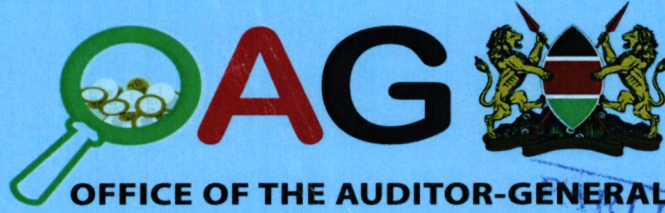


REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
BURETI CONSTITUENCY**

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

THE NATIONAL ASSEMBLY
PAPERS & ID

DATE: 17 NOV 2021

DAY: Wed

TABLED BY: Deputy Majority Leader
Hon. Jimmy Angweni

CLERK-AT-THE-TABLE: Gertrude Chebet





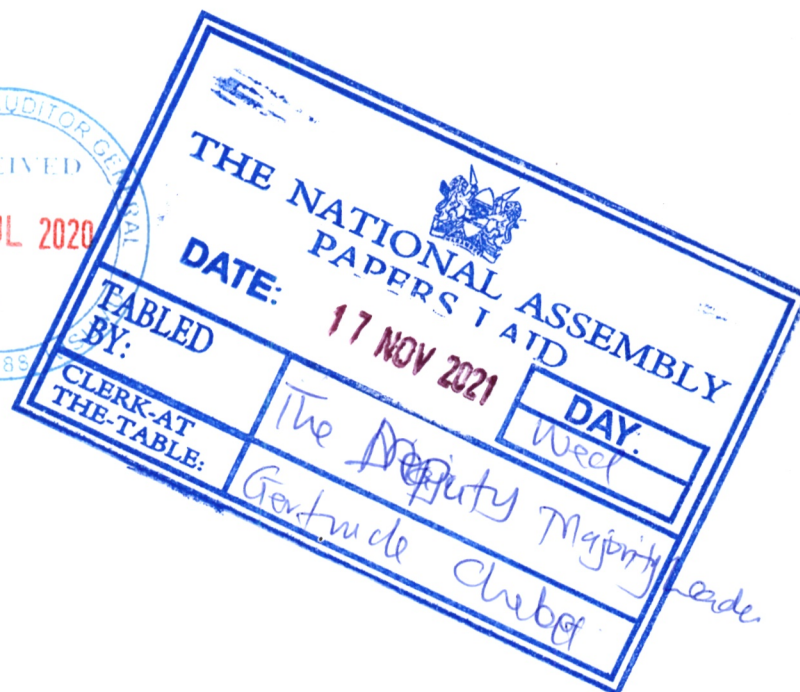


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – BURETI
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019

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



10.10

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BURETI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

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

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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)
BURETI CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

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 BURETI 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 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Esau Kemboi
2.	Sub-County Accountant	Stephen Chirchir
3.	Chairman NGCDFC	Anthony Keter
4.	Member NGCDFC	Vincent Soi

(d) Fiduciary Oversight Arrangements

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

P.O. Box 43
NGCDF Building
Next to Bureti Sub-county Headquarters
Litein, Kericho County

BURETI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

(f) NGCDF BURETI Constituency Contacts

Telephone: (254) 723501835
E-Mail cdfbureti@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF BURETI Constituency Bankers

1. EQUITY BANK
A/C 0530261223447
LITEIN BRANCH

(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)
BURETI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The Bureti National Government Constituency Development Fund in the Financial Year 2018/2019 had a total receipt from the NGCDFB of Kshs. 108,784,483. During the Financial year Kshs 106,779,170. was spent. This left a balance of 10,763,438 at the close of financial year. Our Total Budget Utilization was therefore 37.4%, this was due to late disbursement of funds. A Total of Kshs 36,219,153. was spent on Bursaries to needy students in the constituency. Bureti NGCDFC is eagerly waiting for the final disbursement of Funds from the Board so that we can be able to complete projects for Financial Year 2018/2019 on time.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NGCDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approved of proposals and reallocations.

Bureti NGCDFC fully committed to ensure that projects are funded in one phase i.e from start to completion so that the community can get value for their taxes and also to adhere to the presidential directive that all ongoing projects within the country should be completed.

We look forward to a better Performance in the next financial year 2019/2020

Sign



CHAIRMAN NGCDF COMMITTEE: Anthony Keter

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-BURETI 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-BURETI 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-BURETI 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-BURETI 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-BURETI Constituency financial statements were approved and signed by the Accounting Officer on _____ 2019.



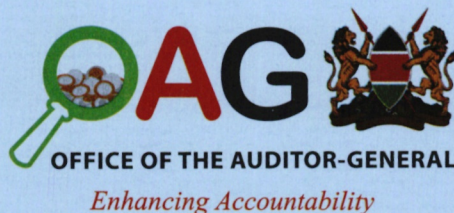
Fund Account Manager
Esau Kemboi



Sub-County Accountant
Stephen Chirchir

REPUBLIC OF KENYA

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



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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Bureti Constituency set out on pages 6 to 31, which comprise of the statement of assets and liabilities as at 30 June, 2019, 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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Bureti Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with the 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 Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Bureti 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 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 were no key audit matters to report in the year under review.

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.172,525,884 and Kshs.117,485,008 respectively, resulting to an under-funding of Kshs.55,040,876 or 32% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.172,526,184 and Kshs.106,779,170 respectively, resulting to an under expenditure of Kshs.65,747,014 or 38% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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. Delay in Project Completion

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers total of Kshs.44,922,946. The balance includes an amount of Kshs.900,000, under security projects, disbursed for the completion of two Assistant County Commissioner houses at Kapkatet out of the contract sum of Kshs.1,500,000.

Although, as at the time of audit in July, 2020, the works had already been done and paid for, the ceiling boards had already been damaged due to leaking roofs an indication of poor workmanship. In addition, it was noted that pending works included doors, painting and window panes.

Consequently, the propriety of an amount of Kshs.900,000 disbursed towards the project for the year ended 30 June, 2019 could not be confirmed.

2. Un-utilized Project

As disclosed in Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other Government Units balance of Kshs.48,620,214. The balance includes an amount of Kshs.750,000 disbursed to Nelson Mandela High School for construction of a classroom, under transfers to secondary schools. However, a visit to the school during the audit in June, 2020 revealed that although the classroom had been completed, it was yet to be put to use due to lack of toilets in the new school.

Consequently, the public did not get value for money in respect of a total of Kshs.750,000 incurred on the classroom for the year ended 30 June, 2019.

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 overall 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 overall governance.

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

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 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 overall 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 overall 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 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 applicable 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

15 October, 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BURETI CONSTITUENCY

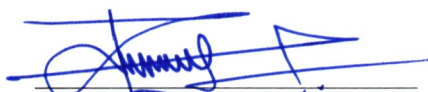
Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
RECEIPTS			
Transfers from NGCDF board	1	108,784,483	46,305,172
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	0	125,000
TOTAL RECEIPTS		108,784,483	46,430,172
PAYMENTS			
Compensation of employees	4	2,529,319	1,562,854
Use of goods and services	5	10,625,191	4,277,307
Transfers to Other Government Units	6	48,620,214	0
Other grants and transfers	7	44,922,946	32,063,114
Acquisition of Assets	8	81,500	0
Other Payments	9	0	0
TOTAL PAYMENTS		106,779,170	37,903,275
SURPLUS/(DEFICIT)		2,005,313	8,526,897

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


Fund Account Manager
Esau Kemboi


Sub-County Accountant
Stephen Chirchir

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BURETI CONSTITUENCY

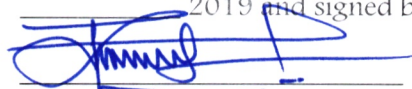
Reports and Financial Statements

For the year ended June 30, 2019

IV. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	10,763,438	8,700,525
Cash Balances (cash at hand)	10B	0	0
Total Cash and Cash Equivalents		10,763,438	8,700,525
Current receivables - Outstanding Imprests	11	0	0
TOTAL FINANCIAL ASSETS		10,763,438	8,700,525
FINANCIAL LIABILITIES			
Accounts payable - Retention	12	0	0
NET FINANCIAL ASSETS		10,763,438	8,700,525
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	8,700,825	173,627
Surplus/Deficit for the year		2,005,313	8,526,597
Prior year adjustments	14	57,600	0
NET FINANCIAL POSITION		10,763,438	8,700,525

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

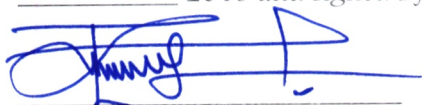

Fund Account Manager
Esau Kemboi


Sub-County Accountant
Stephen Chirchir

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**BURETI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2019****V. STATEMENT OF CASHFLOW**

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	108,784,483	46,305,172
Other Receipts	3	0	125,000
Total receipts		108,784,483	46,430,172
Payments			
Compensation of Employees	4	2,529,319	1,562,854
Use of goods and services	5	10,625,191	4,277,307
Transfers to Other Government Units	6	48,620,214	0
Other grants and transfers	7	44,922,946	32,063,114
Other Payments	9	81,500	0
Total payments		106,779,170	37,903,275
Total Receipts Less Total Payments		2,005,313	8,526,897
Adjusted for:			
Outstanding imprest	11	0	0
Retention Payable	12A	0	0
Gratuity Payable	12B	0	0
Prior year adjustments	14	57,600	0
Net Adjustments		57,600	0
Net cash flow from operating activities		2,062,913	8,526,897
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	9	0	0
Net cash flows from Investing Activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENT		2,062,613	8,526,897
Cash and cash equivalent at BEGINNING of the year	13	8,700,525	173,627
Cash and cash equivalent at END of the year		<u>10,763,438</u>	<u>8,700,525</u>

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



Fund Account Manager
Esau Kemboi



Sub-County Accountant
Stephen Chirchir

VI. 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 NGCDF Board	109,040,876	63,485,008	172,525,884	117,485,008	55,040,876	68.1%
Proceeds from Sale of Assets						
Other Receipts						
	109,040,876	63,485,008	172,525,884	117,485,008	55,040,876	68.1%
PAYMENTS						
Compensation of Employees	2,200,000	537,446	2,737,446	2,529,319	208,127	92.4%
Use of goods and services	7,613,679	6,051,589	13,665,268	10,625,191	3,040,077	77.9%
Transfers to Other Government Units	47,687,700	42,215,215	89,902,915	48,620,214	41,282,701	54.1%
Other grants and transfers	51,539,497	9,922,231	61,461,728	44,922,946	16,538,782	73.1%
Acquisition of Assets	0	81,500	81,500	81,500	0	100.0%
Other Payments	0	4,677,027	4,677,027	0	4,677,027	0.0%
TOTALS	109,040,876	63,485,008	172,526,184	106,779,170	65,747,014	61.9%

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the “AIA” alongside the revenue category.]

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. On Receipts, the Total Receipts from the NGCDF Board is 68.1% which is due to late disbursement of funds from NGCDFB.
- ii. On Use of Goods and Services budget 77.9% was utilised this was due to delayed transfer of funds from NGCDFB
- iii. On transfer to Other Government Units Budget, 54.1% was utilised this was due to delayed disbursement of funds from NGCDFB
- iv. On Other Grants and Transfers budget 73.1% was utilised this was due to delayed disbursement of funds from NGCDFB.
- v. On Other Payments Budget, the amount was not utilised due to the ongoing Reallocation of projects process.

Reports and Financial Statements

For the year ended June 30, 2019

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

The NGCDF-BURETI Constituency financial statements were approved on _____ 2019 and signed by:



Fund Account Manager
Esau Kemboi



Sub-County Accountant
Stephen Chirchir

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BURETI 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 2018/2019 Kshs	Adjustments 2018/2019 Kshs	Final Budget 2018/2019 Kshs	Actual on comparable basis 2018/2019 Kshs	Budget utilization difference 2018/2019 Kshs
1.0 Administration					
Employees' Salaries	2,200,000.00		2,200,000.00	1,991,873.00	208,127.00
Goods And Services	2,534,452.53		2,534,452.53	1,271,492.38	1,262,960.15
Committee Expenses	1,600,000.00		1,600,000.00	1,600,000.00	0.00
N.S.S.F	145,000.00		145,000.00		145,000.00
N.H.I.F	63,000.00		63,000.00		63,000.00
Employees' Salaries		537,146.00	537,146.00	537,146.00	0.00
Goods And Services		1,561,809.62	1,561,809.62	1,561,809.62	0.00
Committee Expenses		149,000.00	149,000.00	149,000.00	0.00
N.S.S.F		112,000.00	112,000.00	16,309.00	95,691.00
N.H.I.F		78,800.00	78,800.00		78,800.00
Sub-Total	6,542,452.53	2,438,755.62	8,981,208.15	7,127,630.00	1,853,578.15
2.0 Monitoring And Evaluation					
Goods And Services	100,000.00		100,000.00		100,000.00
Committee Expenses	1,971,226.27		1,971,226.27	1,635,000	336,226.27
Capacity Building Of NG- Cdfs/Pmcs	1,200,000.00		1,200,000.00	977,000.00	223,000.00
Goods And Services		7,000.00	7,000.00		7,000.00
Committee Expenses		425,509.32	425,509.32		425,509.32
Capacity Building Of NG- Cdfs/Pmcs		372,378.68	372,378.68	-	372,378.68
Sub-Total	3,271,226.27	804,888.00	4,076,114.27	2,612,000.00	1,464,114.27
3.0 Emergency					
Emergency	5,738,993.45		5,738,993.45	672,069.49	5,066,923.96

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BURETI CONSTITUENCY

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For the year ended June 30, 2019

Emergencies		4,167,930.51	4,167,930.51	4,167,930.51	0.00
Sub-Total	5,738,993.45	4,167,930.51	9,906,923.96	4,840,000.00	5,066,923.96
Bursary Secondary Schools	22,000,000.00		22,000,000.00	22,000,000.00	0.00
Bursary Tertiary Schools	16,160,000.00		16,160,000.00	13,219,153.00	2,940,847.00
Bursary Secondary Schools		500,000.00	500,000.00	500,000.00	0.00
Bursary Tertiary Schools		500,000.00	500,000.00	500,000.00	0.00
Sub-Total	38,160,000.00	1,000,000.00	39,160,000.00	36,219,153.00	2,940,847.00
5.0 Sports					
Sports Activities	2,180,817.51		2,180,817.51		2,180,817.51
Sports Activities		1,963,793.10	1,963,793.10	1,963,793.10	0.00
Sub-Total	2,180,817.51	1,963,793.10	4,144,610.61	1,963,793.10	2,180,817.51
7.0 Primary School Projects					
Kaitamat Primary School	750,000.00		750,000.00		750,000.00
Tiriitab Moita Primary School	750,000.00		750,000.00		750,000.00
Bakitira Primary School	750,000.00		750,000.00		750,000.00
Kiptenden Primary School	550,000.00		550,000.00		550,000.00
Tiriitab Eito Primary School	750,000.00		750,000.00		750,000.00
Kaptebengwet Primary School	750,000.00		750,000.00		750,000.00
Kongasis Primary School	750,000.00		750,000.00		750,000.00
Kapsimbiri Primary School	750,000.00		750,000.00		750,000.00
Ngororga Primary School	500,000.00		500,000.00		500,000.00
Butiik Primary School	750,000.00		750,000.00		750,000.00
Cheplanget Junieur Pry School	750,000.00		750,000.00		750,000.00
Kipsomoi Primary School	750,000.00		750,000.00		750,000.00
Tegat Primary School	750,000.00		750,000.00		750,000.00
Tegat Primary School	170,000.00		170,000.00	170,000.00	0.00
Roronya Primary School	750,000.00		750,000.00		750,000.00
Butiik Primary School	600,000.00		600,000.00		600,000.00
Sinendet Primary School	750,000.00		750,000.00		750,000.00
Siongi Primary School	250,000.00		250,000.00		250,000.00
Chesingoro Primary School	750,000.00		750,000.00	750,000.00	0.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BURETI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Chesingoro Primary School	500,000.00		500,000.00	500,000.00	0.00
Wochi Primary School	750,000.00		750,000.00		750,000.00
Kaldit Primary School	750,000.00		750,000.00		750,000.00
Kiptiriri Primary School	407,700.00		407,700.00		407,700.00
Koitabai Primary School	750,000.00		750,000.00		750,000.00
Botoni Primary School	750,000.00		750,000.00		750,000.00
Charera Primary School	750,000.00		750,000.00		750,000.00
Siritiet Primary School	750,000.00		750,000.00		750,000.00
Kiptewit Primary School	500,000.00		500,000.00		500,000.00
Litiik Primary School	800,000.00		800,000.00	800,000.00	0.00
Chelelachbei Primary School	750,000.00		750,000.00		750,000.00
Kaminjeiwa Primary School	750,000.00		750,000.00		750,000.00
Kenene Primary School	350,000.00		350,000.00	350,000.00	0.00
Kenene Primary School	50,000.00		50,000.00	50,000.00	0.00
Kamenjo Primary School	750,000.00		750,000.00		750,000.00
Kimoro Primary School	500,000.00		500,000.00		500,000.00
Chepkongony Primary School	500,000.00		500,000.00		500,000.00
Koiyet Primary School	150,000.00		150,000.00		150,000.00
Cheptagum Primary School	750,000.00		750,000.00		750,000.00
Kamachumo Primary School	750,000.00		750,000.00		750,000.00
Kamachumo Primary School	500,000.00		500,000.00	500000	0.00
Shinners Primary School	1,280,000.00		1,280,000.00	1,280,000.00	0.00
Kaptirbet Primary School	700,000.00		700,000.00		700,000.00
Kiatait Primary School	2,000,000.00		2,000,000.00	2,000,000.00	0.00
Kapchelach Primary School	750,000.00		750,000.00		750,000.00
Kamanamsim Primary School	700,000.00		700,000.00		700,000.00
Ketiisiek Primary School	500,000.00		500,000.00		500,000.00
Kipkerieny Primary School	400,000.00		400,000.00		400,000.00
Kapcheboi Primary School	200,000.00		200,000.00		200,000.00
Kipkerieny Primary School		200,000.00	200,000.00		200,000.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BURETI CONSTITUENCY

Reports and Financial Statements

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Soet Primary School		300,000.00	300,000.00		300,000.00
Bakitira Primary School		300,000.00	300,000.00		300,000.00
Kutwet Primary School		300,000.00	300,000.00		300,000.00
Chebagal Primary School		750,000.00	750,000.00	750,000.00	0.00
Chebagal Primary School		450,000.00	450,000.00	450,000.00	0.00
Lalagin Primary School		450,000.00	450,000.00	450,000.00	0.00
Ngeny Primary School		410,000.00	410,000.00	410,000.00	0.00
Cheribo Ochi Primary School		450,000.00	450,000.00	450,000.00	0.00
Kamachumo Primary School		750,000.00	750,000.00	750,000.00	0.00
Nganaset Primary School		750,000.00	750,000.00	750,000.00	0.00
Nganaset Primary School		450,000.00	450,000.00	450,000.00	0.00
Koituk Primary School		750,000.00	750,000.00	750,000.00	0.00
Chematich Primary School		450,000.00	450,000.00	450,000.00	0.00
Chemoiben Primary School		250,000.00	250,000.00	250,000.00	0.00
Kipkosil Primary School		750,000.00	750,000.00	750,000.00	0.00
Kipkosil Primary School		450,000.00	450,000.00		450,000.00
Mabwaita Primary School		300,000.00	300,000.00	300,000.00	0.00
Kaptirbet Primary School		450,000.00	450,000.00	450,000.00	0.00
Chepkulgong Primary		750,000.00	750,000.00	750,000.00	0.00
Kaptele Primary School		450,000.00	450,000.00		450,000.00
Kabisaga Primary School		450,000.00	450,000.00	450,000.00	0.00
Kabisaga Primary School		750,000.00	750,000.00	750,000.00	0.00
Kitait Primary School		541,593.48	541,593.48	541,593.48	0.00
Korongoi Primary School		200,000.00	200,000.00	200,000.00	0.00
Kapcheboi Primary School		450,000.00	450,000.00	450,000.00	0.00
Tepkutwet Primary School		250,000.00	250,000.00	250,000.00	0.00
Cheptendeniet Primary School		250,000.00	250,000.00	250,000.00	0.00
Lelach Primary School		750,000.00	750,000.00		750,000.00
Chesanga Primary School		1,500,000.00	1,500,000.00	1,500,000.00	0.00
Cheplanget Primary School		450,000.00	450,000.00	450,000.00	0.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BURETI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Sebetet Primary School		450,000.00	450,000.00	450,000.00	0.00
Masubeti Primary School		450,000.00	450,000.00	450,000.00	0.00
Kenene Primary School		450,000.00	450,000.00	450,000.00	0.00
Kaminjeiwet Primary School		450,000.00	450,000.00	450,000.00	0.00
Tuiyobei Primary School		750,000.00	750,000.00	750,000.00	0.00
Kapsenetwet Primary School		750,000.00	750,000.00	750,000.00	0.00
Monoru Primary School		450,000.00	450,000.00	450,000.00	0.00
Reresik Primary School		400,000.00	400,000.00	400,000.00	0.00
Kapchelach Primary School		750,000.00	750,000.00	750,000.00	0.00
Charera St. Pauls Primary School		450,000.00	450,000.00	450,000.00	0.00
Siongi Primary School		450,000.00	450,000.00	450,000.00	0.00
Litiik Primary School		530,000.00	530,000.00	530,000.00	0.00
Kibugat Primary School		400,000.00	400,000.00	400,000.00	0.00
Kibaraa Primary School		450,000.00	450,000.00	450,000.00	0.00
Kiptenden Primary School		700,000.00	700,000.00	700,000.00	0.00
Kabusienduk Primary School		450,000.00	450,000.00	450,000.00	0.00
Kaptebengwo Primary School		450,000.00	450,000.00	450,000.00	0.00
Sagatet Primary School		300,000.00	300,000.00	300,000.00	0.00
Kiptobon Primary School		750,000.00	750,000.00	750,000.00	0.00
Kapkisiara Primary School		450,000.00	450,000.00	450,000.00	0.00
Kimoro Primary School		750,000.00	750,000.00	750,000.00	0.00
Koiyet Primary School		750,000.00	750,000.00	750,000.00	0.00
Kimugul Primary School		750,000.00	750,000.00	750,000.00	0.00
Kimugul Primary School		425,000.00	425,000.00	425,000.00	0.00
Chematich Primary School		750,000.00	750,000.00	750,000.00	0.00
Kiptobon Primary School		700,000.00	700,000.00	700,000.00	0.00
Butiik Primary School		433,620.69	433,620.69	433,620.69	0.00
Chesamisiet Primary School		750,000.00	750,000.00	750,000.00	0.00
Ketiisiek Primary School		1,000,000.00	1,000,000.00	1,000,000.00	0.00
Ngororga Primary School		300,000.00	300,000.00	300,000	0.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BURETI CONSTITUENCY

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For the year ended June 30, 2019

Cheptendeniet Primary School		300,000.00	300,000.00	300,000	0.00
Tepkutwet Primary School		300,000.00	300,000.00	300,000	0.00
Chebarema Primary School		300,000.00	300,000.00	300,000	0.00
Roret Primary School		300,000.00	300,000.00	300,000.00	0.00
Kapkusum Primary School		300,000.00	300,000.00	300,000.00	0.00
Sub-Total	31,607,700.00	34,140,214.17	65,747,914.17	37,790,214.17	27,957,700.00
8.0 Secondary School Projects					
Arokyet Girls Sec School	300,000.00		300,000.00		300,000.00
Kelunet Secondary School	800,000.00		800,000.00		800,000.00
Kiptobon Secondary School	750,000.00		750,000.00		750,000.00
Lalagin Secondary School	630,000.00		630,000.00	630,000.00	0.00
Kaptele Sec School	750,000.00		750,000.00		750,000.00
Rungut Secondary School	750,000.00		750,000.00	750,000.00	0.00
Kabitungu Secondary School	750,000.00		750,000.00		750,000.00
Mombwo Secondary	750,000.00		750,000.00		750,000.00
Sosit Day Secondary	750,000.00		750,000.00		750,000.00
Kusumek Secondary	750,000.00		750,000.00		750,000.00
Litein Day Secondary School	750,000.00		750,000.00		750,000.00
Sebetet Secondary School	500,000.00		500,000.00	500,000.00	0.00
Kaborus Secondary School	3,000,000.00		3,000,000.00		3,000,000.00
Nelson Mandela Secondary School	1,200,000.00		1,200,000.00		1,200,000.00
Itoik Secoondary School	1,900,000.00		1,900,000.00		1,900,000.00
Ngesumin Girls Secondary School	750,000.00		750,000.00		750,000.00
Tebesonik Secondary School	1,000,000.00		1,000,000.00	1,000,000.00	0.00
Lalagin Secondary School		750,000.00	750,000.00	750,000.00	0.00
Kapchelach Sec School		750,000.00	750,000.00	750,000.00	0.00
Chepkulgong Secondary School		750,000.00	750,000.00	750,000.00	0.00
Kapsinendet Sec School		450,000.00	450,000.00	450,000.00	0.00
Getarwet Day Secondary School		750,000.00	750,000.00	750,000.00	0.00
Kaminjeiwet Secondary School		750,000.00	750,000.00	750,000.00	0.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BURETI CONSTITUENCY

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Getarwet Day Secondary School		750,000.00	750,000.00	750,000.00	0.00
Tebesonik Secondary School		1,500,000.00	1,500,000.00	1,500,000.00	0.00
Kiptewit Girls Secondary School		750,000.00	750,000.00	750,000.00	0.00
Nelson Mandela High School		750,000.00	750,000.00	750,000.00	0.00
Sub-Totals	16,080,000.00	7,950,000.00	24,030,000.00	10,830,000.00	13,200,000.00
Security Projects					
10.0 Security Projects					
Ngesumin Chiefs Office	160,000.00		160,000.00		160,000.00
Ngesumin Chiefs Office	599,685.76		599,685.76		599,685.76
Tulwet Chiefs Office	350,000.00		350,000.00		350,000.00
Chemoiben Chiefs Office	200,000.00	-	200,000.00		200,000.00
Kapsogut Chief Office	150,000.00		150,000.00		150,000.00
Bureti Divisional Hq/Litein Police Station	4,000,000.00		4,000,000		4,000,000.00
Deputy County Comissioner Headquarters Bureti		1,000,000.00	1,000,000.00	1,000,000.00	0.00
Kapkatet Acc Quarters		900,000.00	900,000.00	900,000.00	0.00
Cheborge Acc Quarters		1,000,000.00	1,000,000.00		1,000,000.00
Sub Total	5,459,685.76	2,900,000.00	8,359,685.76	1,900,000.00	6,459,685.76
12.0 Others					
Strategic Plan		3,500,000.00	3,500,000.00	3,496,380	3,620.00
Sub-Total	-	3,500,000.00	3,500,000.00	3,496,380.00	3,620.00
Constituency Innovation Hubs Project (CIH)		4,677,027.20	4,677,027.20		4,677,027.20
Sub-Total	-	4,677,027.20	4,677,027.20	-	4,677,027.20
GRAND TOTAL	109,040,875.52	63,542,608.60	172,583,484.12	106,779,170.27	65,804,313.85

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based.)

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-BURETI 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 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.

BURETI CONSTITUENCY

Reports and Financial Statements

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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(s) 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, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law. 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 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	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE NO A855775	1		5,500,000
AIE NO A892655	2		2,900,000
AIE NO A892877	3		37,905,172
AIE NO B005153	1	54,784,483	
AIE NO B030168	2	10,000,000	
AIE NO B030362	3	12,000,000	
AIE NO B006305	4	8,000,000	
AIE NO B042720	5	11,000,000	
AIE NO B042987	7	13,000,000	
TOTAL		108,784,483	46,305,172

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Total	0	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from Sale of tender documents	0	125,000
Other Receipts Not Classified Elsewhere	0	0
Total	0	125,000

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	1,932,399	1,562,854
Basic wages of casual labour	0	0
Personal allowances paid as part of salary		
House allowance	0	0
Transport allowance	0	0
Leave allowance	0	0
Gratuity – paid	532,270	0
- Accrued	0	0
Other personnel payments	64,650	0
Total	2,529,319	1,562,854

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Committee Expenses	3,410,000	3,009,360
Utilities, supplies and services	151,365	40,000
Communication, supplies and services	0	0
Domestic travel and subsistence	581,800	56,000
Printing, advertising and information supplies & services	308,700	110,000
Rentals of produced assets	0	0
Training expenses	977,000	355,000
Hospitality supplies and services	360,000	300,000
Insurance costs	0	0
Specialized materials and services	0	0
Office and general supplies and services	0	0
Other operating expenses	393,878	0
Routine maintenance – vehicles and other transport equipment	646,068	0
Fuel, Oil and Lubricants	300,000	200,000
Strategic Plan	3,496,380	0
Total	10,625,191	4,277,307

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities	0	0
Transfers to primary schools (see attached list)	37,790,214	0
Transfers to secondary schools (see attached list)	10,830,000	0
Transfers to tertiary institutions (see attached list)	0	0
Transfers to health institutions (see attached list)	0	0
TOTAL	48,620,214	0

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	22,532,653	17,121,314
Bursary – tertiary institutions (see attached list)	13,686,500	13,371,800
Bursary – special schools (see attached list)	0	0
Mock & CAT (see attached list)	0	0
Security projects (see attached list)	1,900,000	600,000
Sports projects (see attached list)	1,963,793	0
Environment projects (see attached list)	0	0
Emergency projects (see attached list)	4,840,000	970,000
Total	44,922,946	32,063,114

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	81,500	0
Purchase of Specialised Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
Total	81,500	0

9. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
ICT Hub	0	0
TIVET	0	0
	0	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>Equity Bank, Litein Branch A/C No. 0530261223447</i>	10,763,438	8,700,525
Total	10,763,438	8,700,525
10B: CASH IN HAND		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations (<i>specify</i>)	0	0
Total	0	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	N/A	0	0	0
<i>Total</i>				<u><u>0</u></u>

12A. RETENTION

	2018 - 2019	2017-2018
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1	0	0
Supplier 2	0	0
Supplier 3	0	0
Total	<u><u>0</u></u>	<u><u>0</u></u>

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	<i>Kshs</i>	<i>Kshs</i>
Name 1	0	0
Name 2	0	0
Name 3	0	0
Add as appropriate		
Total	<u><u>0</u></u>	<u><u>0</u></u>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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13. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	8,700,525	173,627
Cash in hand	0	0
Imprest	0	0
Total	8,700,525	173,627

14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	57,600	0
Cash in hand	0	0
Imprest	0	0
Total	57,600	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019 Kshs	2017-2018 Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0
	0	0

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
NGCDFC Staff	0	0
Others (<i>specify</i>)	0	0
	0	0
	0	0

15.3: UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	208,127	0
Use of goods and services	3,097,677	0
Amounts due to other Government entities (see attached list)	41,282,701	0
Amounts due to other grants and other transfers (see attached list)	16,538,782	0
Acquisition of assets	0	0
Others (<i>ICT HUBS</i>)	4,677,027	0
	65,804,314	0
	65,804,314	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: Summary Of Fixed Assets Register (See Annex 4)

	2018-2019	2017-2018
	Kshs	Kshs
Summary of Fixed Assets Register (Various)	12,081,500	12,000,000
	12,081,500	12,000,000

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	-	-
	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-BURETI CONSTITUENCY
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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	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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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	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (specify)						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-BURETI CONSTITUENCY
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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	10,000,000			10,000,000
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	2,000,000			2,000,000
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	12,000,000			12,000,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-BURETI
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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Chebagal Primary School	Equity Bank	0530272403400	781.75	0
Lalagin Primary School	Equity Bank	0530277701850	475.00	0
Ngeny Primary School	Equity Bank	0530193686220	156.26	0
Cheribo Ochi Primary Schoo	Equity Bank	0530271405329	3,660.00	0
Kamachumo Primary School	Equity Bank	0530279003048	50,350.00	0
Nganaset Primary School	Equity Bank	0530197539879	565,415.65	0
Koitung Primary School	Equity Bank	0530277633473	685.00	0
Chematich Primary School	Equity Bank	0530277686694	1,100.00	0
Chemoiben Primary School	Equity Bank	0530277674491	0.00	0
Kipkosil Primary School	Equity Bank	0530162157390	702.50	0
Mabwaita Primary School	Equity Bank	0530199191092	743.81	0
Chepkulgong Primary	Equity Bank	0530277645384	505.00	0
Kaptele Primary School	Equity Bank	0530294393759	748,770.00	0
Kitait Primary School	Equity Bank	0530166492966	2,541,713.45	0
Korongoi Primary School	Equity Bank	0530168695024	200,250.00	0
Tepkutwet Primary School	Equity Bank	0530277700084	300,000.00	0
Cheptendeniet Primary School	Equity Bank	0530166049212	300,045.00	0
Lelach Primary School	Equity Bank	0530192554095	15.20	0
Cheplanget Primary School	Equity Bank	0530165668723	215.00	0
Sebetet Primary School	Equity Bank	0530167297509	665.00	0
Masubeti Primary School	Equity Bank	0530266641167	805.00	0
Kenene Primary School	Equity Bank	0530167502037	799,750.00	0
Kaminjeiwet Primary School	Equity Bank		350.00	0

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PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
		0530277692254		
Tuiyobei Primary School	Equity Bank	0530193399267	603,230.25	0
Kapsenetwet Primary School	Equity Bank	0530193692486	425.11	0
Reresik Primary School	Equity Bank	0530271559348	399,965.00	0
Kapchelach Primary School	Equity Bank	0530277685602	37,760.00	0
Charera St. Pauls Primary School	Equity Bank	0530277658462	820.00	0
Siongi Primary School	Equity Bank	0530277659186	605.00	0
Litiik Primary School	Equity Bank	0530277697454	1,329,760.00	0
Kibugat Primary School	Equity Bank	0530262218662	5,075.00	0
Kibaraa Primary School	Equity Bank	0530178623995	290.00	0
Kabusienduk Primary School	Equity Bank	0530170199045	360.00	0
Kaptebengwo Primary School	Equity Bank	0530277687497	180.00	0
Sagatet Primary School	Equity Bank	0530277687676	580.00	0
Kiptobon Primary School	Equity Bank	0530277635006	1,225.00	0
Kapkisiara Primary School	Equity Bank	0530277700450	420.00	0
Kimoro Primary School	Equity Bank	0530162134159	150.00	0
Koiyet Primary School	Equity Bank	0530193798429	508.00	0
Lalagin Secondary School	Equity Bank	0530277701870	630,625.00	0
Kapchelach Sec School	Equity Bank	0530297541291	45.00	0
Kapsinendet Sec School	Equity Bank	0530268801916	24,260.00	0
Getarwet Day Secondary School	Equity Bank	0530166550018	1,400.00	0
Kaminjeiwet Secondary School	Equity Bank	0530277735240	10,220	0

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Referen ce No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designatio n)	Status: (Resolve d / Not Resolve d)	Timefram e: (Put a date when you expect the issue to be resolved)
1.0	Inaccuracies in the Financial Statements	The statement of receipts and payments reflects transfers from CDF board of Kshs 46,305,172 while the summary statement of Appropriation: recurrent and development combined reflects a balance of Kshs. 46,478,799 resulting into unexplained variance of Kshs. 173,627.00.	FAM	Not Resolved	1 Month
2.0	Inaccurate Cash and Cash Equivalentents	The statement of assets reflects bank balance of Kshs.8,700,525 which differs with the reconciled cash book balance of Kshs.8,700,824.60 by unexplained variance of Kshs.299.60.	FAM	Not Resolved	1 Month
3.0	Non-acknowledged Bursary	An expenditure of Kshs.30,429,053 was incurred on disbursements of bursary to secondary schools and tertiary institutions. However, only acknowledgement letters for Kshs. 22,398,700 were presented for audit verifications leaving a balance of Kshs. 8,030,353 unaccounted for.	FAM	Not Resolved	1 Month
4.0	Summary of Fixed Assets	The summary of fixed assets register presented under annex 4 reflects office equipment, furniture and fittings brought forward from previous year of Kshs 2,000,000. However, physical verification of the fixed assets carried out on 26 March 2018 revealed the following; Furniture and computer accessories worth Kshs 742,500 were acquired in year 2014 for the purpose of running a library within the CDF premises. It was however observed that the furniture has been lying idle since acquisition and the computer accessories were diverted to other activities.	FAM	Not Resolved	1 Month



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