

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 11 SEP 2019

DAY:
WED

TABLED
BY:

LEADER OF MAJORITY

OF

OF THE TABLE:

LEAH MWAURA

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
KEIYO SOUTH CONSTITUENCY**

**FOR THE YEAR
ENDED 30 JUNE 2018**



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND KEIYO SOUTH
CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

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

Reports and Financial Statements

For the year ended June 30, 2018

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KEIYO SOUTH 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 NG-CDF Keiyo South 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:

N	Designation	Name
o		
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Caren Jeruto
3.	Sub-County Accountant	Winny Chesesio
4.	Chairman NGCDFC	Victor Kimaiyo
5.	Member NGCDFC	Michael Maiyo

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Keiyo South Constituency Headquarters

P.O. Box 8253
NGCDF Office Nyaru
Kaptagat -Eldama Ravine Highway
Eldoret , KENYA

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

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

(f) NGCDF Keiyo South Constituency Contacts

Telephone: (254) 0720905587
E-mail: keiyosouth@ngcdf.go.ke
Website: www.go.ke

(g) NGCDF Keiyo South Constituency Bankers

1. Kenya Commercial Bank
Iten Branch
P.O. Box 8253-30100
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

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Keiyo South NGCDF was allocated Ksh.,**98,189,655** in 2017/ 2018 financial year, Ksh **86,810,345** being the initial allocation and Ksh. **11,379,310** being supplementary budget. The constituency received funds from NGCDFB amounting to Ksh. 45,405,172 during the financial year. The constituency managed to utilize Kshs **36,087,218** against a budget of Kshs **111,030,709** as indicated in Table 1

Table 1

	Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
Allocation	111,030,709	36,087,218	74,943,492	33%

Ksh. 36,087,218 was utilized as indicate in table 2, chart1 and 2

Table 2

Expense Item	Budget	Actual on Comparabl e Basis	Budget Utilization Difference	% of Utilization
Compensation of Employees	3,315,440	1,580,844	1,734,596	48%
Use of goods and services	10,997,052	6,656,297	4,340,755	67%
Transfers to Other Government Units	42,247,110	2,750,780	39,496,330	8%
Other grants and transfers	53,751,106	25,099,297	28,651809	50%
Acquisition of Assets	220,000	0	220,000	0%
Other Payments	500,000	0	500,000	0%
TOTALS	111,030,709	36,087,218	74,943,492	33%

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

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

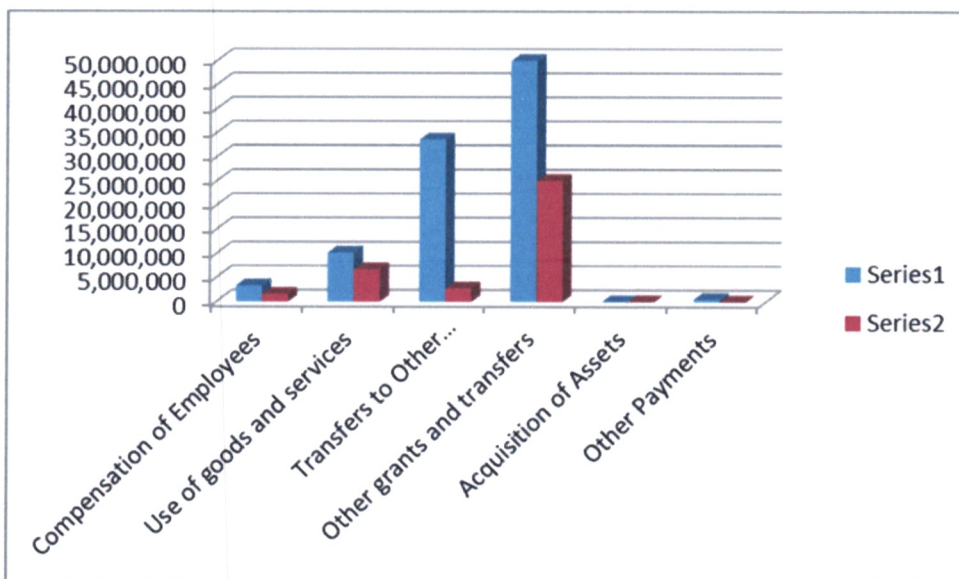


Chart1.

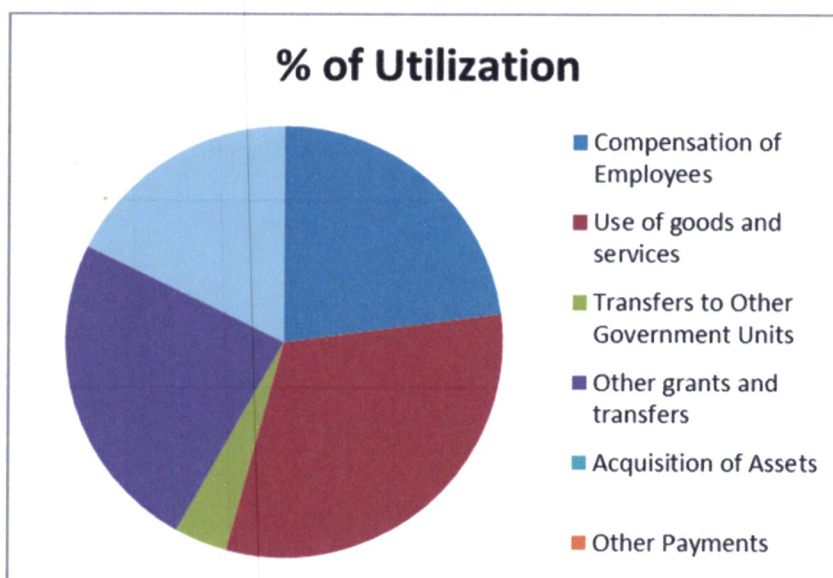


Chart 2

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

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

Achievements

Education

Funds were used for construction /renovation of libraries, classrooms, laboratories, dormitories, kitchen, latrines, water tanks and equipping of laboratories and libraries. Funding education has contributed to improved enrolment ,retention and transition rates. while reducing the burden of education for low income families.



St.Joseph Kipsaina Girls-Library

Bursary

Bursary funds were used to pay school for orphans and needy students in secondary schools and institutions of higher learning in the constituency thus increasing transition rate from secondary to institutions of higher while reducing the burden of education for low income families.



Mentorship for fully sponsorship

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

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

Sports Sector

Funds were used for to improve the playing field in schools, support athletic tournaments and purchase of sports equipment for school. This has ensured talent is nurtured at early stage.



kapkitony Primary school- School field

Environment Sector

The funds were used for purchase of water tanks for schools. This has enabled schools to harvest Rain water thus increasing accessibility of clean water for students.



Environment -Purchase of Tanks

Security Sector

The funds were used for construction of chief offices. This has enable the chiefs to have good working environment hence better service to the constituents



Samich Chief's office

Challenges

- Politics influence, this affected the approval of project proposals hence late disbursement of funds from NGCDFB.
- Project planning without proper designs and drawings leading to low cost estimates which result into insufficient allocation of funds to projects
- Poor project implementation due to low capacity of the committees (CDFCs and PMCs
- Spreading of funds to too many projects

The management of intends address the Challenges by;

- Improving on monitoring and evaluation by continuously conducting training CDFCs and PMCs
- Doing Public Education Campaigns: to create awareness and to enhance community participation in project identification and implementations.
- Engaging with relevant Government ministries i.e. Ministry responsible for Public Works so as to improve supervision of CDF projects.

Sign 

CHAIRMAN NGCDF COMMITTEE

REPUBLIC OF KENYA

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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Keiyo South Constituency set out on pages 1 to 26, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Keiyo South Constituency as at 30 June, 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Presentation and Disclosure of Financial Statement

The financial statements for the year ended 30 June 2018 presented for audit were prepared under the IPSAS cash basis contrary to the prescribed format and template of IPSAS Accrual basis in accordance with Public Sector Accounting Standards Board. As a result, the Fund did not comply with the Public Finance Management Act, 2012.

2.0 Kiebor Primary school

The National Government Constituencies Development Fund Committee (NGCDFC) allocated and disbursed Kshs.500,000 in the year under review for grading of the sports field. However, physical verification of the project revealed that no grading had been done. Under the circumstances, the propriety of the expenditure of Kshs.500,000 in the year ended 30 June 2018 could not be confirmed.

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

3.0 Project Management Committee Bank Balances

Note 15.4 to the financial statements shows that project management committees had a bank balance of Kshs.6,237,759 as at 30 June 2018. However, the cash books and bank reconciliation statements were not produced for audit review.

In consequence, the accuracy, completeness and existence of the project management committee bank balance of Kshs.6,237,759 as at 30 June 2018 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Keiyo South 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 matter(s) described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other matter

1.0 Budget Control and Performance

During the year under review, the Fund had approved budget of Kshs.111,030,709 against actual receipt of Kshs.56,246,227 or 49% resulting in an under expenditure of Kshs.74,943,492 or 67% of the approved budget as detailed below:

Audit Components	Final Budget Kshs.	Actuals Kshs.	Under Expenditure Kshs.	Under Expenditure %
Receipts				
Transfers from CDF Board	111,030,709	56,246,227	54,784,482	49
Total	111,030,709	56,246,227	54,784,482	49
Payments				
Compensation of Employees	3,315,440	1,580,844	1,734,596	52
Use of goods and services	10,997,052	6,656,297	4,340,755	39
Transfers to Other Government Units	42,247,110	2,750,780	39,496,330	93
Other grants and transfers	53,751,106	25,099,297	28,651,809	53
Acquisition of Assets	220,000	0	220,000	100
Other Payments	500,000	0	500,000	100
Total	111,030,709	36,087,218	74,943,491	67

Overall, from the above analysis, it is evident that the CDF under-spent on most of its

budget lines with Other Payments, Acquisition of Assets, Transfers to Other Government Units, other grants and transfers, Compensation of Employees and use of goods and services with the highest percentage of unutilized allocations of 100%, 100%, 93%, 53%, 52% and 39% respectively. The failure to utilize the funds resulted from delay in disbursements from NGCDF board. Consequently, the residents of Keiyo South Constituency were denied the benefits that would have accrued from the projects.

2.0 Project Implementation Status Report

During the year under review, the fund had an approved budget of Kshs.111,030,709 out of which they planned to implement 71 development projects at an estimated cost of Kshs.70,005,114 as shown on the attached Appendix.

Further, the Fund disbursed Kshs.3,543,180 to eleven projects. Out of these, four projects with allocation of Kshs.2,150,780 were complete, two projects with allocation of Kshs.1,100,000 were ongoing while five projects with allocation of Kshs.292,400 were not started as detailed below;

Project Name	Project activity	Amount Disbursed Kshs.	Implementation Status
Kitany Pry School	Purchase of desks	75,000	Complete
Kipsanai Pry School	Construction of administration block co- funded with safaricom foundation	1,275,780	Complete
Mokwo Pry School	Completion of dormitory	200,000	Complete
Kimwarer Sec School	Construction of one classroom	600,000	Complete
Kombatich Sec School	Construction of one classroom	600,000	Ongoing
Kiebor Pry School	Grading of sports field	500,000	Ongoing
Kipsanai Pry School	Planting of tree seedlings	43,100	Not planted waiting for rains
Sitotwo Pry School	Planting of tree seedlings	43,100	Not planted waiting for rains
Atnas Kandie Sec School	Planting of tree seedlings	43,100	Not planted waiting for rains
Toror Pry School	Planting of tree seedlings	43,100	Not planted waiting for rains
Environment sensitization		120,000	
Grand Total		3,543,180	

The delay in implementation resulted from late disbursements of funds by the NGCDF Board and non-funding of the entire approved budget. Consequently, the residents of Keiyo South Constituency were denied the benefits that would have accrued from the completion of projects during the financial year.

3.0 Physical Verification of Projects

During the year under review, nine (9) projects costing Kshs.2,780,080 were verified in the month of February 2019 and the following observations were made:

No	Project Name	Project Activity	Disbursement in 2017/2018 'Kshs'	Status
1	Kimwarer Secondary School	Construction of one classroom to completion	600,000	Complete, not in use ,not labeled and not handed over
2	Kipsaina Primary School	Construction of Admin block and modern Library-Cofounded (substructure walling)	1,275,780	Complete, not in use, not labeled and not handed over
3	Kombatich sec.school	Construction of one classroom	600,000	Not implemented
4	Mokwo primary school	Completion of dormitory, painting and drainage	200,000	Complete and in use
5	Kitany primary school	Purchase of desks for class eight	75,000	Implemented
6	Kipsanai Primary school	Purchase of tree seedlings and fencing	43,100	Not implemented
7	Kiebor primary school	Grading of sports field	500,000	Not implemented and document of title not verified
8	Sitotwo primary school	Purchase of tree seedlings and fencing	43,100	Implemented
9	St,Atnas kandie sec.school	Purchase of tree seedlings and fencing	43,100	Not implemented
	Total		2,780,080	

4.0 Unresolved Prior Year Matters

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

4.1 Cash and Bank Balance

The statement of financial assets reflects bank balance of Kshs.10,841,055. An audit examination of the bank reconciliation statement for the month of June 2017 showed unrepresented cheques amounting to Kshs.1,675,001 out of which Kshs.363,629 had not been cleared. Further, excluded in the balance of Kshs.10,841,055 are receipts in the bank

statement not recorded in the cash book totalling Kshs.148,408. No explanation has been provided for this anomaly.

In the circumstance, the accuracy and completeness of the bank balance of Kshs.10,841,055 as at 30 June 2017 could not be confirmed.

4.2 Unsupported Expenditure

The statement of receipts and payments reflect transfers to other government entities figure of Kshs.57,635,708 disbursed to various project management committees for various projects which comprises transfers to primary schools of Kshs.39,485,708 transfers to Secondary Schools figure of Kshs.17,350,000 and transfers to tertiary institutions balance of Kshs.800,000. However, actual expenditure returns from the project management committees were not availed for audit verification.

In the circumstances, the regularity of the transfers to other government entities figure of Kshs.57,635,708 for the year ended 30 June 2017 could not be confirmed.

4.3 Purchase of Land

Included in transfers to primary schools figure of Kshs.39,485,708 as disclosed in note 6 to the financial statements is a disbursement of Kshs.1,600,000 to Kiptenden Primary School for purchase of land. The School had earlier in 2014-2015 and 2015-2016 been funded with Kshs.1,000,000 and Kshs.500,000 for acquisition of land and construction of a classroom respectively raising the total funding to Kshs.3,100,100 as detailed below;

Date	Payment voucher No.	Cheque No.	Details	Amount (Kshs)
22 February 2017	402295	8216	Purchase of land	1,600,000
2015-2016			Construction of classroom	500,000
2014-2015			Purchase of land	1,000,000
Total (Kshs)				3,100,000

However, available information and an inspection of the project revealed that no land had been a purchased and no construction of classrooms had taken place. It was explained that this was a result of land succession issues. Bank statements availed for audit review confirmed that the funds were still being held in the project management account 01008030012225 at Sidian bank Eldoret. No explanation was provided for continuously funding a project with succession issues.

In the circumstances, the objectives of the project has not been achieved hence no value for money has been obtained on the total disbursement of Kshs.3,100,000 in respect of the project.

4.4 Kipyator Secondary School

Included in transfers to secondary schools figure of Kshs.17,350,000 is a disbursement of Kshs.850,000 to Kipyator Secondary School for construction of a classroom. The School had earlier in 2014-2015 and 2015-2016 been funded with Kshs.300,000 and Kshs.500,000

for construction of a science laboratory and a classroom respectively raising the total funding to Kshs.1,650,000 as detailed below;

Date	Payment Voucher No.	Cheque No.	Details	Amount (Kshs)
12-08-2014	401264	5155	Construction of science laboratory	300,000
22-06-2016	402200	7875	Construction of class room	500,000
09-02-2017	402301	8145	Construction of class room	850,000
Total				1,650,000

Available information and an inspection of the project revealed that no construction of classrooms had taken place. It was explained that the area faced a topographical challenge making it difficult to implement the projects. However, the project's bank statement made available revealed that confirmed that a balance of Kshs.1,486,619 was available in the account. However, expenditure returns or supporting documents for Kshs.163,381 utilized on the project were not availed for audit. Thus, the objectives of the project has not been achieved hence no value for money has been obtained on the total disbursement of Kshs.1,650,000 in respect of the project.

In the circumstances, the propriety of the expenditure of Kshs.163,381 for the year ended 30 June 2017 could not be confirmed.

4.5 Kipsaos Secondary School

Included in transfers to secondary schools figure of Kshs.17,350,000 is Kshs.500,000 disbursed to Kipsaos Secondary School for completion of abolition block having been funded with Kshs.500,000 in 2015/2016. A physical verification on 24 May 2018 revealed that the abolition block had not been started. On enquiry it was explained that the project management committee was in the process of identifying a contractor which has taken too long. However, bank statements and bank confirmation certificates were not availed for audit review.

In the circumstances, no value for money has been realized on the total disbursement of Kshs.1,000,000 to the project and the existence of the money disbursed to the project could not be confirmed.

4.6 Security Projects

Included in other grants and transfers figure of Kshs.63,224,479 is disbursements to security projects balance of Kshs.6,270,000. Although, the list of projects which were to be funded was availed, actual expenditure returns from project management committees to show how the funds were utilized were not availed for audit verification.

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

Under the circumstances, the regularity of the expenditure of Kshs.6,270,000 for the year could be confirmed.

4.7 Emergency Projects

Included also in other grants and transfers figure of Kshs.63,224,479 is disbursements to emergency projects balance of Kshs.7,400,000. Although, the list of projects which were to

be funded was availed, actual expenditure returns from those project management committees to show how the funds were utilized were not availed for audit verification. Thus, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, the regularity of the expenditure of Kshs.7,400,000 for the year could be confirmed.

4.8 Sports Projects

Other grants and transfers figure of Kshs.63,224,479 further included disbursements to Sports projects balance of Kshs.2,724,000 as disclosed in Note 7 to the financial statements. However, actual expenditure returns from those project management committees indicating how the funds were utilized were not availed for audit verification. Thus, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, the regularity of the expenditure of Kshs.2,724,000 for the year could be confirmed.

4.9 Other Capital Grants and Transfer

Other grants and transfers figure of Kshs.63,224,479 further included disbursements to emergency projects balance of Kshs.3,187,334 as disclosed in note 7 to the financial statements. Although, the list of projects which were to be funded was availed, actual expenditure returns from those project management committees to show how the funds were utilized were not availed for audit verification. Thus, it was not possible to confirm whether the money was used for the budgeted projects.

Under the circumstances, the regularity of the expenditure of Kshs.3,187,334 for the year could be confirmed.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter(s) described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance 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 National Government Constituencies Development Fund - Keiyo South Constituency ability to continue as a going concern/ sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the National Government either intends to liquidate the National Government Constituencies Development Fund - Keiyo South Constituency or to cease operations, or have no realistic alternative but to do so.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the National Government Constituencies Development Fund - Keiyo South Constituency financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to

address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the National Government Constituencies Development Fund - Keiyo South Constituency policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

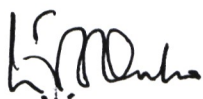
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for

my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the National Government Constituencies Development Fund - Keiyo South Constituency ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the National Government Constituencies Development Fund - Keiyo South Constituency to cease to continue as a going concern or to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the National Government Constituencies Development Fund - Keiyo South Constituency to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

Nairobi

6 August 2019

Appendices

Appendix 1

PROJECTS IMPLEMENTATION STATUS REPORT AS AT 30 JUNE 2018

Financial Year	Project Name	Project activity	Amount Allocated Kshs.	Implementation Status	Remarks
2014/2015	Mokwo Pry School	Construction of culvert	200,000	Complete	Reallocation from Chemwabul Road (approved by the board ref no)
2015/2016.	Menone Pry School	Purchase of land	250,000	Complete	Reallocation from Kapchemwor ECD (approved by the board ref no)
2015/2016.	Kitany Pry School		75,000	Complete	Complete
2015/2016.	Kitany community hall		50,000	Complete	Complete
2016/2017	Emergency		1,350,000	Complete	Funds kshs.1,275,780 was reallocated to Kipsanai primary school (approved by the board ref no)
2015/2016	Kimwarer sec school	Construction of one classroom	600,000	Complete	Complete
2017/2018	Molol Primary school	Rehabilitation of 2 classrooms (replacement of roof)	250,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Tambul primary school.	Completion of Boys Dormitory. (Doors and windows fixing, plastering, glazing, wiring and painting work and ablution block.)	1,500,000	Not funded	Funds not received as at 30 June 2018

Financial Year	Project Name	Project Activity	Amount Allocated Kshs.	Implementation Status	Remarks
2017/2018	Kapsowek primary school	Completion of two classrooms (Ceiling work, wiring, and painting work.)	300,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Cheboge primary school	Completion of a classroom. (Purchase of Door and windows hence fixing, plastering, glazing, wiring and painting work).	200,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kaptubei primary school	Completion of dining hall Painting work and purchase of improved Jikos.	545,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Chepsigot primary school	Completion of administration block (Flooring, Wiring, Glazing and painting work.)	545,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapchebelel Secondary School	Completion of one classroom. (Plastering, glazing, wiring and painting work.)	300,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kimwogo Secondary School	Purchase of 30 lockers and chairs	150,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Tugumoi mixed day secondary school	Completion of a classroom. (Ceiling, wiring and painting work.)	200,000	Not funded	funds not received as at 30 June 2018
2017/2018	Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	568,966	Not funded	Funds not received as at 30 June 2018
2017/2018	Constituency Innovation Hubs Project	Implementation of the Constituency Innovation Hubs Project@ a cost of kshs. 1,169,256.80 per site (procurement of satellite, Antenna, Router, Digital Access Kit and Digital ruggedized tables, Wi-Fi with outdoor wireless device complete with 12U cabinet complete with installation accessories)	4,677,027	Not funded	Funds not received as at 30 June 2018
2017/2018	Koimur primary school	Completion of classroom (Purchase of Door and windows fixing, glazing, wiring and painting work.)	200,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Munyek Primary school	Construction of one classroom	800,000	Not funded	Funds not received as at 30 June 2018

Financial Year	Project Name	Project Activity	Amount Allocated Kshs.	Implementation Status	Remarks
2017/2018	Setano primary school.	Completion of classroom (Wiring, Glazing and painting work.)	150,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Teber primary school.	Completion of classroom (Plastering, glazing, wiring and painting work.)	200,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapkosom Primary school	Completion of classroom (Roofing, door and windows fixing, plastering, glazing, wiring and painting work)	300,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapkosom Primary school	Construction of two classrooms	1,682,111	Not funded	Funds not received as at 30 June 2018
2017/2018	Sesia Primary school	Completion of classroom (Purchase of Door and windows fixing, glazing, wiring and painting work.)	200,000	Not funded	funds not received as at 30 June 2018
2017/2018	Ngobisi Primary school	Construction of one classroom	800,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kamosong primary school.	Completion of Dormitory.(Door and windows fixing, plastering, glazing, wiring and painting work and ablution block.)	1,000,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Sitotwo primary school.	Completion of Dormitory.co -funded with PTA(Roofing, door and windows fixing, plastering, glazing, wiring and painting	2,000,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kipsaina integrated primary school.	Completion of Dormitory. (Door and windows fixing, plastering, glazing, wiring and painting work and ablution block.)	1,000,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kamwago primary school.	Completion of Classroom (Plastering, glazing, wiring and painting work)	300,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Mosorto primary school	Completion of a classroom. (Door and windows fixing, plastering, glazing, wiring and painting work and ablution block.	300,000	Not funded	funds not received as at 30 June 2018

Financial Year	Project Name	Project Activity	Amount Allocated Kshs.	Implementation Status	Remarks
2017/2018	Poywech primary school	Completion of 4.no. classrooms. (Wiring, Glazing and Painting.)	300,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kipkabus down primary school.	Completion of a classroom. (Plastering, glazing, wiring and painting work.)	200,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Mencheiwa Primary school	Completion of one classroom constructed by PTA . (plastering, glazing, wiring and painting work and branding.)	300,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kombatich primary school.	Completion of a classroom. (Purchase of Door and windows hence fixing, plastering, glazing, wiring and painting work).	200,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kiptenden primary school	Completion of a classroom. (Purchase of Door and windows hence fixing, plastering, glazing, wiring and painting work).	200,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kewane primary school	Construction of one classroom	800,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Muskut primary school	Construction of one classroom	800,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Mutugen primary school	Construction of one classroom	700,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kitany primary school	Construction of one classroom	700,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Sabor primary school	Rehabilitation of 5 classrooms (floor, plastering keying and painting.)	900,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kaptarkok primary school	Construction of one classroom	700,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kocholwo sec. school.	Completion of dormitory (Roofing, door and windows fixing, plastering, glazing,	1,100,000	Not funded	Funds not received as at 30 June 2018

Financial Year	Project Name	Project Activity	Amount Allocated Kshs.	Implementation Status	Remarks
2017/2018	Turesia Secondary school	Construction of one classroom Kshs.800,000 and purchase of 40 lockers & chairs Ksh200,000	1,000,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapletingi Mixed Day Secondary school	Construction of two classrooms	1,400,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Ketigoi secondary school	Completion of laboratory (roofing windows fixing, plastering, plumbing, Lab table gas system, painting and branding)	500,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Ketigoi secondary school	Construction of one classroom	700,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapchebelei Secondary School	Construction of one Classroom	700,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Lolgarini Secondary School	Construction of one Classroom	700,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kipkabus down Secondary school.	Purchase of 30 lockers and chairs	150,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Tugumoi mixed day secondary school	construction of two classrooms	1,400,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapchorwa Mixed Day secondary school	Construction of Two classrooms	1,500,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kombatich Mixed Day secondary school	Construction of Two classrooms	1,500,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Chepsamo Mixed Day secondary school	Construction of three classrooms	2,100,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kaptilol mixed day secondary school	Construction of one classroom	700,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kaptilol mixed day secondary school	construction of Bookstore	600,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Epke Assistant Chiefs office	Construction of Chief's Office	1,100,000	Not funded	Funds not received as at 30 June 2018

Financial Year	Project Name	Project Activity	Amount Allocated Kshs.	Implementation Status	Remarks
2017/2018	Cheptebo Chiefs Office	Construction of Chief's Office	1,100,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Rokocho Chiefs Office	Construction of Chief's Office	1,100,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapkwoni Chiefs office	Construction of Chiefs Office	1,100,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapkitony Chiefs office	Purchase of office desks and chairs	200,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Tumeiyo Assistant Chiefs Office	Construction of Chiefs Office	1,100,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kipchiloi primary school.	Construction of 1 classroom to completion	800,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kamwago primary school.	Rehabilitation of 7 classrooms.	800,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Chemwabul primary school.	Construction of 1 classroom	1,000,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kapsoo primary school.	Rehabilitation of 8 classrooms	1,000,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Simotwo High school.	Construction of 1 classroom to completion	1,000,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Teber Secondary school.	Construction of 1 classroom to completion	1,000,000	Not funded	Funds not received as at 30 June 2018
2017/2018	Kiptengwer Assistance Chief's office	Construction of Assistance Chief's office	1,000,000	Not funded	Funds not received as at 30 June 2018
2015/2016	Kipyator Simit secodary	completion laboratory walling and roofing	800,000	Not started	Awaiting for additional funds
2013/2014	Kabalwat Dispensary	Purchase of access road	300,000	Not started	Funds to be reallocated to Kabalwalt primary school
2015/2016.	Kipkalwa ECD School		50,000	Not started	Reallocated to Matugen pri mary school approval by the board)

Financial Year	Project Name	Project Activity	Amount Allocated Kshs.	Implementation Status	Remarks
2012/2013	Nyaru Market Shade		500,000	Not started	Funds reallocated nyaru chiefs office
2014/2015	Contituency Audit		500,000	Not started	Funds reallocated awaiting approval
2017/2018	CDFC,PMC and Staff Capacity Building	Undertake Training of the PMCs/ CDFCs & staff on CDF Related issues	1,000,000	Ongoing	Not fully utilized
2017/2018	Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	4,568,966	Ongoing	
2017/2018	Environment	purchase of 25 5000litre PVC water tanks for 25 schools for Kshs.1,500,000 Senetwo primary, Lelboinet secondary Kapletingi primary, I Sitotwo primary poywech primary, Kapkut primary, Simotwo primary, Simotwo primary, Mencheiwa primary ,Chepsamo mixed day secondary Sabor primary, Chebulbul primary Chemwabul primary, Muskut mixed day secondary ,Kipyator-simit mixed day secondary, Surmoo primary, Kaptere primary, Changach barak mixed day secondary, Emis primary, Kabawa primary Kapkosom, primary Kasar ,primary Kimwarer ,primary, Kipsaos secondary and Werep primary and conservation of water catchment areas Kshs.236,206	1,736,207	Ongoing	
2017/2018	Sports	Supporting of schools, and youth groups sports tournaments and Championships, purchase of sports equipments, uniforms and trophies for the winning teams	1,736,207	Ongoing	Kshs.1,500,000 reallocated to Koptega primary school.

Financial Year	Project Name	Project Activity	Amount Allocated Kshs.	Implementation Status	Remarks
2017/2018	Strategic plan	Preparation and launching of five year strategic plan	3,500,000	Ongoing	Awaiting launching
2016/2017	sports	Grading of sports fields	1,137,931	Ongoing	Kshs.637,931 reallocated for construction of classroom
2016/2017	Environment	Planting of tree seedlings in schools	732,700	Ongoing	Waiting for the rains to plant tree seedlings
2015/2016	Kombatich sec school	construction of one classroom	600,000	Ongoing	At walling
TOTALS			70,005,114		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**KEIYO SOUTH 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 NGCDF board	1	45,405,172	136,413,268
Proceeds from Sale of Assets	2	0	
Other Receipts	3	0	
TOTAL RECEIPTS		45,405,172	136,830,288
PAYMENTS			
Compensation of employees	4	1,580,844	3,657,801
Use of goods and services	5	6,656,297	8,655,711
Transfers to Other Government Units	6	2,750,780	57,635,708
Other grants and transfers	7	25,099,297	63,224,479
Acquisition of Assets	8	0	447,110
Other Payments	9	0	0
TOTAL PAYMENTS		36,087,218	133,620,809
SURPLUS/(DEFICIT)		9,317,954	2,792,458

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Keiyo South Constituency financial statements were approved on 12th September, 2018 and signed by:


Fund Account Manager
Name: Caren Jeruto


Sub-County Accountant
Name: Winny Chesesio
ICPAK Member Number:

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

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

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	20,299,304	10,841,055
Cash Balances (cash at hand)	10B	-	-
Current receivable-Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		20,299,304	10,841,055
FINANCIAL LIABILITIES			
Accounts Payable- Retention	12	17,675	-
NET FINANCIAL ASSETS		20,281,629	10,841,055
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	10,841,055	8,048,597
Surplus for the year		9,317,954	2,792,458
Prior year adjustments	14	122, 619	-
NET LIABILITIES		20,281,629	10,841,055

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF Keiyo South Constituency financial statements were approved on 12th September, 2018 and signed by:


Fund Account Manager
Name: Caren Jeruto


Sub-County Accountant
Name: Winny Chesusio
ICPAK Member Number:

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

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

v.i. STATEMENT OF CASHFLOW

Receipts for operating income		2017 - 2018	2016 - 2017
Transfers from NGCDF Board	1	45,405,172	136,413,267.70
Other Receipts	3		-
		45,405,172	136,413,267.70
Payments for operating expenses			
Compensation of Employees	4	1,580,844	3,657,801.00
Use of goods and services	5	6,656,297	8,655,711.45
Transfers to Other Government Units	6	2,750,780	57,635,707.90
Other grants and transfers	7	25,099,297	63,224,479
Other Payments	9	-	-
		36,087,218	133,173,699.35
Adjusted for:			
Adjustments during the year	14	122,619	-
Retention	12	17,675	
Net cash flow from operating activities		9,458,248	3,239,568.35
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		
Acquisition of Assets	9	-	447,110
Net cash flows from Investing Activities		9,458,248	(447,110.00)
		-	
NET INCREASE IN CASH AND CASH EQUIVALENT		9,458,248	2,792,458.35
Cash and cash equivalent at BEGINNING of the year	13	10,841,055	8,048,597.10
Cash and cash equivalent at END of the year		20,299,304	10,841,055

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Keiyo South Constituency financial statements were approved on 12th September and signed by:


Fund Account Manager
Name: Caren Jeruto


Sub-County Accountant
Name: Winny Chesusio
ICPAK Member Number:

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

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	86,810,344	24,220,365	111,030,709	56,246,227	54,784,482	51%
Proceeds from Sale of Assets	-		-	-	-	
Other Receipts	-		-	-	-	
TOTAL	86,810,344	24,220,365	111,030,709	56,246,227	54,784,482	51%
PAYMENTS						
Compensation of Employees	2,515,440	800,000	3,315,440	1,580,844	1,734,596	48%
Use of goods and services	5,077,491	5,919,561	10,997,052	6,656,297	4,340,755	67%
Transfers to Other Government Units	32,772,110	9,475,000	42,247,110	2,750,780	39,496,330	8%
Other grants and transfers	46,225,303	7,525,803	53,751,106	25,099,297	28,651,809	50%
Acquisition of Assets	220,000	-	220,000	-	220,000	0%
Other Payments	-	500,000	500,000		500,000	0%
TOTAL	86,810,344	24,220,365	111,030,709	36,087,218	74,943,492	33%

(a) No revenue items,

(b) commentary on significant underutilization (below 90% of utilization)

Expense Item	% Utilisation	
Compensation of Employees	48	Delay of funds
Use of goods and services	64	Delay of funds

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

Transfers to Other Government Units	8	Delay of funds
Other grants and transfers	50.	Delay of funds
Acquisition of Assets	0.0%	Delay of funds
Other Payments	0.0%	Delay of funds

- c) The changes between the original and final budget are as a result of balance brought forward at the beginning of the financial of ksh. 10,841,055, ksh 2,000,000 being funds for 2015/2016 received in 2017/2018 and supplementary allocation of ksh, 11,376,310.

The NGCDF- Keiyo South Constituency financial statements were approved on 12th September, 2018 and signed by:


Fund Account Manager
Name: Caren Jeruto


Sub-County Accountant
Name: Winny Cheseio
ICPAK Member Number:

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

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

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Funds

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH
CONSTITUENCY**

**Reports and Financial Statements
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SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2018.

14. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

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

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017-2018	2016-2017
		Kshs	Kshs
NGCDF Board			
AIE NO	1		54,516,716.00
AIE NO	2		4,094,827.60
AIE NO	3		36,853,449.00
AIE NO			40,948,275.10
AIE NO 855850	1	5,500,000	
AIE NO 892663	2	2,000,000	
AIE NO 892890	3	37,905,172	
TOTAL		45,405,172	136,413,267.70

2. PROCEEDS FROM SALE OF ASSETS

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

	2017-2018	2016-2017
	Kshs	Kshs
Basic wages of contractual employees	1,099,344	1,712,413.
Basic wages of casual labour	46,300	60,000.
Personal allowances paid as part of salary		
House allowance	210,000	259,000
Transport allowance	210,000	259,000
Leave allowance	-	24,000
Gratuity	15,200	16,200
Other personnel payments		
Total	1,580,844	3,657,801

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2017-2018	2016-2017
	Kshs	Kshs
Committee Expenses	1,727,000	4,698,500
Utilities, supplies and services	59,072	43,201
Communication, supplies and services	135,540	116,250
Domestic travel and subsistence	416,700	308,300
Printing, advertising and information supplies & services	205,730	95,360
Rentals of produced assets	-	-
Training expenses	1,644,600	1,453,801
Hospitality supplies and services	216,376	290,211
Insurance costs	-	169,801
Specialized materials and services	-	-
Office and general supplies and services	209,990	252,010
Other operating expenses	73,275	211,177
Routine maintenance – vehicles and other transport equipment	436,685	618,158
Routine maintenance – other assets	1,042,229	34,612
Fuel ,oil & lubricants	489,100	364,330
Total	6,656,297	8,655,711

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018	2016-2017
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	1,550,780	39,485,707
Transfers to secondary schools (see attached list)	1,200,000	17,350,000
Transfers to tertiary institutions (see attached list)	-	800,000
Transfers to health institutions (see attached list)	-	-
TOTAL	2,750,780	57,635,708

7. OTHER GRANTS AND OTHER PAYMENTS

	2017-2018	2016- 2017
	Kshs	Kshs
Bursary – secondary schools (see attached list)	13,799,980	19,925,889
Bursary – tertiary institutions (see attached list)	10,402,641	22,938,290
Bursary – special schools (see attached list)	104,276	208,966
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	-	6,270,000
Sports projects (see attached list)	500,000	2,724,000
Environment projects (see attached list)	292,400	3,187,334
Emergency projects (see attached list)	-	7,400,000
Total	25,099,297	63,224,479

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets

	2017-2018	2016-2017
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	243,705
Purchase of ICT Equipment, Software and Other ICT Assets	-	203,405
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	447,110

9. OTHER PAYMENTS

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

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

KCB ITEN BRANCH , Account No1103235605 KSHS	2017-2018	2016-2017
	Kshs	Kshs
KCB Iten Branch Account No1103235605	20,299,304	10,841,055
Total	20,299,304	10,841,055
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
[Provide cash count certificates for each]		

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

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

12 RETENTION

	2017 - 2018	2016-2017
	Kshs	Kshs
Supplier 1	17,675	0
Total	17,675	0

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2017-2018	2016-2017
	Kshs	Kshs
Bank accounts	10,841,055	-
Cash in hand	-	-
Imprest	-	-
Total	10,841,055	-

[Provide short appropriate explanations as necessary]

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017- 2018 Kshs	2016-2017 Kshs
Bank accounts	122,619	-
Cash in hand	-	-
Imprest	-	-
Total	122,619	122,619

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Others (<i>Gratuity</i>)	-	-
	-	-

15.3: UNUTILIZED FUNDS (See Annex 3)

	Kshs	Kshs
Compensation of employees	1,734,596	-
Use of goods and services	3,316,619	-
Amounts due to other Government entities (see attached list)	32,896,330	-
Amounts due to other grants and other transfers (see attached list)	24,896,637	-
Acquisition of assets	220,000	-
Others (<i>Audit</i>)	500,000	-
Supplementary budget -allocated awaiting approval	11,379,310	-
	74,943,492	-

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KEIYO SOUTH
CONSTITUENCY**

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	6,237,759	
	6,237,759	

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-KENYO SOUTH)
Reports and Financial Statements
For the year ended June 30, 2018 (Ksh)

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						

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-KEIYO SOUTH
Reports and Financial Statements
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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
Senior Management							
1.		a	b	c	d=a-c		
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

NATIONAL GOVERNMENT ENTITY CONSTITUENCY DEVELOPMENT FUND (NGCDF)-KENYO SOUTH)
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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		1,734,596		
Use of goods & services		3,316,619		
Amounts due to other Government entities				
	Transfer to Primary School Projects	21,672,111	575,000	
	Transfer to Secondary School Projects	16,700,000		
	Transfer to Health	0	220,000	
Sub-Total		38,372,111	875,000	
Amounts due to other grants and other transfers				
	Bursary Secondary Schools	1,700,000	0	
	Bursary colleges and university	1,100,000	0	
	Bursary special Schools	386,206	0	
	Emergency	568,965	1,350,000	
	Sports	1,736,206	1,137,931	
	Environment	1,736,206	732,700	
	Security	6,700,000	550,000	
Sub-Total		13,927,583	3,770,631	
Acquisition of assets	purchase of photocopier	220,000	0	
Sub-Total		220,000	0	
Others (specify)				
	HUB(CT)	4,677,027	0	
	Strategic Plan	3,500,000	0	
Sub-Total		8,177,027		
Grand Total		65,967,936	4,645,631	

NATIONAL GOVERNMENT ENTITY CONSTITUENCY DEVELOPMENT FUND (NGCDF)-KEYO SOUTH

**Reports and Financial Statements
For the year ended June 30, 2018 (Kshs)**

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	520,000	0	0	520,000
Buildings and structures	8,380,295	0	0	8,380,295
Transport equipment	8,297,696	0	0	8,297,696
Office equipment, furniture and fittings	468,212	0	0	468,212
ICT Equipment, Software and Other ICT Assets	603,405	0	0	603,405
Other Machinery and Equipment	286,620	0	0	286,620
Heritage and cultural assets	-	0	0	-
Intangible assets	-	0	0	-
Total	18,556,228	0	0	18,556,228

**NATIONAL GOVERNMENT ENTITY CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KEIYO SOUTH)**

Reports and Financial Statements

For the year ended June 30, 2018 (Kshs)

ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18
Chepsigot Primary School	Equity	1530263754053	61,465
Kapkossom Primary School	Equity	300298252599	366,366
Koimur Primary School	Equity	1090298124788	648
Munyek Primary School	Equity	300262715919	8,945
Ngobisi Primary School	KCB	1103470892	79,924
Cheboge Primary School	National	1024028318601	321,888
Kamosong Primary School	National	1024028352001	53,260
Kipsaina Inter.Primary School	National	1024027848600	168,793
Tambul Boarding Pry School	National	102428230100	253,935
Chepsamo Sec School	Sidian	1008030016412	31,690
Epke Chief'S Office	Sidian	1008030017830	27,806
Kamwago Primary School	Sidian	1008030017820	129
Kapchebelel Sec. School	Sidian	1008030017280	8,239
Kapkitony Chiefs Office	Sidian	1008030019077	12,204
Kapkwoni Chiefs Office	Sidian	1008030019057	148,246
Kapletingi Sec School	Sidian	1008030017380	57,934
Kapsowek Primary School	Sidian	1008030000839	27,124
Kaptarkok Primary School	Sidian	1008030006802	10,136
Kaptilol Day Sec School	Sidian	1008030015062	300
Kaptubei Primary School	Sidian	1008030009410	827
Kewane Ecd	Sidian	1008030017440	436
Kimwogo Mixed Day Sec. School	Sidian	1008030014678	-
Kipkabus Down Primary School	Sidian	1008030018739	63
Kipkabus Downs Sec. School-St Gregory	Sidian	1008030016642	6,086
Kiptenden Primary School	Sidian	1008030012225	3,126,378

**NATIONAL GOVERNMENT ENTITY CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KEIYO SOUTH)**

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For the year ended June 30, 2018 (Kshs)**

PMC	Bank	Account number	Bank Balance 2017/18
Kitany Primaryschool	Sidian	1008030017640	2,433
Kocholwo Sec. School	Sidian	1008030016022	11,067
Kombatich Mixed Day School	Sidian	1008030017050	601,618
Kombatich Primaryschool	Sidian	1008030000480	110,628
Lolgarini Mixed Day Sec. School.	Sidian	1008030015526	10,854
Matungen Primary school	Sidian	1008030017630	279,334
Molol Primary School	Sidian	1008030016282	50,129
Mosorto Primary School	Sidian	1008030014252	60,483
Poywech Primaryschool	Sidian	1008030009844	1,621
Sabor Primary School	Sidian	1008030016972	33,404
Setano Primary School	Sidian	1008030019087	47,596
Sitotwo Primary School	Sidian	1008030018419	152,547
St.Thomas Kapchorwa Day School	Sidian	1008030015501	6,374
ST.Benedict Teber Primary School	Sidian	1008030017140	31,555
Tugumoi Mixed Day Sec Sch	Sidian	1008030008112	8,447
Ketigoi Sec School	Sidian	1008030014791	374
Muskut Primary School	Sidian	1008030006144	222
Sesia Primary School	Sidian	100803000741	56,257
		TOTALS	6,237,759

**NATIONAL GOVERNMENT ENTITY CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KEIYO SOUTH)**

**Reports and Financial Statements
For the year ended June 30, 2018 (Kshs)**

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Cash and bank balance	Ksh. 148,408 has been recorded in the cash book and ksh 363,629 are renewed cheques which had not been presented to the bank.	FAM	resolved	30 th Oct 2018
2.1	Unsupported expenditure	All the project files containing the actual expenditure returns were provided to auditors during the audit review and even when responding to the audit issues, project codelist was also provided	FAM	Not resolved	30 th Oct 2018
2.2	Purchase of Land	The school is waiting for Gazette Notice for them to continue land transaction	FAM	Not resolved	30 th Oct 2018
2.3	Kipyator Secondary School	Implementation of the project is currently ongoing	FAM	resolved	30 th Oct 2018
2.4	Kipsaos Secondary School	Implementation of the project is currently ongoing	FAM	resolved	30 th Oct 2018
3.1	Bursary Expenses	Ward Bursary minutes, NGCDFC minutes and bursary acknowledgement receipts files were provided to auditors during the audit review and even when responding to the audit issues	FAM	Not resolved	30 th Oct 2018
3.2	Security Projects	Security project files containing the actual expenditure returns were provided to auditors during the audit review and even when responding to the audit issues	FAM	Not resolved	30 th Oct 2018

**NATIONAL GOVERNMENT ENTITY CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KEIYO SOUTH)**

**Reports and Financial Statements
For the year ended June 30, 2018 (Kshs)**

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)
3.3	Emergency projects	Emergency project files containing the actual expenditure returns were provided to auditors during the audit review and even when responding to the audit issues	FAM	Not resolved	30 th Oct 2018
3.4	Sports projects	Sports project files containing the actual expenditure returns were provided to auditors during the audit review and even when responding to the audit issues	FAM	Not resolved	30 th Oct 2018
4.0	Project Management Committee Bank Balance	Summary of expenditure returns was provided in each project file, project bank statements and project bank schedule confirmed by the banks were also provided.	FAM	Not resolved	30 th Oct 2018

