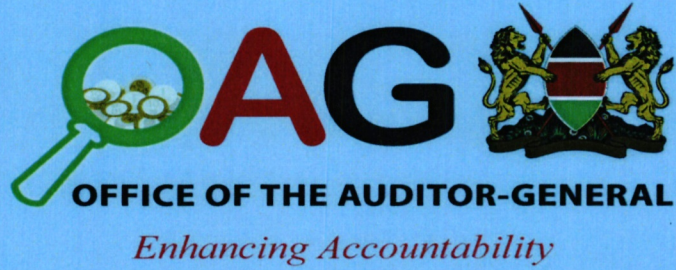


REPUBLIC OF KENYA



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT  
FUND – IKOLOMANI CONSTITUENCY**

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

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -IKOLOMANI  
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2019

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

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# **NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**

## **IKOLOMANI CONSTITUENCY**

### **Reports and Financial Statements**

**For the year ended June 30, 2019**

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#### **I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

##### **(a) Background information**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

##### **Mandate**

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

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

##### **Vision**

Equitable Socio-economic development countrywide

##### **Mission**

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

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

**IKOLOMANI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

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**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 IKOLOMANI Constituency day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Tom Oriwa Ageng'a
2.	Sub-County Accountant	Loice Adikinyi Wanyama
3.	Chairman NGCDFC	David Muliru Lisamula

**(d) Fiduciary Oversight Arrangements**

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

**(e) NGCDF IKOLOMANI Constituency Headquarters**

P.O. Box 2773-50100  
Ikolomani NGCDFC Office-Malinya  
Off Sigalagala-Bukura Road, Behind Malinya Market  
Kakamega, KENYA

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

**IKOLOMANI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

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**(f) NGCDF IKOLOMANI Constituency Contacts**

Telephone: (254) 716830440  
E-mail: [cdfikolomani@ngcdf.go.ke](mailto:cdfikolomani@ngcdf.go.ke)  
Website: [ikolomaniconstituency.co.ke](http://ikolomaniconstituency.co.ke)

**(g) NGCDF IKOLOMANI Constituency Bankers**

Cooperative Bank of Kenya  
Kakamega Branch  
P.O. Box 595-50100  
Kakamega, Kenya

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

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

**IKOLOMANI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

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**II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

On behalf of Ikolomani National Government Constituency Development Fund Committee (NGCDFC), it's my great pleasure to present the unaudited annual reports and financial statements for Ikolomani NGCDF for the financial year ended 30<sup>th</sup> June, 2019.

**Financial Overview**

During the last financial year 2018/19 we had an approved budget of KShs 109,040,876. In addition, there were adjustments in the receipts during the period under review which include; the opening balances and receipts from the NGCDF Board for previous financial years totalling to KShs 31,365,250 to bring to a total of KShs 140,406,126 as expected receipts from the NG-CDF Board. Further, a total of KShs 138,706,126 was received from the NGCDF Board, which represents approximately 99% of the total sums we had expected to receive, being the amounts of the total budget together with the balance from the previous financial year. In the same vein, the Ikolomani CDFC managed to disburse to various entities an average of 93%. Just to highlight a few areas; Transfers to other government entities was 98%, while other grants and transfers was 82%. These high figures were achieved due to the timely disbursements of funds from the NGCDF Board.

**Achievements and Major Undertakings**

During the year under review, we were privileged to host the Acting Chairman of the National Government Constituencies Development Fund Board together with the representatives from the secretariat whom we invited to commission some of our flagship projects that we had purposed to complete during the year. They Include; Shiavihiga Primary School, Milimani Primary School, Mumbetsa Primary School (Construction of 8 No. Storey Classrooms), Imbale Secondary School-Construction of a storey girls' dormitory and Lusui Secondary School-Construction of a twin laboratory. Some pictorial illustrations are below;



**Eregi Mixed Primary School-Construction of 8No. Storey Classrooms**



**Imbale Girls Secondary School-Modern Girls Dormitory**

In addition, we were honoured by the visits of Mumias East NGCDF and Kabondo-Kasipul NGCDF who came with the aim of benchmarking on our success stories and sharing of experiences.

The Committee was also able to conduct a successful constituency football tournament with the finals slated for August 2019. In addition, the committee also managed to supply tree seedlings to various primary schools within the constituency with the aim of creating woodlots which will act as a source

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

**IKOLOMANI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

of firewood in future. This will go a long way in conserving our forests. In the same breath, the committee has purposed to sponsor and participate in the annual Kakamega Forest Marathon that will be held later in the year. The marathon's main objective is to advocate for the preservation and conservation of Kakamega forest. During the year under review, the committee had allocated funds for Social Security programme. However, due to lack of the enabling regulatory framework, we were unable to rollout the programme. In this mission, the committee intends to partner with the National Hospital Insurance Fund (NHIF) in the coming financial year in order to kickstart the programme.

**Looking Forward**

Following the expiry of the 2013/14-2017/18 Strategic Plan, the committee has embarked on the process of developing a new strategic plan to cover the next five financial years-2018/19-2022/23. This will serve as a strategic guide to us and our stakeholders in running our activities and operations. To this end the committee intends to align its strategic direction with key national and county development goals, notably; The Big 4 Agenda, The Kenya Vision 2030, The Third Medium Term Plan (MTP III) and the County Integrated Development Plan. This will ensure that Ikolomani NGCDF has the desired impact in supporting economic development and alleviating of poverty at the grassroots. In addition, one of our key strategic objectives is to capacity build our stakeholders. In this quest, the committee intends to continue training the NGCDF Staff, NGCDF Members, and PMCs Members in order to strengthen their capacities for effective implementation of our projects.

**Appreciation**

I would like to extend my gratitude to the NGCDF Board for their steadfast help particularly in International Public Sector Accounting Standard (IPSAS) training which is the basis on which this financial statement is prepared. I am also very grateful to the Kakamega South Sub County Accountant; Ms. Loice Wanyama for her unwavering support in maintaining proper accounting records which indeed has formed the basis of preparing this annual report and financial statements. In addition, my deepest gratitude goes to the Fund Account Manager with his staff who have worked tirelessly to ensure that this report comes to fruition. I personally wish to thank them for their commitment and dedication. Let me also recognize the contribution of my committee who have worked so hard towards achieving the targets that we set for this financial year. I am indeed fortunate to be supported by a team of individuals with extensive knowledge and experience. I thank them for their commitment and support. Thank you for your interest, and in reviewing the 2018/19 Annual report and Financial Statements.

This Annual Financial Report is divided in three sections; an informational section, statement of NGCDF management responsibilities and the financial statements section comprising of; Statement of Receipts and payments; Statement of Assets, Statement of Cash flow; Statement of appropriation; Budget Execution by programs and sub programs; significant accounting policies; and notes to the financial statement together with their respective annexes.

Sign: .....  
David Muliru Lisamula  
NG-CDFC Chairman

Date: 28-08-2019



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

**Reports and Financial Statements**

**For the year ended June 30, 2019**

**III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES**

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

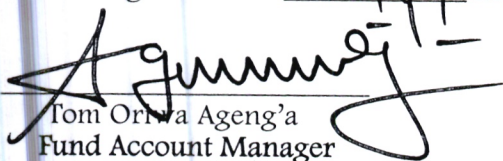
The Accounting Officer in charge of the NGCDF-IKOLOMANI Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. 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.

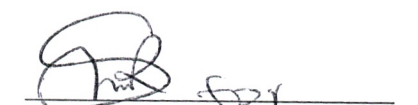
The Accounting Officer in charge of the NGCDF-IKOLOMANI Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-IKOLOMANI 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.

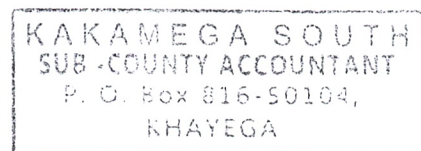
The Accounting Officer in charge of the NGCDF-IKOLOMANI Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the 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-IKOLOMANI Constituency financial statements were approved and signed by the Accounting Officer on 28/8/19 2019.

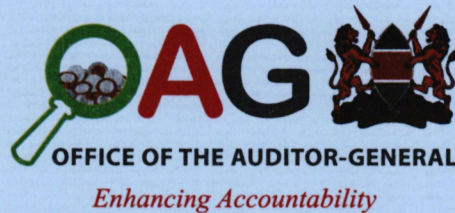
  
Tom Oriwa Ageng'a  
Fund Account Manager

  
Loyce Adikinyi Wanyama  
Sub-County Accountant  
ICPAK Member Number: 19609



# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - IKOLOMANI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019**

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### REPORT ON THE FINANCIAL STATEMENTS

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Ikolomani Constituency set out on pages 7 to 34, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the 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 effects 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 - Ikolomani Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

#### **Basis for Qualified Opinion**

##### **1. Approval of Bursary Disbursements**

The statement of receipts and payments reflects other grants and transfers of Kshs.43,107,859 which as disclosed at Note 7 to the financial statements includes Kshs.21,102,500, Kshs.9,347,405 and Kshs.741,000 being bursary disbursements to secondary schools, tertiary institutions and special schools respectively all totaling to Kshs.31,190,905. However, it was noted that all the bursary application forms were not completed by the bursary sub-committee as required. Further, it was noted that the amount awarded to the applicants was not indicated on the application forms.

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*Report of the Auditor-General on National Government Constituencies Development Fund - Ikolomani Constituency for the year ended 30 June, 2019*

In the circumstances the accuracy and probity of the bursary expenditure of Kshs.31,190,905 could not be ascertained.

## **2. Unreconciled Unutilized Funds Variance**

The summary statement of appropriation-recurrent and development combined reflects unutilized budget balance of Kshs.10,345,344 which differs with the unutilized funds balance of Kshs.10,340,344 reflected under Note 15.3 to the financial statements and Annex 3 by Kshs.5,000. The variance was not reconciled or explained.

In the circumstances, the accuracy of the unutilized funds balance could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Matter**

### **Unresolved Prior Year Audit Matters**

As disclosed under the progress on follow-up of auditor recommendations section of the financial statements, various prior year audit issues remained unresolved as at 30 June, 2019. Management has not provided reasons for the delay in resolving the prior year audit issues.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1. Delayed Implementation of Projects**

According to the Projects Implementation Status report provided for audit, three hundred and fifty-one (351) projects were approved for implementation between financial years 2013/14 to 2018/19 at a cost of Kshs.542,847,635. However, one hundred and twenty (120) projects with a cost of Kshs.169,242,497 representing 34.2% of total projects were still ongoing as at the time of audit in June, 2020.

In view of the foregoing, compliance with Regulation 11(j) of National Government Constituencies Development Fund Regulations, 2016 which requires all projects to receive adequate funding and be completed within three (3) years could not be confirmed.

In addition, delayed implementation of projects denies the constituents the benefits or services they would have derived from them.

### **2. Outstanding Works and Poor Workmanship**

#### **1.1 Lirhembe Primary School**

The contract for the construction of eight (8) classrooms storey tuition block at Lirhembe Primary School was awarded to a local contractor at a contract sum of Kshs.13,996,165. The contract implementation was to commence on 14 August, 2015 and end on 14 December, 2015. However, as at the time of audit, in June, 2020, the Management of the Fund had paid a total of Kshs.10,017,555 to the contractor and the construction was still ongoing long past the completion date. In addition, the ceiling, window panes and floor were yet to be done.

#### **1.2 Shiavihiga Primary School**

The contract for the construction of eight (8) classrooms at Shiavihiga Primary School was awarded to a local contractor during the financial year 2016/2017 at a contract sum of Kshs.14,599,427. During the financial year 2018/19, the project was allocated a final sum of Kshs.6.7million for the completion. However, audit inspection in June, 2020 revealed poor workmanship on the stairs and the drainage works as evidenced by the water and soil on the verandah; cracks and pot holes on the verandah to the class rooms; poorly done skirting that was already worn out and leakage on the roof which had soiled the ceiling.

Consequently, value for money on the two projects could not be confirmed.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities

that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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 such 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.

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the Fund 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.


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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's 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 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 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.

  
Nancy Gathungu  
AUDITOR-GENERAL

**Nairobi**

**20 September, 2021**

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

**IKOLOMANI CONSTITUENCY**

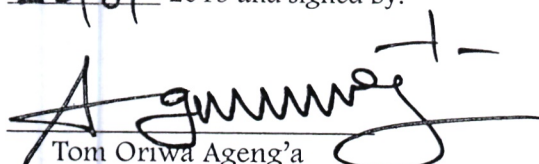
**Reports and Financial Statements**

**For the year ended June 30, 2019**


**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

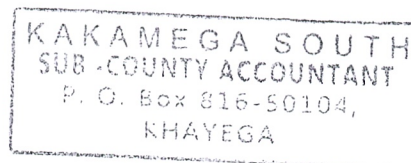
	Note	2018 - 2019 KShs	2017 - 2018 KShs
<b>RECEIPTS</b>			
Transfers from NGCDF board-AIEs' Received	1	123,832,185	84,810,345
Proceeds from Sale of Asset	2	-	-
Other Receipts	3	5,000	1,764,175
<b>TOTAL RECEIPTS</b>		<b>123,837,185</b>	<b>86,574,520</b>
<b>PAYMENTS</b>			
Compensation of employees	4	2,741,625	2,210,250
Use of goods and services	5	9,963,483	6,831,275
Transfers to Other Government Units	6	72,600,715	52,100,000
Other grants and transfers	7	38,238,832	13,700,000
Acquisition of Assets	8	1,652,100	-
Other Payments	9	4,869,027	-
<b>TOTAL PAYMENTS</b>		<b>130,065,782</b>	<b>74,841,525</b>
<b>SURPLUS/DEFICIT</b>		<b>(6,228,597)</b>	<b>11,732,995</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-IKOLOMANI Constituency financial statements were approved on 28/8/2019 2019 and signed by:

  
Tom Oriwa Ageng'a  
Fund Account Manager



  
Loyce Adikinyi Wanyama  
Sub-County Accountant  
ICPAK Member Number: 19609



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

**IKOLOMANI CONSTITUENCY**

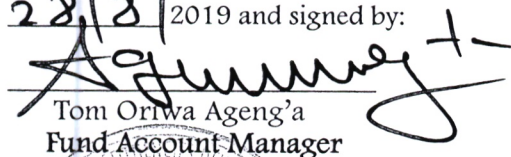
**Reports and Financial Statements**

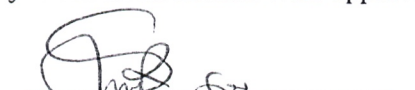
**For the year ended June 30, 2019**

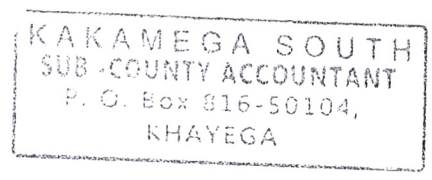
**V. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2018-2019 KShs	2017-2018 KShs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances (as per the cash book)	10A	8,645,344	14,873,941
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>8,645,344</b>	<b>14,873,941</b>
<b>Current Receivables</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>8,645,344</b>	<b>14,873,941</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable Retention	12	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>NET FINANCIAL ASSETS</b>		<b>8,645,344</b>	<b>14,873,941</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd.	13	14,873,941	3,140,946
Surplus/Deficit for the year		(6,228,597)	11,732,995
Prior year adjustments	14	-	-
<b>NET FINANCIAL POSITION</b>		<b>8,645,344</b>	<b>14,873,941</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-IKOLOMANI Constituency financial statements were approved on 28/8/2019 and signed by:

  
Tom Oriwa Ageng'a  
Fund Account Manager

  
Loyce Adikinyi Wanyama  
Sub-County Accountant  
ICPAK Member Number: 19609



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

**IKOLOMANI CONSTITUENCY**

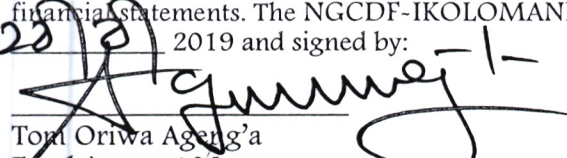
**Reports and Financial Statements**

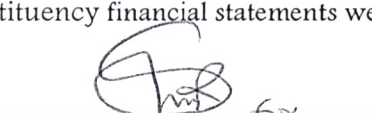
**For the year ended June 30, 2019**

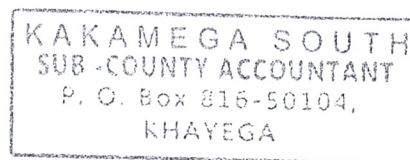
**VI. STATEMENT OF CASHFLOW**

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
<b>Receipts</b>		<b>KShs</b>	<b>KShs</b>
Transfers from NGCDF Board	1	123,832,185	84,810,345
Other Receipts	3	5,000	1,764,175
<b>Total receipts</b>		<b>123,837,185</b>	<b>86,574,520</b>
<b>Payments</b>			
Compensation of Employees	4	2,741,625	2,210,250
Use of goods and services	5	9,963,483	6,831,275
Transfers to Other Government Units	6	72,600,715	52,100,000
Other grants and transfers	7	38,238,832	13,700,000
Other Payments	9	4,869,027	-
<b>Total payments</b>		<b>128,413,682</b>	<b>74,841,525</b>
<b>Total Receipts Less Total Payments</b>		<b>(4,576,497)</b>	<b>11,732,995</b>
<b>Net cash flow from operating activities</b>		<b>(4,576,497)</b>	<b>11,732,995</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	1,652,100	-
<b>Net cash flows from Investing Activities</b>		<b>(1,652,100)</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(6,228,597)</b>	<b>11,732,995</b>
Cash and cash equivalent at BEGINNING of the year	13	14,873,941	3,140,946
Cash and cash equivalent at END of the year		8,645,344	14,873,941

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-IKOLOMANI Constituency financial statements were approved on 28/8/2019 and signed by:

  
Tomi Oriwa Ageng'a  
Fund Account Manager

  
Loice Adikinyi Wanyama  
Sub-County Accountant  
ICPAK Member Number: 19609



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – IKOLOMANI CONSTITUENCY**  
**Reports and Financial Statements**  
**for the year ended June 30, 2019**

**II. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from NGCDF Board	109,040,876	31,565,251	140,606,127	138,706,127	1,900,000	99%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	5,000	5,000	5,000	-	100%
<b>TOTALS</b>	<b>109,040,876</b>	<b>31,570,251</b>	<b>140,611,127</b>	<b>138,711,127</b>	<b>1,900,000</b>	<b>99%</b>
<b>PAYMENTS</b>						
Compensation of Employees	3,040,000	-	3,040,000	2,741,625	298,375	90%
Use of goods and services	6,160,542	3,835,672	9,996,214	9,963,483	32,731	99%
Transfers to Other Government Units	62,990,000	11,110,715	74,100,715	72,600,715	1,500,000	98%
Other grants and transfers	36,238,994	10,629,837	46,868,831	38,238,832	8,629,999	82%
Acquisition of Assets	419,340	1,312,000	1,731,340	1,652,100	79,240	95%
Other Payments	192,000	4,682,027	4,874,027	4,869,027	5,000	99%
<b>TOTALS</b>	<b>109,040,876</b>	<b>31,570,251</b>	<b>140,611,127</b>	<b>130,065,782</b>	<b>10,545,345</b>	<b>93%</b>

i. Underutilisation in Other grants and transfers was as a result of non-utilization of the emergency fund and projects funded through the supplementary budget that was not received during the financial year and funds meant for development of the strategic plan and social security programmes

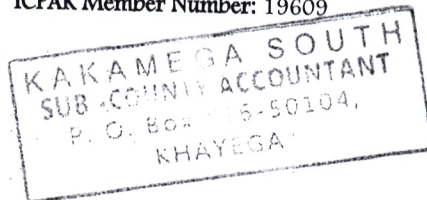
The NGCDF-IKOLOMANI Constituency financial statements were approved on 28/8/2019 and signed by:

Tom Oriwa Ageng'a  
Fund Account Manager



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Loyce Adikinyi Wanyama  
Sub-County Accountant  
ICPAK Member Number: 19609



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

**VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES**

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019		2018/2019	30-06-19	
	KShs	KShs	KShs	KShs	KShs
<b>1.0 Administration and Recurrent</b>					
1.1 Compensation of employees	3,040,000	-	3,040,000	2,741,625	-90%
1.2 Committee allowances	2,000,000	-	2,000,000	1,953,000	98%
1.3 Use of goods and services	890,542	510,345	1,400,887	1,350,000	96%
<b>2.0 Monitoring and evaluation</b>					
2.1 Capacity building	1,000,000	-	1,000,000	1,000,000	100%
2.2 Committee allowances	1,200,000	-	1,200,000	1,200,000	100%
2.3 Use of goods and services	1,070,000	3,391,015	4,461,015	4,460,483	100%
<b>3.0 Emergency</b>					
3.1 Emergency Projects	5,738,993	2,364,149	8,103,142	5,060,000	62%
<b>4.0 Bursary and Social Security</b>					
4.1 Special Schools	-	741,000	741,000	741,000	100%
4.2 Secondary Schools	18,000,000	3,102,500	21,102,500	21,102,500	100%
4.3 Tertiary Institutions	8,512,073	1,156,500	9,668,573	9,347,405	97%
4.5 Social Security	700,000	-	700,000	-	0%
4.6 Purchase of Geometrical Sets	787,927	-	787,927	787,927	100%
<b>5.0 Sports</b>					
5.1 Constituency Football Tournament	1,000,000	-	1,000,000	1,000,000	100%
<b>6.0 Environment</b>					
6.1 Environment Education Day	200,000	-	200,000	-	0%

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis		Budget utilization difference
	2018/2019		2018/2019	30-06-19		
	KShs	KShs	KShs		KShs	KShs
6.2 Kakamega Forest Marathon	100,000	-	100,000	-	-	0%
6.3 Tree Seedlings Planting	200,000	-	200,000	200,000		100%
<b>7.0 Primary Schools Projects</b>						
7.1 Bugute Primary School	700,000	-	700,000	700,000		100%
7.2 Busilwa Primary School	1,100,000	-	1,100,000	1,100,000		100%
7.3 Ibuka Primary School	1,000,000	-	1,000,000	1,000,000		100%
7.4 Iguhu Primary School	1,000,000	502,620	1,502,620	1,502,620		100%
7.5 Imalaba Primary School	1,500,000	-	1,500,000	1,500,000		100%
7.6 Imulama Primary School	1,500,000	500,000	2,000,000	2,000,000		100%
7.7 Imulembo Primary School	1,200,000	500,000	1,700,000	1,700,000	-	100%
7.8 Irechelo Primary School	670,000	-	670,000	670,000		100%
7.9 Ishianji Primary School	600,000	-	600,000	600,000		100%
7.10 Ishicywe Primary School	300,000	-	300,000	300,000		100%
7.11 Ivole Primary School	500,000	-	500,000	500,000		100%
7.12 Kasavai Primary School	800,000	-	800,000	800,000		100%
7.13 Lirhembe Primary School	2,000,000	-	2,000,000	2,000,000		100%
7.14 Lusiola Primary School	2,000,000	-	2,000,000	2,000,000		100%
7.15 Lusui Primary School	550,000	-	550,000	550,000		100%
7.16 Lwanaswa Primary School	200,000	-	200,000	200,000		100%
7.17 Madivini Primary School	2,500,000	-	2,500,000	2,500,000		100%
7.18 Matundu Primary School	2,000,000	-	2,000,000	2,000,000		100%
7.19 Milimani Primary School	500,000	400,000	900,000	900,000		100%
7.20 Mukango Primary School	800,000	-	800,000	800,000		100%



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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable	Budget utilization difference
	2018/2019		2018/2019	30-06-19	
	KShs	KShs	KShs	KShs	KShs
7.21 Munyanza Primary School	670,000	-	670,000	670,000	100%
7.22 Musasa Primary School	1,500,000	-	1,500,000	1,500,000	100%
7.23 Naliava Primary School	2,000,000	-	2,000,000	2,000,000	100%
7.24 Shiamusinjiri Primary Sch	650,000	-	650,000	650,000	100%
7.25 Shiavihiga Primary School	5,700,000	2,000,000	7,700,000	7,700,000	100%
7.26 Shihalia Primary School	850,000	-	850,000	850,000	100%
7.27 Shijiko Primary School	1,200,000	-	1,200,000	1,200,000	100%
7.28 Shikhombelo Pry School	1,500,000	-	1,500,000	1,500,000	100%
7.29 Shikokho Primary School	1,000,000	-	1,000,000	1,000,000	100%
7.30 Shimanyiro Primary School	2,000,000	-	2,000,000	2,000,000	100%
7.31 Shiseno Primary School	1,000,000	-	1,000,000	1,000,000	100%
7.32 St. Claire's Musoli G. B. Pry	1,100,000	-	1,100,000	1,100,000	100%
7.33 Mumbetsa Primary School	-	400,000	400,000	400,000	100%
7.34 Mwikhomo Primary School	-	400,000	400,000	400,000	100%
7.35 Shiveye Primary School	-	400,000	400,000	400,000	100%
<b>8.0 Secondary Schools Projects</b>					
8.1 Imbale Secondary School	3,200,000	3,108,095	6,308,095	6,308,095	100%
8.2 Imusali Secondary School	900,000	-	900,000	900,000	100%
8.3 Ivonda Secondary School	800,000	-	800,000	800,000	100%
8.4 Lirhembe Friends High Sch	2,000,000	-	2,000,000	2,000,000	100%
8.5 Lirhembe Girls Sec Sch	1,500,000	800,000	2,300,000	800,000	35%
8.6 Lusui Secondary School	1,500,000	-	1,500,000	1,500,000	100%
8.7 Makhokho Secondary Sch	1,500,000	-	1,500,000	1,500,000	-100%



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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable	Budget utilization
	2018/2019		2018/2019	basis	difference
	KShs	KShs	KShs	30-06-19	KShs
8.8 Mutaho Girls Secondary Sch	2,500,000	-	2,500,000	2,500,000	100%
8.9 Shichinji Secondary School	2,000,000	-	2,000,000	2,000,000	100%
8.10 Shikokho Secondary School	2,000,000	-	2,000,000	2,000,000	100%
8.11 Shimanyiro Secondary Sch	1,500,000	-	1,500,000	1,500,000	100%
8.12 Shiveye Secondary School	3,000,000	1,000,000	4,000,000	3,000,000	75%
8.13 Iremele Secondary School	-	100,000	100,000	100,000	100%
<b>9.0 Tertiary institutions Projects</b>					
9.1 Proposed KMTC-Ikolomani	-	2,000,000	2,000,000	2,000,000	100%
<b>10.0 Security Projects</b>					
<b>11.0 Acquisition of assets</b>					
11.1 Purchase of furniture & equip	237,340	-	237,340	237,340	100%
11.2 Purchase of computers	182,000	-	182,000	182,000	100%
11.5 Rehabilitation of NGCDF Offices	-	1,312,000	1,312,000	1,232,760	94%
<b>12.0 Others</b>					
12.1 Strategic Plan	1,000,000	2,000,000	3,000,000	-	0%
12.2 Constituency Innovation Hubs	-	4,677,027	4,677,027	4,677,027	100%
12.3 Constituency Website Development	192,000	-	192,000	192,000	100%
AIA Unallocated	-	5000	5000	-	0%
12.5 Lidambitsa Market	-	200,000	200,000	-	0%
<b>GRAND TOTAL</b>	<b>109,040,876</b>	<b>31,570,251</b>	<b>140,611,126</b>	<b>130,065,782</b>	<b>93%</b>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
IKOLOMANI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

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**IX. SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Statement of Compliance and Basis of Preparation**

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

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

**2. Reporting Entity**

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

**3. Reporting Currency**

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

**4. Significant Accounting Policies**

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

**a) Recognition of Receipts**

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

**Tax Receipts**

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

**Transfers from the Exchequer**

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

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

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**SIGNIFICANT ACCOUNTING POLICIES**

**External Assistance**

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

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

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

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

**Other receipts**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –**

**IKOLOMANI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

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**SIGNIFICANT ACCOUNTING POLICIES**

**5. In-kind contributions**

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

**6. Cash and Cash Equivalents**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Fund**

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015.

**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, are for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019. 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 30<sup>th</sup> June 2019.

**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.

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**X. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2018-2019 KShs	2017-2018 KShs
NGCDF Board			
AIE NO: B005033	1	11,379,310	
AIE NO: B005227	2	500,000	
AIE NO: B005224	3	812,000	
AIE NO: B030245	4	10,000,000	
AIE NO: B030323	5	1,800,000	
AIE NO: B030404	6	15,000,000	
AIE NO: B006345	7	6,000,000	
AIE NO: B699106	8	11,000,000	
AIE NO: B042683	9	2,000,000	
AIE NO: B042746	10	12,000,000	
AIE NO: B047544	11	53,340,875	
AIE NO: A855822	12		5,500,000
AIE NO: A892916	13		37,905,172
AIE NO: A896828	14		21,000,000
AIE NO: A896903	15		20,405,173
<b>TOTAL</b>		<b>123,832,185</b>	<b>84,810,345</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2018-2019 KShs	2017-2018 KShs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**3. OTHER RECEIPTS**

	2018-2019	2017-2018
	KShs	KShs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	5,000	-
Other Receipts Not Classified Elsewhere	-	1,764,175
<b>Total</b>	<b>5,000</b>	<b>1,764,175</b>

**4. COMPENSATION OF EMPLOYEES**

	2018-2019	2017-2018
	KShs	KShs
Basic wages of contractual employees	1,475,568	1,243,133
Basic wages of casual Labour	97,500	15,000
<b>Personal allowances paid as part of salary</b>		
House allowance	252,000	157,000
Transport allowance	276,000	170,000
Leave allowance	44,000	26,000
Other personnel payments	48,000	36,945
Employer contribution to NSSF	75,610	43,180
Gratuity	472,947	518,992
<b>Total</b>	<b>2,741,625</b>	<b>2,210,250</b>

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5. USE OF GOODS AND SERVICES

	<b>2018-2019</b>	<b>2017-2018</b>
	<b>KShs</b>	<b>KShs</b>
Utilities, supplies and services	37,224	26,747
Communication, supplies and services	94,523	266,069
Domestic travel and subsistence	488,100	302,800
Printing, advertising and information supplies & services	43,450	33,680
Rentals of produced assets	1,415,000	720,000
Training expenses	400,000	400,000
Hospitality supplies and services	1,512,278	947,290
Other committee expenses	4,696,000	3,112,450
Committee allowance	176,000	226,000
Office and general supplies and services	641,230	185,833
Fuel, oil & lubricants	123,642	53,000
Bank Service Commission and Charges	27,900	18,525
Routine maintenance – vehicles and other transport equipment	271,036	526,841
Routine maintenance – other assets	37,100	12,040
<b>Total</b>	<b>9,963,483</b>	<b>6,831,275</b>

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5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	KShs	KShs
Utilities, supplies and services	37,224	26,747
Communication, supplies and services	94,523	266,069
Domestic travel and subsistence	488,100	302,800
Printing, advertising and information supplies & services	43,450	33,680
Rentals of produced assets	1,415,000	720,000
Training expenses	400,000	400,000
Hospitality supplies and services	1,512,278	947,290
Other committee expenses	4,696,000	3,112,450
Committee allowance	176,000	226,000
Office and general supplies and services	641,230	185,833
Fuel, oil & lubricants	123,642	53,000
Bank Service Commission and Charges	27,900	18,525
Routine maintenance – vehicles and other transport equipment	271,036	526,841
Routine maintenance – other assets	37,100	12,040
Utilities, supplies and services	37,224	26,747
<b>Total</b>	<b>9,963,483</b>	<b>6,831,275</b>

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**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2018-2019	2017-2018
	KShs	KShs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	45,692,620	37,300,000
Transfers to secondary schools (see attached list)	24,908,095	14,800,000
Transfers to tertiary institutions (see attached list)	2,000,000	-
Transfers to health institutions (see attached list)	-	-
<b>TOTAL</b>	<b>72,600,715</b>	<b>52,100,000</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2018-2019	2017-2018
	KShs	KShs
Bursary -Secondary	21,102,500	10,150,000
Bursary -Tertiary	9,347,405	1,150,000
Bursary-Special schools	741,000	-
Mocks & CAT	787,927	-
Security	-	1,000,000
Sports	1,000,000	800,000
Environment	200,000	200,000
Emergency Projects (specify)	5,060,000	400,000
<b>Total</b>	<b>38,238,832</b>	<b>13,700,000</b>



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**8. ACQUISITION OF ASSETS**

<u>Non-Financial Assets</u>	2018-2019 KShs	2017-2018 KShs
Refurbishment of Buildings	1,232,760	-
Purchase of Office furniture and fittings	237,340	-
Purchase of computers, printers and other IT equipment's	182,000	-
<b>Total</b>	<b>1,652,100</b>	<b>-</b>

**9. OTHER PAYMENTS**

	2018-2019 KShs	2017-2018 KShs
Constituency Innovation Hubs	4,677,027	-
Constituency Website Development	192,000	-
	<b>4,869,027</b>	<b>-</b>

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10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019 KShs	2017-2018 KShs
<i>Cooperative Bank, Kakamega Branch A/C no.01120023550000</i>	8,645,344	14,873,941
<b>Total</b>	<b>8,645,344</b>	<b>14,873,941</b>

10B: CASH IN HAND

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**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>KShs</i>	<i>KShs</i>	<i>KShs</i>
<i>Name of Officer or Institution</i>	-	-	-	-
<i>Total</i>				-

**12A. RETENTION**

	2018 - 2019 KShs	2017-2018 KShs
Supplier 1	-	-
<b>Total</b>	-	-

**12B. STAFF GRATUITY OUTSTANDING**

	2018 - 2019 KShs	2017-2018 KShs
Name 1	-	-
<b>Total</b>	-	-

**13. BALANCES BROUGHT FORWARD**

	2018-2019 KShs	2017-2018 KShs
Bank accounts	14,873,941	3,140,946
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>14,873,941</b>	<b>3,140,946</b>

**14. PRIOR YEAR ADJUSTMENTS**

	2018-2019 KShs	2017-2018 KShs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



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15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019 KShs	2017-2018 KShs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<u>-</u>	<u>-</u>

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: UNUTILIZED FUND (See Annex 3)

	2018-2019 KShs	2017-2018 KShs
Compensation of employees	298,375	-
Use of goods and services	98,419	2,733,505
Amounts due to other Government entities (see attached list)	2,500,000	10,773,783
Amounts due to other grants and other transfers (see attached list)	7,443,550	9,868,936
Acquisition of assets	-	-
Others ( <i>specify</i> )	-	7,377,027
	<u>10,340,344</u>	<u>30,753,251</u>



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15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	KShs	KShs
PMC account Balances (see attached list)	5,619,312	5,862,172
	<u>5,619,312</u>	<u>5,862,172</u>



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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 2019	Comments
	a	b	c	d=a-c	
<b>Construction of buildings</b>					
1.					
2.					
3.					
<b>Sub-Total</b>					
<b>Construction of civil works</b>					
4.					
5.					
6.					
<b>Sub-Total</b>					
<b>Supply of goods</b>					
7.					
8.					
9.					
<b>Sub-Total</b>					
<b>Supply of services</b>					
10.					
11.					
12.					
<b>Sub-Total</b>					
<b>Grand Total</b>					



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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 2019	Comments
		a	b	c	d=a-c	
<b>Senior Management</b>						
1.						
2.						
3.						
Sub-Total						
<b>Middle Management</b>						
4.						
5.						
6.						
Sub-Total						
<b>Unionisable Employees</b>						
7.						
8.						
9.						
Sub-Total						
<b>Others (<i>specify</i>)</b>						
10.						
11.						
12.						
Sub-Total						
Grand Total						



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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
<b>Compensation of employees</b>	Payment of staff salaries and other emoluments	KShs 298,575	KShs -	Unutilised balance
<b>Use of goods &amp; services</b>	For incurring office running costs and monitoring and evaluation	98,419	2,733,505	Unutilised balance
<b>Sub-Total</b>		<b>396,794</b>	<b>2,733,505</b>	
<b>Amounts due to other Government entities</b>				
Lirhembe Girls Secondary School	Additional funds for the purchase of school bus	1,500,000	-	Funds are still held by NGCDF Board
Shiveye Secondary School	Additional funds for the purchase of school bus	1,000,000	-	Funds are earmarked for reallocation
Iguhu KMITC	Purchase of land for the construction of MTC	-	2,000,000	Spent in 2018/19
Lirhembe Girls Sec School	Part funding for Purchase of school Bus	-	800,000	Spent in 2018/19
Shiveye Secondary School	Part funding for Purchase of school Bus	-	1,000,000	Spent in 2018/19
Iguhu Primary School	Construction of administration block	-	500,000	Spent in 2018/19
Imbale Secondary School	Completion of storey dormitory	-	3,173,783	Spent in 2018/19
Imulama Primary School	Construction of Tuition block	-	500,000	Spent in 2018/19
Milimani Primary School	Construction of Tuition block	-	400,000	Spent in 2018/19
Mumbetsa Primary School	Construction of Tuition block	-	400,000	Spent in 2018/19
Shiavihiga Primary School	Construction of Tuition block	-	2,000,000	Spent in 2018/19
<b>Sub-Total</b>		<b>2,500,000</b>	<b>10,773,783</b>	
<b>Amounts due to other grants and other transfers</b>				
Bursary	Payment of fees to needy students	1,021,168	5,000,000	Balance meant for Social security program
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	3,043,142	4,868,936	Unallocated emergency fund balance
Environment	Funds for sponsoring Kakamega forest marathon and facilitating environment education day	300,000	-	Kakamega forest marathon will be held in November, 2019
<b>Sub-Total</b>		<b>4,364,310</b>	<b>9,868,936</b>	
<b>Acquisition of assets</b>				
<b>Others (specify)</b>				



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**KShs**

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Constituency Strategic Plan	Development of Ikolomani NGCDF Strategic Plan	3,000,000	2,000,000	The process of identifying a consultant is complete
Audit Fee	Payment of audit fee to KENAO	-	500,000	Funds Reallocated
Rehabilitation of NGCDF Office	Rehabilitation of NGCDF Office	79,240	-	
Lidambitsa Market	Payment of transaction costs for land bought	200,000	200,000	Funds yet to be disbursed by the NGCDF Board
Constituency innovation Hubs	Setting up of constituency innovation hubs	-	4,677,027	Spent in 2018/19
Appropriation in AID	Unallocated AIA for 2018/19	5,000		
<b>Sub-Total</b>		<b>3,279,240</b>	<b>7,377,027</b>	
<b>Grand Total</b>		<b>10,545,344</b>	<b>30,783,251</b>	



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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2017/18	Additions during the year (KShs)	Disposals during the year (KShs)	Historical Cost (KShs) 2018/19
Land	300,000	-	-	300,000
Buildings and structures	5,000,000	-	-	5,000,000
Transport equipment	5,306,500	-	-	5,306,500
Office equipment, furniture and fittings	2,340,278	237,340	-	2,577,618
ICT Equipment, Software and Other ICT Assets	1,577,900	182,000	-	1,759,900
Other Machinery and Equipment	440,380	-	-	440,380
<b>Total</b>	<b>14,965,058</b>	<b>419,340</b>	<b>-</b>	<b>15,384,398</b>



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**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2019**

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Bugute Primary school	Coop Bank	01139166636902	11,987	1,987
Bushilika Primary Sch	Coop Bank	01139632905101	-	63,087
Busilwa Primary School	Coop Bank	01139166147700	8,622	1,622
Eregi Mixed Pry Sch	Coop Bank	01139166941700	-	101,875
Eregi police station	Coop Bank	01141632676200	4,380	1,050
Ibuka Primary School	Coop Bank	01139165864300	505,178	5,178
Ibuyonje Primary Sch	Coop Bank	01141632874000	-	1,498,650
Iguhu District Hosp.	Coop Bank	01141545715400	-	4,897
Iguyio Primary School	Coop Bank	01139165710400	-	9,500
Ikhulili Primary Sch	Coop Bank	01139165629401	-	103,815
Ibwali primary School	Coop Bank	01139632685700	1,080	-
Iguhu Primary School	Coop Bank	01139166940801	12,180	-
Ikolomani Sports Org.	Coop Bank	01134631234000	26,419	-
Imalaba Primary School	Coop Bank	01139165651800	69,244	620,445
Imbale Secondary School	Coop Bank	01139545707600	118,577	42,733
Imulama Primary Sch	Coop Bank	01139167794600	-	1,030
Imulama Primary School	Coop Bank	01141167794600	17,003	12,003
Irechelo Primary School	Coop Bank	01139165784802	9,447	6,995
Ishianji Primary School	Coop Bank	01139166149102	36,253	32,650
Ishieywe Primary School	Coop Bank	01141165613800	8,225	-
Isulu Police Station	Coop Bank	01141632693100	-	1,235
Ivole Primary School	Coop Bank	01139166940200	2,274	2,274
Ivonda Secondary School	Coop Bank	01139631903101	9,560	-
Kasavayi Primary School	Coop Bank	01141166149200	507,782	8
Lirhembe Friends School	Coop Bank	01139167913801	42,910	-
Lirhembe Girls Sec School	Coop Bank	01139165613201	6,149	6,194
Lusiola Primary School	Coop Bank	01139165613201	6,149	55,308
Lusiola Primary School	Coop Bank	01139166445500	4,708	-
Lusui Secondary School	Coop Bank	01139167319600	10,250	10,000
Lusui Police Station	Coop Bank	01141804286000	775	-
Lusui Primary School	Coop Bank	01139165623301	4,327	9,573
Lwenya Primary Sch	Coop Bank	01139166941200	-	204,387
Lwanaswa Primary School	Coop Bank	01139165613000	12,112	-
Makhokho Secondary Sch	Coop Bank	01139167794701	8,960	-
Milimani Primary School	Coop Bank	01139166636802	2,884	52,884
Mukango Primary Sch	Coop Bank	01139165864100	-	41,718
Mumbetsa Primary School	Coop Bank	01141098419100	130,351	90,352
Musasa Primary School	Coop Bank	01139167305100	1,730	32,330
Mutaho Secondary School	Coop Bank	01139631900300	27,052	77,330
Naliava Primary School	Coop Bank	01139166941600	59,635	60,235
Sabane Secondary School	Coop Bank	01139632679201	272	303,473
Shiamusinjili Secondary Sch	Coop Bank	01139166940600	10,440	-
Shiavihiga Primary School	Coop Bank	01139167482700	15,730	1,880

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Shichinji Secondary School	Coop Bank	01139166956700	47,287	43,327
Shiduha Secondary School	Coop Bank	01139166940000	2,266	2,266
Shihalia Primary School	Coop Bank	01139166941400	407,727	7,728
Shijiko Primary School	Coop Bank	01139166941500	21,797	21,798
Shikokho Primary Sch	Coop Bank	00113916696300	5,359	5,359
Shikokho Secondary School	Coop Bank	01139632420100	4,281	4,281
Shikondi Primary Sch	Coop Bank	01141631247200	-	200,376
Shimanyiro Secondary Sch	Coop Bank	01139631904100	458,245	38,245
Shinyikha Primary School	Coop Bank	01139165614301	1,067	1,067
Shiseno Primary School	Coop Bank	01139165864200	26,267	24,267
Shiveye Primary School	Coop Bank	01139167810301	449,572	-
Shiveye Secondary School	Coop Bank	01141632536800	301,855	1,000,000
St. Claire's Musoli Girls	Coop Bank	01139166104400	73,396	158,784
KMTC Ikolomani Campus	Equity Bank	0500278876248	1,042,611	-
Musoli Mixed Primary Sch	Equity Bank	0500278940019	9,880	-
Iluya Primary School	KCB	1106949811	1,192	-
Imulembo Primary School	KCB	1109452772	16,100	6,100
Imusali Primary School	KCB	1106964160	36,489	3,839
Lirhembe Primary School	KCB	1172709238	34,710	54,836
Madivini Primary School	KCB	1106960017	227,501	72,827
Malinya Primary School	KCB	1111627223	1,386	-
Matundu Primary School	KCB	1101835796	459,690	9,810
Munyanza Primary School	KCB	1101836555	241,886	21,886
Shikhombelo Primary School	KCB	1112052747	27,831	25,005
Shimanyiro Primary School	KCB	1183075197	18,135	18,135
Shivagala Secondary School	KCB	1133467946	15,496	685,538
<b>TOTAL</b>			<b>5,619,312</b>	<b>5,862,172</b>



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ANNEX 6-PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2017-2018-1-01-0210-09					
1.0	<b>Budgetary Performance</b> -Non-utilization of funds is an indication that services and approved programs were not delivered, and therefore the budget did not meet the intended objectives of improving delivery of goods and services to the residents of Ikolomani Constituency	Underfunding of projects was as a result of underfunding by the NGCDF Board	NGCDF Board	Partially resolved	Under One year
2.0	<b>Delay in Implementation and Completion of Projects</b> -Delay in implementation and completion of planned projects has effect of denying the people of Ikolomani Constituency the benefits of these projects	The management has prioritised for the past three financial years 2017/18; 2018/19 and 2019/20 all ongoing projects whereby no new projects were initiated.	Ikolomani NGCDF Committee	Partially resolved	Under Three years
4.0	<b>Other Grants and Other Transfers</b> <b>4.1 Environmental Projects</b> Included in other grants and transfers figure of KShs 13,700,000 is environmental projects amount of KShs 200,000 paid to Ikolomani Youth Group for supply and delivery of tree seedlings to various school within the constituency. However, there was no approval from the line department of	The acknowledgement receipts have been availed are available for perusal at the office	Tom Ageng'a-Fund Account Manager	Partially resolved	Under One year



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

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)
2017-2018-1-01-0210-09					
	forestry sanctioning the tree planting activity. In addition, there was no acknowledgement from the beneficiary institutions/schools acknowledging receipt of the seedlings. Consequently, the propriety of KShs 200,000 spent on environmental projects could not be confirmed				
	4.2 Construction of Lusui Police Post The other grants and transfers amount of KShs 13,700,000 also include emergency projects amount of KShs 400,000 paid to a construction company for installation of unit huts, pit latrine and fencing of a plot for Lusui Police Post. The project was indicated to be an emergency and it was to take one month for it to be completed. A site visit of the project in January 2019 revealed that although the project was complete, it had not been put to use and the fence had been vandalized. Consequently, the propriety of KShs 400,000 incurred on the project could not be confirmed and the resident of Ikolomani Constituency did not get value for money spend on the project.	We are still engaging with the relevant government officials in order for them to post officers.	Tom Ageng'a-Fund Account Manager	Partially resolved	Under One year

