soon as funds are received
Sub-Total		33,050,000	28,250,000	
Amounts due to other grants and other transfers				
Sports	funds not yet received from NG-CDFBOARD	1,000,000	1,500,000	To be disbursed to projects as soon as funds are received
Emergency	funds not yet received from NG-CDFBOARD	1,545,690	11,069	To gather for emergency cases
Security	funds not yet received from NG-CDFBOARD	6,900,000	2,100,000	To be disbursed as soon as funds are received
Environment	funds not yet received from NG-CDFBOARD	600,000	500,000	To be disbursed to projects as soon as funds are received
Bursary Secondary schools	funds not yet received from NG-CDFBOARD	1,001,421	-	To be disbursed as soon as funds are received
Bursary Tertiary school	funds not yet received from NG-CDF BOARD	500,000	-	To be disbursed to projects to projects as soon as funds are received
Sub-Total		11,547,111	4,111,069	
Acquisition of assets				

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Others (specify)				
ICT HUB	funds not yet received from NG-CDFBOARD	4,677,027	-	To be disbursed to projects as soon as funds are received
Strategic Plan	funds not yet received from NG-CDF BOARD	3,500,000	-	Strategic plan to be developed as soon as funds are received
un allocated(from sale of tender)	un allocated	12,000	12,000	To seek boards allocation approval
Sub-Total		8,189,027	12,000	
Grand Total		56,854,543	35,505,120	

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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	11,459,705	-	-	11,459,705
Transport equipment	4,810,810	-	-	4,810,810
Office equipment, furniture and fittings	543,495	-	-	543,495
ICT Equipment, Software and Other ICT Assets	394,000	-	-	394,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	17,208,009	0	0	17,208,009

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ANNEX 5 – PMC BANK BALANCES AS AT 30TH JUNE 2018

NO	PROJECT NAME	BANK	BANK ACC NO	BANK BALANCE AS AT 30-6-2018	BANK BALANCE AS AT 30-6-2017	COMMENTS
1	AIC ITIGO PRIMARY SCHOOL	EQUITY	1090297878587	93,461.00	71.00	Project implementation on going
2	AIC ITIGO SECONDARY SCHOOL	COOPERATIVE BANK	01141685263700	121,687.50	-	Project implementation on going
3	AIC KABOBO PRIMARY SCHOOL	cooperative	011415983515000	576.50	576.50	bank book balance
4	AIC KOSYIN SECONDARY SCHOOL	cooperative	01141686081000	307.00	307.00	bank book balance
5	AIC MOGOON SECONDARY SCHOOL	COOPERATIVE BANK	01141443916400	1,172.50	872.50	bank book balance
6	AIC NDABARNACH SEC SCHOOL	COOPERATIVE BANK	01141685312100	2,897.50	11,297.50	project implementation ongoing
7	AIC SANIAK PRIMARY SCHOOL	COOPERATIVE BANK	01141685231200	798.50	698.50	bank book balance
8	AIC TAMBOYOT PRI SCHOOL	COOPERATIVE BANK	01141686062600	627.00	27.00	bank book balance
9	AIC TAMBOYOT SEC SCHOOL	COOPERATIVE BANK	01141598653300	1,547.50	1,897.50	bank book balance
10	AIC TENAI PRIMARY SCHOOL	cooperative	01141685219200	2,466.50	2,466.50	bank book balance
11	BARSOMBE PRIMARY SCHOOL	COOPERATIVE BANK	01141686084800	1,275.00	95,775.00	bank book balance
12	BONDENI PRIMARY SCHOOL	COOPERATIVE BANK	01141686105400	109,390.00	25.00	bank book balance
13	BWAYI PRIMARY SCHOOL	cooperative	01141685266400	1,562.50	1,562.50	bank book balance
14	CHELALABAL PRIMARY SCHOOL	cooperative	01141686065200	1,175.00	1,175.00	bank book balance
15	CHEMOROROCH PRI SCHOOL	EQUITY	0300262715960	71,786.00	866.00	project implementation ongoing
16	CHEMOSET PRIMARY SCHOOL	cooperative	01141685894400	1,932.50	1,932.50	bank book balance
17	CHEPKOILEL YOUTH DEVELOPMENT GROUP	cooperative	01134761232700	225.50	225.50	bank book balance
18	CHEPKONGI PRIMARY SCHOOL	Equity	1090262803028	424.00	424.00	bank book balance
19	CHEPLELAIBEI NORTH SEC SCHOOL	COOPERATIVE BANK	01141598514400	288,692.50	900,457.50	bank book balance
20	CHEPTARIT PRIMARY SCHOOL	COOPERATIVE BANK	01141598653400	332.50	60,082.50	bank book balance

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21	CHEPTERIT PRIMARY SCHOOL	COOPERATIVE BANK	01141685301500	1,362.50	462.50	bank book balance
22	CHEUKTA PRIMARY SCHOOL	EQUITY	1090295634850	210.15	85.15	bank book balance
23	EMDIN PRIMARY SCHOOL	COOPERATIVE BANK	01141686980300	43,005.00	-	project implementation ongoing
24	GREENFIELDS PRIMARY SCHOOL	cooperative	01141685879700	2,492.50	2,492.50	bank book balance
25	JABALI ASS CHIEFS OFFICE	COOPERATIVE BANK	01141685113000	1,051.97	421.99	bank book balance
26	JABALI PRIMARY SCHOOL	COOPERATIVE BANK	01141685223000	140,411.31	2,356.00	project implementation ongoing
27	KAMBUKU PRIMARY SCHOOL	cooperative	01141685295600	1,970.50	13,970.50	bank book balance
28	KAMOYWO PRIMARY SCHOOL	COOPERATIVE BANK	01141046549100	1,262.50	-	bank book balance
29	KAPCHAN PRIMARY SCHOOL	COOPERATIVE BANK	01141685873600	1,550.50	4,780.50	bank book balance
30	KAPKATET PRIMARY SCHOOL	COOPERATIVE BANK	01141686086400	785.00	685.00	bank book balance
31	KAPKOROS GAA PRIMARY SCHOOL	cooperative	01141686109200	325.00	325.00	bank book balance
32	KAPKORREN PRIMARY SCHOOL	COOPERATIVE BANK	01141685301100	2,267.50	1,937.50	project implementation ongoing
33	KAPKUJS PRIMARY SCHOOL	Equity	1090262859073	440.00	1,210.00	bank book balance
34	KAPKURES PRIMARY SCHOOL	cooperative	01141685301200	3,547.50	3,547.50	project implementation ongoing
35	KAPNGETUNY GAA SEC SCHOOL	cooperative	01141443749800	1,395.00	1,395.00	bank book balance
36	KAPNGETUNY PRIMARY SCHOOL	COOPERATIVE BANK	01141686298600	99,845.00	-	project implementation ongoing
37	KAPSANG SECONDARY SCHOOL	cooperative	01141685346100	4,402.50	4,402.50	project implementation ongoing
38	KAPSUMBEIYWET PRIMARY SCHOOL	Equity	1090262833161	2,967.00	2,967.00	project implementation ongoing
39	KAPTAIT PRIMARY SCHOOL	COOPERATIVE BANK	01141685223200	15,612.50	-	project implementation ongoing
40	KAPTEBENGWET PRIMARY SCHOOL	COOPERATIVE BANK	01141685266700	189,365.50	-	project implementation ongoing
41	KAPTEBENGWET SEC SCHOOL	COOPERATIVE BANK	01141598515600	238.50	188.50	bank book balance
42	KEROTET MIXED SEC SCHOOL	COOPERATIVE BANK	01141598638500	71,537.50	887.50	project implementation ongoing
43	KESOGON PRIMARY SCHOOL	EQUITY	0300295124918	63,202.90	-	project implementation ongoing

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44	KIBOROM SECONDARY SCHOOL	COOPERATIVE BANK	0141598547100	2,103,242.50	3,242.50	project implementation ongoing
45	KIDIWA PRIMARY SCHOOL	COOPERATIVE BANK	0141686960700	445.00	-	bank book balance
46	KILIMA PRIMARY SCHOOL	COOPERATIVE BANK	0141685306800	2,772.50	-	project implementation ongoing
47	KIMURGOI PRIMARY SCHOOL	cooperative	01141685871300	1,082.50	1,082.50	bank book balance
48	KIPKETIENGWET PRI SCHOOL	COOPERATIVE BANK	01141685264700	1,587.50	-	bank book balance
49	KIPSANGUI GIRLS SECONDARY SCHOOL	cooperative	01141598572700	374.00	87,374.00	bank book balance
50	KIPSANGUI PRIMARY SCHOOL	cooperative	01141685231300	1,868.50	1,868.50	bank book balance
51	KIPSOMBA CHIEFS OFFICE	COOPERATIVE BANK	01416885113400	3,415.50	1,420.50	project implementation ongoing
52	KIPSOMBA FARM PRIMARY SCHOOL	COOPERATIVE BANK	0141685140200	71,059.00	504.00	project implementation ongoing
53	KIPSOMBA PRIMARY SCHOOL	EQUITY	1090296374852	26,475.45	165.50	project implementation ongoing
54	KIPTANUI PRIMARY SCHOOL	Equity	1090262857175	540.00	425.00	bank book balance
55	KISABEI PRIMARY SCHOOL	cooperative	01141686100200	2,325.00	2,325.00	bank book balance
56	KIWATO PRIMARY SCHOOL	COOPERATIVE BANK	0141685894200	232,102.50	-	project implementation ongoing
57	KOISAGAT CHIEFS OFFICE	cooperative	01141685121800	1,732.50	1,732.50	bank book balance
58	KOITEBES PRIMARY SCHOOL	EQUITY	1090263414789	112,707.00	-	project implementation ongoing
59	KOKWET SEC SCHOOL	COOPERATIVE BANK	01141598667600	10,427.64	-	project implementation ongoing
60	KONGASIS CHIEFS OFFICE	cooperative	01141686043600	400.16	400.16	bank book balance
61	KONGASIS PRIMARY SCHOOL	COOPERATIVE BANK	01141685231100	45,327.50	-	project implementation ongoing
62	KOSIRAI NORTH PRI SCHOOL	COOPERATIVE BANK	01141686406800	220.00	37,650.00	bank book balance
63	KOSVIN PRIMARY SCHOOL	cooperative	01141686095800	1,325.00	1,325.00	bank book balance
64	KUINET CHIEFS OFFICE	cooperative	01141685168600	5,242.50	384,072.50	project implementation ongoing
65	KUINET PRIMARY SCHOOL	COOPERATIVE BANK	01141685302300	2.50	-	bank book balance
66	KUINET SEC SCHOOL	COOPERATIVE BANK	01141598647800	417,290.50	-	project implementation ongoing

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67	KURESOK PRIMARY SCHOOL	cooperative	01141685262100	2,337.50	2,337.50	bank book balance
68	LALAKIN PRIMARY SCHOOL	COOPERATIVE BANK	01141685886300	392.50	-	bank book balance
69	LAMAIYWET PRIMARY SCHOOL	COOPERATIVE BANK	01141685307100	562.50	627.50	bank book balance
70	LAMAON PRIMARY SCHOOL	cooperative	01141686073200	825.00	825.00	bank book balance
71	LEGBET ASSISTANT CHIEFS OFFICE	cooperative	01134598556800	1,527.50	1,527.50	bank book balance
72	LEGBET PRIMARY SCHOOL	cooperative	01141685142900	1,037.50	1,037.50	bank book balance
73	LELBOINET PRIMARY SCHOOL	COOPERATIVE BANK	01141685449000	69,567.50	-	project implementation ongoing
74	LEMORU PRIMARY SCHOOL	COOPERATIVE BANK	01141685300800	472.50	-	bank book balance
75	LEMORU SECONDARY SCHOOL	COOPERATIVE BANK	01141598851800	732.50	-	bank book balance
76	LIMNYOMOI PRIMARY SCHOOL	Equity	1090262861776	1,102.00	1,102.00	bank book balance
77	LOLKINYEI PRIMARY SCHOOL	COOPERATIVE BANK	01141685443700	492.50	-	bank book balance
78	LOLKINYEI SEC SCHOOL	cooperative	01141598756601	4,810.18	912,093.88	project implementation ongoing
79	LORWA PRIMARY SCHOOL	Equity	0300262715496	1,940.00	1,940.00	project implementation ongoing
80	LORWA SECONDARY SCHOOL	cooperative	01141686083600	920.00	920.00	bank book balance
81	LOWER MOIBEN CHIEFS OFFICE	COOPERATIVE BANK	01141685150300	48,487.50	792.50	project implementation ongoing
82	MAENDELEO PRIMARY SCHOOL	cooperative	01141685265200	262.50	262.50	bank book balance
83	MAFUTA SECONDARY SCHOOL	Equity	1090295175924	330.00	330.50	bank book balance
84	MAJIMAZURI PRIMARY SCHOOL	COOPERATIVE BANK	01141598393500	8,311.50	-	project implementation ongoing
85	MATUNDA CHIEFS OFFICE	cooperative	01141598433000	2,247.50	2,247.50	project implementation ongoing
86	MATUNDA PRIMARY SCHOOL	EQUITY	1090262864803	4,425.00	15.00	project implementation ongoing
87	MATUNDA SCHOOL OF DISABLED	COOPERATIVE BANK	01128443746000	2,290.04	2,014.04	project implementation ongoing
88	MIKWEN PRIMARY SCHOOL	COOPERATIVE BANK	01141686516300	149,325.00	-	project implementation ongoing
89	MILIMANI PRIMARY SCHOOL	COOPERATIVE BANK	01141685269200	1,115,532.50	1,532.50	project implementation ongoing

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90	MOBET PRIMARY SCHOOL	ABC	005215001004815	10,546.00	-	project implementation ongoing
91	MOCOYWET PRIMARY SCHOOL	cooperative	01141686105200	25.00	25.00	bank book balance
92	MOCOON PRIMARY SCHOOL	cooperative	01141685611300	777.50	777.50	bank book balance
93	MOISBRIDGE CHIEFS OFFICE	cooperative	01141685305400	724.00	724.00	bank book balance
94	MOISBRIDGE PRIMARY SCHOOL	EQUITY	1090262833294	10.95	-	bank book balance
95	MOISBRIDGE SEC SCHOOL	cooperative	01141598649800	612.50	612.50	bank book balance
96	MUKUNGA PRIMARY SCHOOL	COOPERATIVE BANK	01141686176200	21,485.00	92,285.00	project implementation ongoing
97	NABISWA PRIMARY SCHOOL	cooperative	01141685303400	852.50	852.50	bank book balance
98	NATWANA PRIMARY SCHOOL	cooperative	01141685302400	452.50	452.50	bank book balance
99	NDABARNACH PRIMARY SCHOOL	COOPERATIVE BANK	01141685229100	522.50	-	bank book balance
100	NDALAT SIMATWO PRIMARY SCH	COOPERATIVE BANK	01141686341000	4,190.00	-	project implementation ongoing
101	NGENY PRIMARY SCHOOL	cooperative	01141685309500	502.50	502.50	bank book balance
102	NGENY SEC SCHOOL	COOPERATIVE BANK	01141598505800	3,362.50	-	project implementation ongoing
103	NGOBITWA PRIMARY SCHOOL	COOPERATIVE BANK	01141685908100	362.50	-	bank book balance
104	NUKIAT PRIMARY SCHOOL	cooperative	01141686401700	465.00	465.00	bank book balance
105	NYALLIBEI PRIMARY SCHOOL	cooperative	01141686075500	215.00	215.00	bank book balance
106	RCEA CHERKIGEN SEC SCHOOL	COOPERATIVE BANK	01141441128500	35.50	535.50	bank book balance
107	RCEA KUINET SECONDARY SCHOOL	cooperative	01141598647800	417,230.50	1,000.50	project implementation ongoing
108	RIPMOY PRIMARY SCHOOL	cooperative	01141686087500	720.00	720.00	bank book balance
109	RORET PRIMARY SCHOOL	COOPERATIVE BANK	01141685298900	1,682.50	982.50	bank book balance
110	SACHANGWAN PRIMARY SCHOOL	COOPERATIVE BANK	01141686973300	69,325.00	-	project implementation ongoing
111	SARAMEK PRIMARY SCHOOL	COOPERATIVE BANK	01141598547000	272.50	1,075.00	bank book balance
112	SARAMEK SEC SCHOOL	COOPERATIVE BANK	01141598547000	1,716.50	1,075.50	bank book balance

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOY CONSTITUENCY
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113	SDA AINAMOI PRI SCHOOL	COOPERATIVE BANK	O1141685309000	10,562.50	-	project implementation ongoing
114	SDA SISOBEI PRIMARY SCHOOL	cooperative	01141686056100	325.00	325.00	bank book balance
115	SEGERO CHIEFS OFFICE	cooperative	01141685300600	2,567.50	2,567.50	project implementation ongoing
116	SEGERO PRIMARY SCHOOL	cooperative	01141686551900	1,650.00	93,650.00	project implementation ongoing
117	SHIRIKA PRIMARY SCHOOL	Equity	1090296367625	448.15	448.15	bank book balance
118	SIGAON PRIMARY SCHOOL	COOPERATIVE BANK	O1141685309400	151,707.50	1,107.50	project implementation ongoing
119	SIGOWET HILL PRIMARY SCHOOL	Equity	1090261684385	112.00	170,722.50	bank book balance
120	SINENDET PRIMARY SCHOOL	COOPERATIVE BANK	O1141685829800	442.50	-	bank book balance
121	SIRIKWA PRIMARY SCHOOL	COOPERATIVE BANK	O1141686080900	2,175.00	175.00	project implementation ongoing
122	SISOBEI ADVENTIST SEC SCHOOL	COOPERATIVE BANK	O1141685292900	510,377.50	29,824.00	project implementation ongoing
123	SOY CHIEFS OFFICE	COOPERATIVE BANK	O114159847800	642.50	21,142.50	bank book balance
124	SOY PRIMARY SCHOOL	cooperative	01141685473800	1,586.50	1,586.50	bank book balance
125	SOY SECONDARY SCHOOL	COOPERATIVE BANK	O1141686135400	6,575.00	1,475.00	project implementation ongoing
126	ST TERESA OF AVILLA TEKEIYAT PRIMARY SCHOOL	cooperative	01141686478000	51,325.00	325.00	project implementation ongoing
127	ST VINCENT TUISUSWO PRI SCHOOL	cooperative	01141686078300	1,125.00	1,125.00	bank book balance
128	ST. BARNABAS KIPSOMBA PRIMARY SCHOOL	cooperative	01141458562601	155.00	155.00	bank book balance
129	ST. JOSEPHS MOBET SEC SCH	COOPERATIVE BANK	O114159819100	2,957.50	683,974.50	project implementation ongoing
130	ST. MATHEWS LAMAIYWET PRI	COOPERATIVE BANK	O1141685328300	140,152.50	8,132.50	project implementation ongoing
131	ST. MICHAELS KIPSOMBA SEC	COOPERATIVE BANK	O1141685372300	105,507.50	-	project implementation ongoing
132	ST. PETERS KAMUKUNJI PRIMARY SCHOOL	Equity	1090262814685	100.00	100.00	bank book balance
133	ST. PETERS KAMUKUNJI SEC SCH	COOPERATIVE BANK	O1141598669600	99,726.50	4,246.50	project implementation ongoing
134	ST. PETERS KAPKORREN SEC SCH	COOPERATIVE BANK	O1141598636800	24,777.50	127.50	project implementation ongoing
135	ST. PETERS NATWANA SEC SCH	COOPERATIVE BANK	O1141598511300	601,067.50	1,067.50	project implementation ongoing

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

136	ST. STEPHEN JABALI SECONDARY SCHOOL	cooperative	0114168603700	386.00	286.00	bank book balance
137	ST. THOMAS MARARAI PRIMARY SCHOOL	cooperative	01141685301300	1,072.50	1,072.50	bank book balance
138	ST. PAULS MAKONGI SEC SCHOOL	COOPERATIVE BANK	01141598521400	601,817.50	61,817.50	project implementation ongoing
139	SUGUTEK PRIMARY SCHOOL	COOPERATIVE BANK	01141685899900	21,661.50	-	project implementation ongoing
140	TAMBOIYOT PRIMARY SCHOOL TEACHERS ADVISORY CENTRE	COOPERATIVE BANK	01141685294600	5,562.50	-	project implementation ongoing
141	MOISBRIDGE	cooperative	01141598623900	612.50	612.50	bank book balance
142	TEGENVAT GAA PRIMARY SCHOOL	Equity	1090262877407	631.00	319,906.35	bank book balance
143	TELDET PRIMARY SCHOOL	cooperative	01141685223700	612.50	100,112.50	bank book balance
144	VUMILIA PRIMARY SCHOOL	COOPERATIVE BANK	01141685272900	2,962.50	1,462.50	bank book balance
145	ZIWA PRIMARY SCHOOL	Equity	0300262709566	1,185.00	1,185.00	bank book balance
146	ZIWA SECONDARY SCHOOL	COOPERATIVE BANK	01141598564400	194,241.50	1,557.50	project implementation ongoing
				8,894,320.90	4,188,637.22	

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

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved. For the year ending 30th June 2018

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	Included in the transfers to primary schools figure of Kshs 32,150,000 as disclosed in note 6 to the financial statement is disbursements of Kshs 1,000,000 to Tegeiyat primary school for purchase of 2 acres of school land. However, procurement records, such as opening, evaluation and award minutes and search results from lands office, valuation report, document of ownership such as titles/lease and schools registration certificate from the Ministry of Education were not available for Audit verification. In addition payment records availed for audit indicates that an amount of Kshs 919,000 was paid to Mr. Karonei serem instead of Mr. Sikei Kogo who was the vendor; no explanation has been provided for paying a different person other than the vendor. The transfers to primary schools figure	Tegeiyat Gaa Primary School Kshs 1,000,000 was disbursed to the school vide p.v no 291276 dated 9 march 2017 for purchase of 2 acres of school land. Search certificate of the land was obtained and the county valuation officer valued the land at Kshs 920,000. The school has registration from the Ministry of Education (see attached search certificate, valuation report, copy of title deed and school registration certificate). However, Kshs 919,000 was paid to Mr. Karonei serem who is the son of the vendor Mrs. Sikei Kogo. By the time of purchase the land title was still in the name of Mrs Sigei Kogo. The land transfer and titling process is ongoing since the subdivision has been approved by physical planning and the management will per sue to ensure the school obtains the title deed within the	The fund account Manager Luka Kimosop	Not resolved	1/11/2018

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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>of Kshs 32,150,000 further includes Kshs 1,000,000 disbursed to Kapchan Primary school on 16 March 2017 vide pv no. 291277 and cheque no 5012 for purchase of 2 acres of land. Although ownership documents were provided for audit review, information available shows that Kapchan primary school paid an additional Kshs 100,000 in respect of survey, rates and adm fees contrary to the provisions of the sale agreement which stipulated that the vendor shall pay outstanding land rates, rents and other liabilities relating to the land. Under the circumstances, the ownership validity and propriety of the parcels of land costing Kshs 2,000,000 could not be confirmed.</p>	<p>shortest time possible.</p> <p>Kapchan primary school Kshs 1,000,000 was disbursed to the school vide p.v no 291277 dated 9 march 2017 for purchase of 2 acres' school land. The land belonged to Thomas Arap Bungei which is adjacent to the school and a search was done and the land valuation was done by county land valuer and valued it at kshs 1000,000. The owner was paid kshs 900,000 and the balance of kshs 100,000 was to cater for administrative, land rates and survey fee (attached search certificate, title deed copy and valuation report).</p>	<p>The fund account Manager Luka Kimosop</p>	<p>Letter</p>	<p>Resolved</p>
2.1	<p>The statement of receipts and payments for the year ended 30 June 2017 reflects acquisition of assets figure of Kshs 3,525,829 which includes construction of buildings (NG-CDF office) amount of Kshs 2,995,759. According to the contract agreement</p>	<p>Construction of NG-CDFC office took more than 22 weeks with effect from 14 September 2015 to 28th September 2016 instead 8th February 2016. On 20th February 2015, the High court made a ruling and declared CDF ACT 2013 unconstitutional hence invalid but the</p>	<p>The fund account Manager Luka Kimosop</p>	<p>Resolved On management Letter</p>	<p>Resolved</p>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOY CONSTITUENCY

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

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>signed on 9 September 2015, the construction was to take 22 weeks with effect from 14 September 2015 when the site was handed over and be completed on 8 February 2016. Although the management attributes the delay to suspension of the CDF Act, 2013 by the high court after it was declared unconstitutional, no evidence of extension of the contract period was provided for audit verification. Although the building was handed over on 28 September 2016 which was almost eight months late, the minutes of site/inspection meeting and completion certificate were not provided for audit review. In addition, according to the performance bond provided by the contractor, it was to expire on 10 March 2016 but the management has not provided documentary evidence to confirm whether the performance bond was renewed to cover the extension period of the contract</p> <p>Included in other grants and other</p>	<p>order of invalidity was suspended for a period of 12 months hence to 19th February 2016. Therefore works were stopped on 19th February 2016 since there was no committee in place. The new committee assumed office on 18th May 2016 and the contractor resumed works in the month of June 2016 and completed the works in 28th September 2016. It was an oversight on the part of management for not renewing the contract period and the performance bond, however the contractor completed the project on 28th September 2016 without any variation on contract sum (attached minutes of site/inspection meeting and handing over certificate and project photo.)</p>			
3.0		As at 30 th June 2017, a total of kshs	The fund account	Resolved	Resolved

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

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>payments figure of Kshs 45,039,000. Reflected in note 7 to the financial statement is total bursary expenditure of Kshs 30,939,000. However acknowledgement from institutions was not availed for audit review. Further information revealed that as at 30 June 2017, cheques amounting to Kshs 1,481,000 payable to 199 institutions were issued in March and May 2017 had not been presented for payment but were rather reversed in the cashbook on 9 August 2017. The management has however not indicated the measures put in place so that all bursary cheques are dispatched to the schools and colleges promptly as stipulated in the CDF Board circular Vol.1/1/11 dated 13 September 2010 which requires the CDFCs to put in place adequate systems and procedures in the disbursement of bursary funds.</p>	<p>1,481,000 stale cheques were reversed back to cash book for payment. The Management has noted on the issue of un-presented bursary cheques and has put in place measures to ensure that all cheques are promptly dispatched to respective institution which includes physical delivery, use of G4S and postage through postal corporation of Kenya in the subsequent years</p>	<p>Manager Luka Kimosop</p>	<p>On management Letter</p>	
4.0	<p>Retention Account The statement of assets and liabilities as at 30th June 2017 reflects total</p>	<p>Kshs 438,558 was paid to the contractor vide cheque no. 5140, payment voucher no.291286 of Kshs</p>	<p>The fund account Manager</p>	<p>Resolved On management</p>	<p>Resolved</p>

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

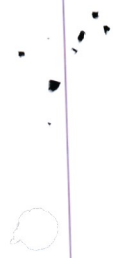
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>retention figure of Kshs 937,033 which is at variance with note 12 to the financial statements balance of Ksh 438,558 resulting to variance of Kshs 498,475 and which has not been explained or reconciled. In addition the detailed analysis of the retention balance of Kshs 937,033 was not provided for audit review. Consequently, the accuracy, completeness and validity of the retention balance of Kshs 937,033 could not be confirmed.</p>	<p>438,557.50 dated 23rd March 2017. The balance of Kshs 498,475 was paid in the Financial year 2017/18 when handing over certificate was issued by public works to NG-CDFC.</p>	<p>Luka Kimosop Sub county Accountant Rael Limolel</p>	<p>Letter</p>	
5.0	<p>PMC Bank Balance PMC account balances as 30 June 2017 amounted to Kshs 4,188,737 arising from 113 accounts held in various banks. Kshs 75,728.99 held in 84 bank accounts related to projects which according to the status report were indicated as complete. However, bank reconciliation statements, certificates of bank balances, cashbooks and bank statements were not availed for audit review. In addition, the management has not explained how the un utilized</p>	<p>PMC account balances as 30 June 2017 amounted to Kshs 4,188,737 arising from 113 accounts held in various banks. Kshs 75,728.99 held in 84 bank accounts related to projects that were indicated as complete but the account had not been closed as per the time of audit. The management is pursuing projects to ensure that all Project Management Committees whose projects are complete initiate the process of closing the account. Also the management will</p>	<p>The fund account Manager Luka Kimosop</p>	<p>Resolved On management Letter</p>	<p>01/07/2018</p>

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

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)
6.0	balances in respect of completed projects shall be used. Consequently the accuracy of the project Management Committee account balance of Kshs 4,188,737 could not be confirmed.	henceforth train the project management committees on the need to utilize all funds on the project and any excess funds to be returned to the NG-CDFC account and further provide certificates of bank balances, cashbooks and bank statements immediately they complete project.	The fund account Manager Luka Kimosop Sub county Accountant Rael limolel	Resolved On management Letter	
7.0	The summary statement of appropriation recurrent and development combined reflects actual receipts on comparable basis amount of Kshs 117,719,037 for the year ended 30 June 2017 while the statement of receipts and payments reflects total receipts amounting to Kshs 109,778,153 and cash balance brought forward from 2015/2016 amounting to Kshs 6,998,854 all totaling Kshs 116,782,005 to result to a variance of Kshs 937,032 Which has not been explained or reconciled.	The difference of Kshs 937,033 was retention erroneously paid back to cash book and treated as a receipt. However the sub-county accountant/management have noted the anomaly and will in future avoid paying back retention to cash book and ensure that financial statements have complied with format prescribed by the Public Sector Accounting Standards Board.	The fund account Manager Luka Kimosop	Resolved On management Letter	01/07/2018
7.0	Non-Disclosure of Accounts Receivable The Fund had a total allocation for the year ending 30 th June 2017 amounting to Kshs 81,896,552 out of which Kshs	The management has noted the anomaly and has disclosed accounts receivable as at 30 th June 2017 as an attachment to the management letter	The fund account Manager Luka Kimosop	Resolved On management Letter	01/07/2018

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

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)
	48,948,277 was received from NG-CDF Board leaving a balance of Kshs 32,948,275 which was not received from NG-CDF Board as at 30 th June 2017.	response(attached is the list projects for Kshs 32,948,275)			
Other matters 1.1	Budgetary performance Failure to utilize all the funds as budgeted is an indication that programs or activities are not being implemented as planned thus not achieving the intended objective of improving service delivery to the people of Soy Constituency.	The constituency failed to utilize funds as budgeted for due to non-remittance of Kshs 34,561,088 from NG-CDF Board as at 30 June 2017. However, the management will endeavour to liaise with NG-CDF Board for faster disbursement of funds for possible realization of 100% budget performance so that the residence of soy constituency obtains services they were entitled to and thus improving their lives.	The fund account Manager Luka Kimosop	Resolved On management Letter	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)
1.2	<p>Project implementation status Forty-four (44) projects with a budget of Kshs 33,050,000 were not funded during the year ended 30 June 2017 and no reason was provided for non disbursement of the funds.</p>	<p>Forty-four (44) projects with a budget of Kshs 33,050,000 were not funded during the year ended 30 June 2017 since NG-CDF Board had not disbursed funds to the constituency. The funds were received on 28 February 2018 AIE No. A892720 and was immediately disbursed to respective projects as per the approved budget.</p>	<p>The fund account Manager Luka Kimosop</p>	<p>Resolved On management Letter</p>	<p>30/06/2019</p>