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REPORT

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OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
FUND - KURESOI SOUTH CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2020**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
KURESOI NORTH CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020**

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

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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Mission

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

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
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 Kuresoi North 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 2020 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Johnstone Kering
2.	Sub-County Accountant	Benard Kirui
3.	Chairman NGCDFC	Joel Cheruiyot Koech
4.	Member NGCDFC	Samuel M Ataya

(d) Fiduciary Oversight Arrangements

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

NGCDF Office Building.
P.O Box 27-20106
Molo.

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(f) NGCDF KURESOI NORTH Constituency Contacts

Telephone: (254) 0723 499 782
E-mail:kuresoinorth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF KURESOI NORTH Constituency Bankers

1. Equity Bank
Molo Branch- Account No.0230261662434
P.o Box 484-20106
Molo

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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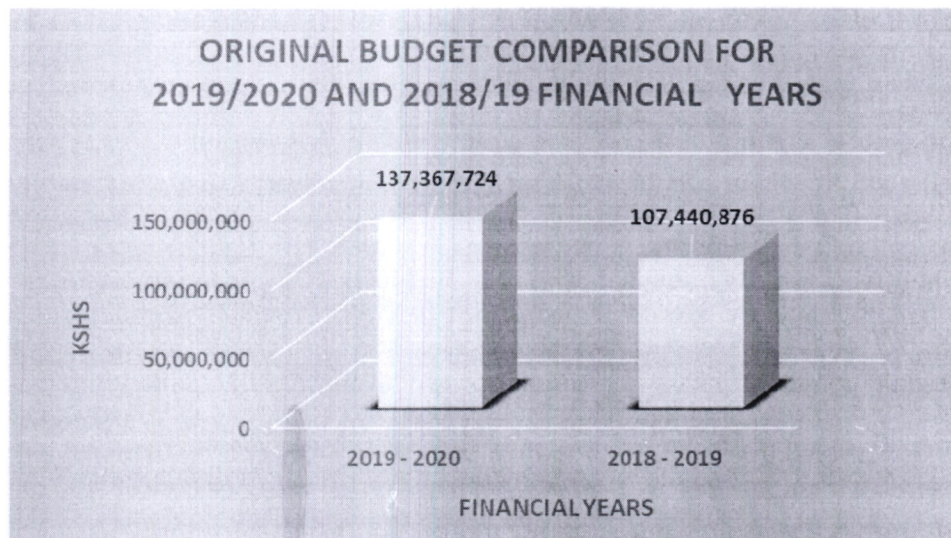
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The Kuresoi North National Government Constituency Development Fund had an original budget of One Hundred and Thirty Seven Million Three Hundred and Sixty Seven Thousand Seven Hundred Twenty Four Shillings (Kshs 137,367,724). There was an adjustment of Eighteen Million Three Hundred and Eighty One Thousand Sixty Nine Shillings (Kshs 18,381,069) bringing total budget for the constituency to One Hundred Fifty Five Million Seven Hundred Forty Eight Thousand Seven Hundred Ninety Three Shillings (Kshs 155,748,793). The Constituency received Sixty Nine Million Six Hundred Thousand Shillings (Kshs 69,600,000) by end of June 2020. Our budget has been funded by 55.5%. In the year ended transfers to other government entities utilised Kshs 45,579,278 accounting for 51.5% of its allocation. Other grants and transfers utilised Kshs 21,253,869 accounting for 47.7% of its allocation. Cumulatively we managed to spend 46.7% of the available funds. The NG-CDFC was able to disburse the funds to the project management committees as soon as the funds were available. Most of the projects implemented are at various stages of completion. Some are complete and are already in use. The project management committee is the model used in the Constituency for the implementation of projects. The NG-CDF Board did its best to disburse the funds to the constituency by December 2019 when the first disbursement for the year was received. We look forward to improved services so that funds are received by project management committees and utilised before end of the financial year to enable the NG-CDFC implement its projects as budgeted within the financial year. We look forward to better performance in the next financial year 2020/2021. The following is the pictorial representation of the constituency's performance;

Original Budget Comparison

Financial Year	2019 -2020 (Kshs)	2018 – 2019 (Kshs)
Allocation	137,367,724	107,440,876

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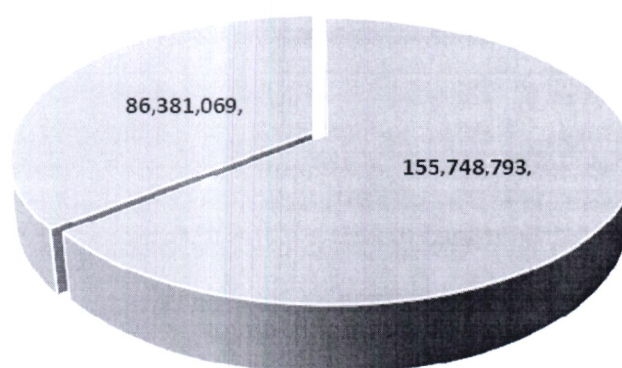
- ★ From the 3-D column chart above, it is clear that there was an upward increase in budget from 2018-2019 financial year compared to 2019-2020 financial year.

Final Budget vs. Actuals on Comparable basis

Receipt/Expense Item	Final Budget (Kshs)	Actual on Comparable Basis (Kshs)
Transfers from NGCDF Board		
TOTAL	155,748,793	86,381,069

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Final Budget vs Actuals on Comparable Basis



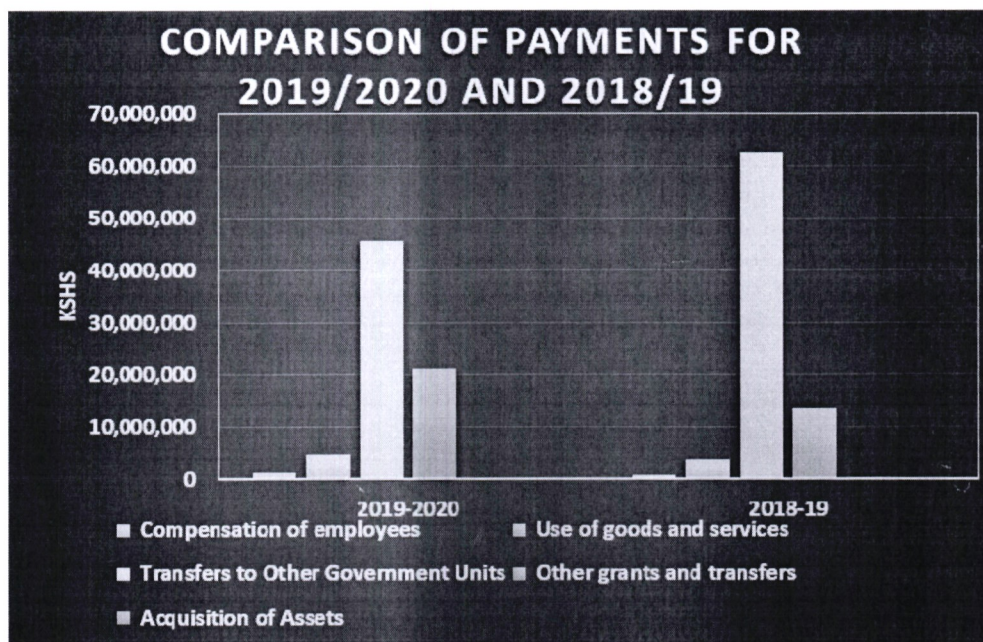
■ Final Budget ■ Actual on Comparable Basis

- ★ The 3-D pie charts illustrates final budget in relation to actuals on comparable basis. During the year, there was Kshs 5,200,000 which was not disbursed by the NGCDF Board to the constituency as illustrated above.

PAYMENTS

Programmes	2019-2020 (Kshs)	2018-19 (Kshs)
Compensation of employees	1,215,252	1,215,252
Use of goods and services	4,731,019	5,444,300
Transfers to Other Government Units	45,579,278	76,171,172
Other grants and transfers	21,253,869	28,769,891
Acquisition of Assets	-	104,000
Total	72,779,418	111,704,615

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- ★ The column charts illustrates comparison of payments for various programmes which were implemented during 2019-2020 and 2018-2019 financial years. From the bar graphs, it shows that there was fewer programmes/projects which were implemented during 2019-2020 than 2018-2019 financial year which corresponds to amount disbursed by NG-CDF Board to the constituency during the year though there was an increase in the annual budget for 2019-2020 financial years.
- ★ The following photographs are some of the projects which were implemented and completed during the year.

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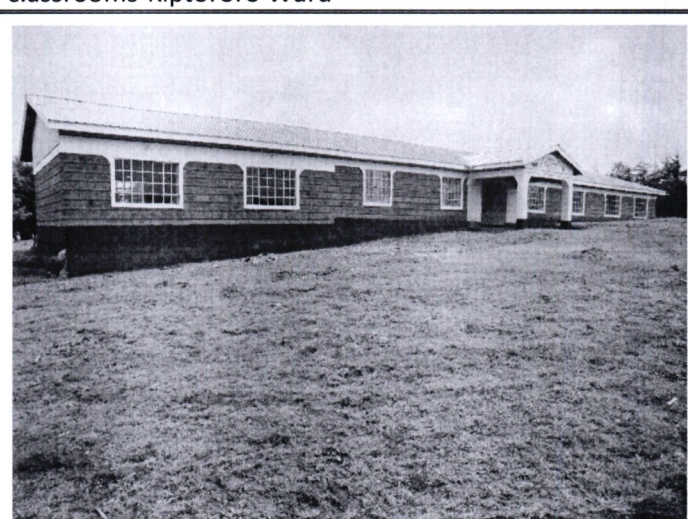
Maraba Primary School-2 Classrooms-Kamara Ward



Segutioi Ngariet Pri School-Construction of 2 classrooms-Kiptororo Ward



Kondamet Pri School-Construction of two Classrooms-Nyota Ward



Dagoretti Nyakinyua Sec School-Administration and 2 classrooms-Sirikwa Ward

IMPLEMENTATION CHALLENGES

Programmes of the Constituency during 2019-2020 started in January 2020 having received the first disbursement in December 2019. NGCDFC managed to utilise 47% of the available funds during the year.

Sign
Chairman NGCDF Committee
Joel Cheruiyot Koech

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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of NGCDF-Kuresoi North Constituency's 2018-2022 strategic plan are to:

- a) To improve access in both primary and secondary schools by having school going age children attending school.
- b) To improve security in the constituency
- c) To improve sports in the constituency
- d) To improve environmental conservation in primary and secondary schools
- e) To improve access to clean water in primary and secondary schools

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	-number of usable physical infrastructure build in primary, secondary, and tertiary institutions -number of bursary beneficiaries at all levels	In FY 19/20 Number of classrooms built were 98 Number of laboratories built were 2 Number of administration blocks built were 13 Number of boreholes drilled was one - Bursary beneficiaries at all levels were as indicated

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				below;Secondary school 49 students fully sponsored and 2,086 were partially sponsored.1,083 students were partially sponsored in colleges and universities
Security	To improve security in the constituency	Improved working environment for the chiefs/assistant chiefs,security personel	-number of chief's offices built -number of staff houses built for the security personnel	In 2019/2020 financial year 3 security facilities were budgeted but not yet implemented due late disbursement
Sports	To improve sports in the constituency	Increased number of sports groups engaged in sports	-Number of teams participating in sports tournament	During 2019/2020 financial year,sports funds was not utilised due late disbursement
Environment	To improve environmental conservation in primary and secondary schools	Increased number of schools engaged in environmental conservation by tree planting and roof harvesting of drinking water	-Number of schools participating in environmental conservation	During 2019/2020 financial year,funds under environment was not utilised due late disbursement
Disaster Management	To improve safety of learners in learning institutions in the constituency	Reduction of incidences of lightning strikes in schools	-number of schools which have installed lightning arresters	During 2019/2020,schools were encouraged to install lightning arresters

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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – Kuresoi North Constituency exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile –

Kuresoi North NGCDF is running most of its operations through project management committees to implement approved projects. The project management committees are encouraged to engage in sustainable efforts while carrying out project implementation. The organisation has developed an environmental policy which is geared towards safeguarding the environment and preserving water for the schools through roof harvesting. Kuresoi North NGCDF has encouraged the pmcs to incorporate water harvesting in every project being implemented by the NGCDF in the school. Through project management committee, Kuresoi North NGCDF has also encouraged all the pmcs in the primary and secondary schools to incorporate installation of lighting arresters in the projects. This will prevent disaster from lightning strikes. Political environment is very crucial in project implementation. National and local politics directly affects projects implementation at the constituency. At national level, increase in the amount of funds allocated to NGCDF board directly increase funds allocated to the constituency. Therefore at the constituency, more programmes will be funded. Politics at the constituency may affects projects distribution in the constituency. Kuresoi North NGCDF has distributed projects among the four wards fairly and equitably. The constituency being cosmopolitan, has projects spread across all the four wards serving all residents. Broadly, macroeconomics has influenced projects implementation in terms of prices fluctuations of the goods required by the project management committees. The rate of inflation in the economy directly affects the projects being implemented at the constituency.

2. Environmental performance

Kuresoi North NGCDF is committed to environmental protection and conservation as outlined below;

- Maintain environmental friendly to nature with minimal environmental impacts from our operations and related activities and continually improve our environment
- Make environmental concerns an integral part of our planning and commit resources to implement effective environmental and sustainability programmes
- Assess our operational activities and identify areas where we can minimize waste and negative environmental impacts through careful and efficient use of all materials and energy by promoting the use of environmentally friendly technologies;
- Promote environmental awareness among our employees and encourage them to work in an environmentally responsible manner. Kuresoi North NGCDF managed to planned to disburse funds to 8 primary and secondary schools to boost environmental conservation in the constituency.

Waste management policy; Kuresoi North NGCDF is committed to maintain clean working environment. Kuresoi North NGCDF has put in place mechanism of collection and disposal of solid waste at its offices. Through provision of disposal pit and burning of solid waste.

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3. Employee welfare

Kuresoi North NG-CDF is committed to the principles of equal opportunity that ensures equal treatment of all employees irrespective of their sex, religion, marital status and physical disability. However, affirmative action may be applied in special cases to address issues of disability, gender or whenever the need arises and as per guidelines issued by the Government.

We recognise the value of culture and individual differences among employees and believe each employee will feel valued and where everyone's unique talents are fully utilised to achieve the Board's goals.

We will strive to eliminate biases in selection, promotion, performance assessments, compensation, and learning opportunities. Kuresoi North NGCDF has engaged five staff members on 3 year renewable contract subject to individual performance. Among the staff members, 2 are ladies and 3 are men. The staff are inducted once per year and individual appraisal is done to establish his or her performance. Kuresoi North NGCDF has put in place policy on safety for its staff and clients visiting NGCDF offices as per Occupational Safety and Health Act of 2007, (OSHA). Kuresoi North NGCDF is committed to; clean workplace environment, clients are served in turn to avoid overcrowding, staff offices are sufficient, spacious with proper lighting and ventilation for conducive working environment. There are enough sanitary facilities for staff and clients.

4. Market place practices-

During time of project implementation, Kuresoi North NGCDF uses the PMC model to implement its projects. The NGCDF ensures project management committees advertise all the works pertaining the projects. The project management committees are required to submit one file of all documents used during project implementation to NGCDF office. Also during signing of contracts by the winning bidders, NGCDF office representative must be present. This exercise will bring about responsible competition practise.

The Issue of Anticorruption at the project level as well as at the NGCDF office has been successful. This has been done by ensuring that all payments are paid subject to being cleared first at the NGCDF office. For Clearance to be done, the project management committee is required to submit all the accounting documents showing how they used the first withdrawal. Once clearance has been made, the client is allowed to go for second withdrawal. Every withdrawal should be supported by a budget which is again checked by fund account manager. At this stage the fund account manager inform the bank to authorise the officials to transact the account. Responsible political involvement of the member of parliament is during generation of projects by the public after every two years. Public participation is a very important activity. The member of parliament mobilises residents of the constituency to participate in the exercise and generate projects for 2 years. Member of parliament has also been providing oversight of the projects during implementation. Kuresoi North NGCDF has been working closely with the suppliers to ensure there is no financial obligation which may be entered by the project management committees without knowledge of the NGCDF office.

5. Community Engagements-

Community in Kuresoi North have donated and in some cases purchased lands where some NGCDF projects have been implemented. For instance during construction of DCC's residence the community through harambee purchased land where the DCC house is built. Road to Karima primary school which is an NG-CDF funded school was surrendered by two residents to enable the school children access school.

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**V. STATEMENT OF NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND - KURESOI NORTH CONSTITUENCY 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.

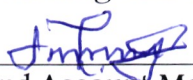
The Accounting Officer in charge of the NGCDF-Kuresoi North Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020. 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-Kuresoi North Constituency accepts responsibility for the 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 financial statements give a true and fair view of the state of NGCDF-Kuresoi North Constituency's transactions during the financial year ended June 30, 2020, and of the NGCDF-Kuresoi North Constituency's financial position as at that date. The Accounting Officer charge of the NGCDF-Kuresoi North Constituency further confirms the completeness of the accounting records maintained for the NGCDF-Kuresoi North Constituency, which have been relied upon in the preparation of the NGCDF-Kuresoi North Constituency financial statements as well as the adequacy of the systems of internal financial control.

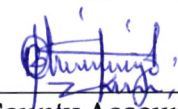
The Accounting Officer in charge of the NGCDF-Kuresoi North Constituency confirms that the NGCDF-Kuresoi North Constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF-Kuresoi North Constituency's funds 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 NGCDF-Kuresoi North Constituency'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-Kuresoi North Constituency financial statements were approved and signed by the Accounting Officer on 17/03/ 2021.



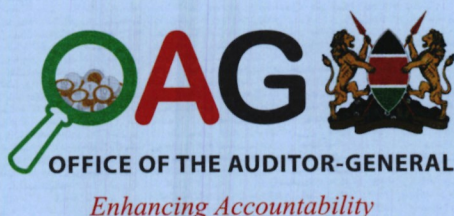
Fund Account Manager
Name: Johnstone Kering



Sub-County Accountant
Name: Benard Kirui
ICPAK Member Number:

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KURESOI SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kuresoi South Constituency set out on pages 16 to 55, which comprise the statement of assets and liabilities as at 30 June, 2020, and statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 the National Government Constituencies Development Fund - Kuresoi South Constituency as at 30 June, 2020, 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 National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of receipts and payments for the year ended 30 June, 2020 reflects nil balance for other receipts. However, the receipts schedules availed for audit reflects income from sale of tyres of Kshs.5,000 is not disclosed in the financial statements.

Further, the statement of receipts and payments reflects receipts of Kshs.68,000,000 while statement of appropriation - recurrent and development combined reflects receipts of Kshs.79,917,434 resulting to unreconciled nor explained variance of Kshs.11,917,434.

Consequently, the accuracy and completeness of receipts reflected in the statement of receipts and payments could not be confirmed.

2. Unreconciled Expenditure on Compensation of Employees

The statement of receipts and payments reflects compensation of employees of Kshs.3,018,232 (2019 – Kshs.2,974,994) as disclosed under Note 4 to the financial statements. However, the schedule presented for audit revealed variances in the items constituting the expenditure as shown below;

Compensation of Employees	Financial Statement (Kshs.)	Payroll (Kshs.)	Variance (Kshs.)
Basic Wages of Contractual Employees	2,808,692	2,144,703	663,989
Employer Contribution to NSSF	40,540	40,400	140
NHIF	-	72,300	72,300
Gratuity	-	664,858	664,858
Other Personnel Payments	169,000		169,000

Further, other personnel payments balance of Kshs.169,000 relate to imprest issued for operations but misclassified under compensation of employees.

Under the circumstances the accuracy and completeness of compensation of employees of Kshs.3,018,232 for the year ended 30 June, 2020 could not be confirmed.

3. Unsupported Expenditure on Use of Goods and Services

The statement of receipts and payments reflects use of goods and services of Kshs.6,179,765 (2019 - Kshs.7,589,852) as disclosed under Note 5 to the financial statements. Included in the balance is Kshs.2,003,800 for other committee expenses whose supporting schedule lacked information such as project visited, officers or members involved the rates paid, category of expenditure as either travelling, subsistence allowance, or general expenses. Monitoring and evaluation reports were also not availed for audit review.

Further, the expenditure includes Kshs.954,000 for domestic travel and subsistence. However, the supporting schedules did not detail specific officer or member and areas travelled, nature of activities undertaken and category of expenditure, the number of days and the rates paid.

In addition, the expenditure includes Kshs.550,000 for office and general supplies services. However, the supporting schedules indicated the payee to be the Fund Manager instead of detailing items or services offered in terms of date, item description, quantity, unit price and amount paid.

Under the circumstances, the accuracy and completeness of expenditure on use of goods and services of Kshs.6,179,765 for the year ended 30 June, 2020 could not be confirmed.

4. Unsupported Expenditure on Other Grants and Transfers

The statement of receipts and payments reflects other grants and transfers of Kshs.46,000,251 (2019 - Kshs.40,586,449) as disclosed under Note 7 to the financial statements. Included in the balance is bursary payments to secondary schools of Kshs.15,825,037 whose supporting schedule presented showed that one hundred and

sixty-six (166) students were issued with bursary of Kshs.1,695,750 but did not have their admission or registration numbers indicated while ten (10) students in the same schools shared registration numbers and issued with bursaries of Kshs.98,000.

Further, included in the balance is Kshs.12,475,714 for bursary - tertiary institutions whose supporting schedule presented for audit did not indicate year of study for all the students and twenty-six (26) students issued with Kshs.311,000 bursary did not have their admission or registration numbers indicated. Also, registration number 446 was shared between two (2) students each allocated Kshs.6,260.

In addition, included in the balance is Kshs.11,699,500 for emergency projects which lacked details of the nature of the projects and out of which Kshs.530,500 were transfers to institutions without being supported by payment vouchers, requisitions from the institutions indicating the purpose, acknowledgement of funds, and subsequent monitoring of the activities undertaken.

Under the circumstances, the accuracy and completeness of expenditure on other grants and transfers of Kshs.46,000,251 for the year ended 30 June, 2020 could not be confirmed

5. Inaccurate Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalent of Kshs.2,157,507 (2019 - Kshs.11,917,434) and as disclosed under Note 10A of the financial statements. However, the cashbook reflects a balance of Kshs.2,137,508 resulting to unreconciled nor explained variance of Kshs.19,999. Further, the bank reconciliation statements in support reflects unrepresented cheques amounting to Kshs.3,058,045 of which cheques totalling to Kshs.453,417 were stale and had not been written back into the cashbook. In addition, the bank reconciliation statements included payments in bank statement but not recorded in cash book of Kshs.226,598 which related to bank charges. The Management did not explain the failure to reverse the stale cheques and not recording payments in the cashbook.

Under the circumstances, the accuracy and completeness of cash and cash equivalent of Kshs.2,157,507 as at 30 June, 2020 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget of Kshs.149,285,158 and actual receipts on comparable basis of Kshs.79,917,434. This resulted to an under-funding of Kshs.69,367,724 or 46 % of the budget which affected the planned activities and projects, which may have impacted negatively on service delivery for the constituents of Kuresoi South Constituency.

2.0 Projects

2.1 Project Implementation Status

A review of the project implementation status report of 30 June, 2020 indicated that one hundred and sixteen (116) projects with funding allocation of Kshs.119,290,679 were at different implementation statuses as analyzed below: -

Project Status	Project Count	Amount (Kshs.)
Complete and In Use	66	53,580,679
On-Going	50	65,710,000
Total	116	119,290,679

Fifty (50) projects with funding allocation of Kshs.65,710,000 were incomplete. No satisfactory explanation was rendered for the delays in completing the projects.

Further, nine (9) projects with funding allocation of Kshs.9,300,000 were sampled for audit verification during the month of January, 2021. Below are the individual observations against the projects: -

No.	Project Beneficiary and Details	Allocation (Kshs.)	Observations
1.	Keringet Police Station - Purchase of office furniture	200,000	There was no evidence of advertisement, quotation being sent to pre-qualified suppliers, evaluation and award. It is therefore likely that contractor was single sourced.
2.	DCC residence Keringet - Completion of DCCs house	1,500,000	There was no evidence of advertisement, quotation being sent to pre-qualified suppliers, evaluation and award. It is therefore likely that contractor was single sourced. Also, certificates of completion were not provided for audit.
3.	Silibwet Chief's Office - Completion of 4 roomed chiefs office	1,000,000	The project is complete and in use but there is no evidence of official handover and no certificate of health occupation from the Ministry of Public Works.
4.	Kapsimbeiwo Chief's Office - construction of 4 roomed Chief's Office to completion	1,500,000	The project is complete but not in use and explained to be waiting for commissioning. However, there is no certificate of health occupation from the Ministry of Public Works and painting was verified to be unevenly done and was fading off. The

No.	Project Beneficiary and Details	Allocation (Kshs.)	Observations
			project is not branded to indicated NG-CDF Kuresoi South Constituency and the financial year.
5.	Tinet Kabongoi Secondary School - Construction to completion of 8 doors pit latrine for students and 2 doors pit latrine for staff	1,500,000	There was no evidence of procurement process through advertisement, quotation being sent to pre-qualified suppliers, evaluation and award. This is contrary to Section 27 of National Government Constituency Development Fund Regulations, 2016 which requires project management committee to apply Public Procurement and Assets Disposal Act, 2015 in the procurement. One side of the eight-door pit latrine was converted to a four-door bathroom which is not provided in the bills of quantities. The project is incomplete and the toilets have not been painted, the iron sheets are loose and facia board has not been fixed and the contractor was not on site. Progressive certificates of completion were not provided for audit
6.	Tinet Mixed Secondary School - Completion of Laboratory	400,000	There was no evidence of procurement process through advertisement, quotation being sent to pre-qualified suppliers, evaluation and award. This is contrary to section 27 of National Government Constituency Development Fund Regulations, 2016 which requires project management committee to apply Public Procurement and Assets Disposal Act, 2015 in the procurement. In addition, the tiles were not evenly levelled and were detaching, a sign of poor workmanship.
7.	Keringet Boarding Primary School - construction of a new 80 bed dormitory	1,500,000	The bills of quantities provided for steel casement doors but those fitted are wooden. The ceiling is of plywood instead of the thick board as per the bills of quantities. The floor had developed cracks and the paint was peeling and fading off. Also certificates of completion were not provided for audit.
8.	Makichiet Primary School - Completion of one classroom	600,000	There was no evidence of procurement process through advertisement, quotation being sent to pre-qualified suppliers, evaluation and award. This is contrary to Section 27 of National Government Constituency Development Fund Regulations, 2016 which requires project management committee to apply Public Procurement and Assets Disposal Act, 2015 in the procurement. The metal door and window frames are not painted and general painting was not uniformly done. The bill of quantities provided for plywood

No.	Project Beneficiary and Details	Allocation (Kshs.)	Observations
			ceiling not soft board which was not held by cornice.
9.	Chemamer Secondary School - Completion of an Administration Block of 6 offices	1,100,000	There was variation to include fixing of tiles but the approval by the NG-CDF committee was not provided for audit. The allocated funds were exhausted but the project was verified to be incomplete with pending works of wall finishes and painting.
	Total	9,300,000	

Consequently, it is not possible to confirm if the constituents of Kuresoi South Constituency will realize value for money from the projects valued at Kshs.65,710,000 for the year ended 30 June, 2020.

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. Other Grants and Other Payments

The statement of receipts and payments reflects other grants and other transfers of Kshs.46,000,251 (2019 - Kshs.40,586,449) as disclosed under Note 7 to the financial statements. Included in the balance is Kshs.11,699,500 for emergency projects out of which projects totalling Kshs.2,350,000 did not meet emergency criteria set under Section 8(3) of the National Constituency Development Fund Act, 2015.

Further, included in the balance is Kshs.11,699,500 spent on emergency projects which exceeds Kshs.6,868,386 being 5% of total allocation of Kshs.137,367,724 by Kshs.4,831,114. This is contrary to National Government Constituencies Development Fund Act, 2015 Section 8(1) which states a portion of the Fund, equivalent to five per centum (hereinafter referred to as the "Emergency Reserve") shall remain unallocated and shall be available for emergencies that may occur within the Constituency.

To this extent, the Fund is in breach of the law.

2. Project Management Committee Complete Projects

Annex 5 reflects PMC bank balances as at 30 June, 2020 of Kshs.7,596,884. Included in the balance is Kshs.3,618,019 for sixty-five (65) completed projects as indicated in the project implementation status report for financial year 2019/2020. These funds have not been returned to the Constituency bank account. This is contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that all unutilized funds of the Project Management Committee shall be returned to the constituency account.

To this extent, the Fund is in breach of the law.

Further, the PMC bank balances discloses nil strategic plan bank account balance and comparative figure of Kshs.574,380. As previously reported in 2018/2019, the withdrawal of Kshs.614,540 from the account remains unsupported and cumulative expenditure from 2015/2016 to 2017/2018 was Kshs.1,825,620. However, the strategic plan remains incomplete.

Consequently, the Fund Management is in breach of the law and the validity and value for money on the cumulative expenditure of Kshs.1,825,620 on the strategic plan could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Overall Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Risk Management Policy

The Fund does not have a risk management policy in place contrary to the provisions of Section 165(1) of the Public Finance Management (National Governments) Regulations, 2015 which states that the Accounting Officer shall ensure that the national government entity develops (a) risk management strategies, which include fraud prevention mechanism; and (b) a system of risk management and internal control that builds robust business operations.

Consequently, it has not been possible to confirm whether the measures in place are adequate to proactively identify risks and ensure that they are appropriately mitigated before they crystalize.

2. Weaknesses in Procedure Used in Issuance of Bursaries

The statement of receipts and payments reflects other grants and other transfers of Kshs.46,000,251 (2019 - Kshs.40,586,449) as disclosed under Note 7 to the financial statements. Included in the figure is bursary payments to secondary schools of Kshs.15,825,037 and bursary to tertiary institutions of Kshs.12,475,714. However, comprehensive list of all bursary applicants and their application forms were not

provided for audit. Further, the vetting committee reports/minutes did not show the criteria used to award bursaries. In addition, the list of successful applicants in each ward was not publicized.

Under the circumstances, controls over vetting and awarding of bursaries are weak.

3. Irregular Recruitment of Staff

The statement of receipts and payments reflects compensation of employees of Kshs.3,018,232 (2019 - Kshs.2,974,994) as disclosed under Note 4 to the financial statements. During the year under review the constituency recruited two (2) staff for the positions of clerk of works and a security officer without evidence of interviews supported by scoring sheets. The staff were paid annual gross pay of Kshs.463,763.

Consequently, the controls of hiring the constituency staff are weak.

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 abolish 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

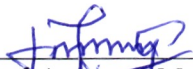
28 January, 2022

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-
KURESOI NORTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020 Kshs	2018 - 2019 Kshs
RECEIPTS			
Transfers from NGCDF board	1	69,600,000	118,820,186
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		69,600,000	118,820,186
PAYMENTS			
Compensation of employees	4	1,215,252	1,215,252
Use of goods and services	5	4,731,019	5,444,300
Transfers to Other Government Units	6	45,579,278	76,171,172
Other grants and transfers	7	21,253,869	28,769,891
Acquisition of Assets	8	-	104,000
Other Payments	9	-	-
TOTAL PAYMENTS		72,779,418	111,704,615
SURPLUS/(DEFICIT)		<u>(3,179,418)</u>	<u>7,115,571</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KURESOI NORTH Constituency financial statements were approved on 17/02/2021 and signed by:


Fund Account Manager
Name: Johnstone Kering


Sub-County Accountant
Name: Benard K. Kirui
ICPAK Member Number:

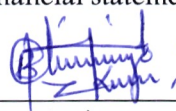
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-
KURESOI NORTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020 Kshs	2018-2019 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	13,601,651	15,581,069
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		13,601,651	15,581,069
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		13,601,651	15,581,069
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Deposits (Gratuity)	12B	-	-
TOTAL FINANCIAL LIABILITES		-	
NET FINANCIAL ASSETS		13,601,651	15,581,069
REPRESENTED BY			
Fund balance b/fwd	13	15,581,069	8,465,498
Surplus/Defict for the year		(3,179,418)	7,115,571
Prior year adjustments	14	1,200,000	-
NET FINANCIAL POSITION		13,601,651	15,581,069

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KURESOI NORTH Constituency financial statements were approved on 17/03/2021 and signed by:


Fund Account Manager
Name: Johnstone Kering

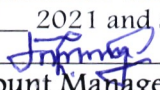

Sub-County Accountant
Name: Benard K. Kirui
ICPAK Member Number:

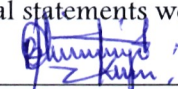
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-
KURESOI NORTH CONSTITUENCY
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IX. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2019 – 2020 Kshs	2018 - 2019 Kshs
Receipts			
Transfers from NGCDF Board	1	69,600,000	118,820,186
Other Receipts	3	-	-
Total receipts		69,600,000	118,820,186
Payments			
Compensation of Employees	4	1,215,252	1,215,252
Use of goods and services	5	4,731,019	5,444,300
Transfers to Other Government Units	6	45,579,278	76,171,172
Other grants and transfers	7	21,253,869	28,769,891
Other Payments	9	-	-
Total payments		72,779,418	111,600,615
Total Receipts Less Total Payments			7,219,571
Adjusted for:			
Outstanding imprest	11	-	-
Retention Payable	12A	-	-
Gratuity Payable	12B	-	-
Prior year adjustments	14	1,200,000	-
Net Adjustments		1,200,000	-
Net cash flow from operating activities		(1,979,418)	7,219,571
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	104,000
Net cash flows from Investing Activities			(104,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(1,979,418)	7,115,571
Cash and cash equivalent at BEGINNING of the year	13	15,581,069	8,465,498
Cash and cash equivalent at END of the year		<u>13,601,651</u>	<u>15,581,069</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kuresoi North Constituency financial statements were approved on 17/03/2021 and signed by:


Fund Account Manager
Name: Johnstone Kering


Sub-County Accountant
Name: Benard K. Kirui
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-KURESOI NORTH CONSTITUENCY
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X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget Kshs	Adjustments Kshs	Final Budget Kshs	Actual on Comparable Basis Kshs	Budget Utilisation Difference Kshs	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	18,381,069	155,748,793	86,381,069	69,367,724	55.5%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL	137,367,724	18,381,069	155,748,793	86,381,069	69,367,724	55.5%
PAYMENTS						
Compensation of Employees	2,012,004	1,332,065	3,344,069	1,215,252	2,128,817	36.3%
Use of goods and services	7,639,479	4,119,727	11,759,205	4,731,019	7,028,186	40.2%
Transfers to Other Government Units	81,350,000	7,229,278	88,579,278	45,579,278	43,000,000	51.5%
Other grants and transfers	39,898,241	4,700,000	44,598,241	21,253,869	23,344,372	47.7%
Acquisition of Assets	268,000	-	268,000	-	268,000	0%
Other Payments	1,000,000	1,000,000	2,000,000	-	2,000,000	0%
Allocations awaiting approval/unallocated	5,200,000	-	5,200,000	-	5,200,000	0%
TOTALS	137,367,724	18,381,069	155,748,793	72,779,418	82,969,375	46.7%

From the above appropriation, we spent 36.3% of the budget on salaries and 40.2% on goods and services because the office started operating on full scale in the month of January 2020. Transfer to other government units which is comprised of primary and secondary

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-KURESOI NORTH CONSTITUENCY
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schools utilised 51.5% of the budget. This expenditure include reallocation of emergency funds balance which was made for the previous financial year 2018/2019. Transfers to Other Government Units utilised 47.7% of the budget. There was no asset purchased during the year.

The NGCDF-Kuresoi North Constituency financial statements were approved on 17/03/ 2021 and signed by:


Fund Account Manager
Name: Johnstone Kering


Sub-County Accountant
Name: Benard K. Kirui
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-KURESOI NORTH CONSTITUENCY
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XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,012,004	1,332,065	3,344,069	1,215,252	2,128,817
1.2 Committee allowances	1,428,000	678,000	2,106,000	1,416,940	689,060
1.3 Use of goods and services	3,211,479	2,188,547	5,400,026	2,188,079	3,211,947
Sub Total	6,651,483	4,198,612	10,850,094	4,820,271	6,029,823
2.0 Monitoring and evaluation					
2.1 Capacity building	650,000	250,000	900,000	142,800	757,200
2.2 Committee allowances	2,050,000	523,800	2,573,800	983,200	1,590,600
2.3 Use of goods and services	300,000	479,379	779,379	-	779,379
Sub Total	3,000,000	1,253,179	4,253,179	1,126,000	3,127,179
3.0 Emergency	5,198,241		5,198,241		5,198,241
3.1 Mkulima primary Schools	600,000	-	600,000	600,000	-
3.2 Kowany primary schools	300,000	-	300,000	300,000	-
3.3 Morobei primary school	300,000	-	300,000	300,000	-
3.4 Rwangondu primary school	400,000	-	400,000	400,000	-
3.5 Sachangwan Ndoinet primary school	400,000	-	400,000	400,000	-
Sub Total	7,198,241		7,198,241	2,000,000	5,198,241
4.0 Bursary and Social Security					
4.1 Primary Schools	500,000	-	500,000	-	500,000
4.2 Secondary Schools	9,500,000	-	9,500,000	8,333,869	1,166,131
4.3 Tertiary Institutions	20,000,000	-	20,000,000	10,520,000	9,480,000

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4.4 Universities	-	-	-	-	-
4.5 Social Security	-	-	-	-	-
Sub Total	30,000,000	-	30,000,000	18,853,869	11,146,131
5.0 Sports					
5.1	300,000	1,500,000	1,800,000	-	1,800,000
5.2					
5.3					
6.0 Environment					
6.1	200,000	800,000	1,000,000	-	1,000,000
6.2					
6.3					
7.0 Primary Schools Projects (List all the Projects)					
Tachasis Pendel Pri School	-	800,000	800,000	800,000	-
Kaptembwo Primary School	1,400,000.00	-	1,400,000	1,400,000	-
Baringo Primary School	1,000,000.00	-	1,000,000	-	1,000,000
Aerial Primary School	300,000.00	-	300,000	300,000	-
Kiletien Primary School	1,000,000.00	-	1,000,000	1,000,000	-
Sirikwa Primary School	4,000,000.00	400,000.00	4,400,000	400,000	4,000,000
Karina Primary School	1,100,000.00	-	1,100,000	1,100,000	-
Moto Primary School	800,000.00	-	800,000	800,000	-
Set Kotes Primary School	800,000.00	-	800,000	-	800,000
Chesubeno Primary School	600,000.00	-	600,000	600,000	-
Kiplechton Primary School	300,000.00	-	300,000	300,000	-

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Kapkures Primary School	1,100,000.00	-	1,100,000	1,100,000	-
Mau Primary School Water Project	2,400,000.00	254,277.95	2,654,278	2,654,278	(0)
Kamara Primary School	1,000,000.00	-	1,000,000	1,000,000	-
Kipsinendet Primary School	1,000,000.00	-	1,000,000	-	1,000,000
Maraba Primary School	1,100,000.00	-	1,100,000	1,100,000	-
Choronok Primary School	300,000.00	-	300,000	300,000	-
Koige Primary School	300,000.00	-	300,000	300,000	-
Jogoo Primary School	300,000.00	-	300,000	300,000	-
Kaporet Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Maigoya Primary School	800,000.00	-	800,000	-	800,000
Pele Primary School	2,000,000.00	-	2,000,000	-	2,000,000
Mlima Primary School	500,000.00	-	500,000	500,000	-
Muchorwe Primary School	600,000.00	-	600,000	600,000	-
Taachasis Primary School	300,000.00	-	300,000	300,000	-
Tonongoi Primary School	500,000.00	-	500,000	500,000	-
Ndege Primary School	300,000.00	-	300,000	300,000	-
Kabarak Primary School	300,000.00	-	300,000	300,000	-
Nyongores Primary School	300,000.00	-	300,000	300,000	-
Sasumua Primary School	300,000.00	-	300,000	300,000	-
Githunguri Primary School	1,000,000.00	-	1,000,000	-	1,000,000
Lelaitich Primary School	800,000.00	-	800,000	800,000	-
Murinduko Primary School	1,400,000.00	-	1,400,000	1,400,000	-
Mkulima Primary School	1,200,000.00	-	1,200,000	1,200,000	-
Baringo Valley Primary School	1,200,000.00	-	1,200,000	1,200,000	-
Kondamet Primary School	1,200,000.00	-	1,200,000	1,200,000	-

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Kamungei Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Nyota Primary School	1,300,000.00	-	1,300,000	1,300,000	-
Karirikaia Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Chesingele Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Masaita Primary School	1,400,000.00	-	1,400,000	1,400,000	-
Kiprotkorik Primary School	700,000.00	-	700,000	-	700,000
Terekena Primary School	1,000,000.00	-	1,000,000	1,000,000	-
Bondet Primary School	1,200,000.00	-	1,200,000	-	1,200,000
Nagiririet Primary School	800,000.00	-	800,000	800,000	-
Lemechonik Primary School	300,000.00	-	300,000	300,000	-
Roret Primary School	800,000.00	-	800,000	800,000	-
Kongoi Primary School	500,000.00	-	500,000	-	500,000
Bochege Primary School	1,300,000.00	-	1,300,000	-	1,300,000
Chorwa Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Kipkewa Primary School	1,400,000.00	-	1,400,000	-	1,400,000
Kio Primary School	300,000.00	-	300,000	300,000	-
Githima Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Arorwet Primary School	150,000.00	-	150,000	150,000	-
Kiptororo Primary School	300,000.00	-	300,000	300,000	-
Segutioi Ngariet Primary	1,100,000.00	-	1,100,000	1,100,000	-
Kipkoris Primary School	1,400,000.00	-	1,400,000	-	1,400,000
Araret Primary School	1,100,000.00	-	1,100,000	1,100,000	-
Kures Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Ndoinet Primary School	300,000.00	100,000.00	400,000	400,000	-
Kiplongony Primary School	300,000.00	-	300,000	300,000	-

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Chepuiyet Primary School	100,000.00	-	100,000	100,000	-
Cheptemonok Primary School	300,000.00	200,000.00	500,000	500,000	-
Kesigenik Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Chepkoburot Primary School	300,000.00	-	300,000	300,000	-
Kipsapta Primary School	1,100,000.00	-	1,100,000	-	1,100,000
Kapsingoi Primary School	1,100,000.00	-	1,100,000	1,100,000	-
Tumoiyot Primary School	600,000.00	-	600,000	600,000	-
Bartagatiet Primary	750,000.00	-	750,000	750,000	-
Kapsongop Primary School	250,000.00	-	250,000	250,000	-
Amani Kuresoi Primary School	-	300,000.00	300,000	300,000	-
Umoja Primary School	-	1,200,000.00	1,200,000	1,200,000	-
Kipkoris Primary School	-	600,000.00	600,000	600,000	-
Kamungei Primary School	-	600,000.00	600,000	600,000	-
Mosop Primary School	-	600,000.00	600,000	600,000	-
Tilola Primary School	-	100,000.00	100,000	-	100,000
Sub Total	60,450,000.00	5,154,277.95	65,604,278	38,504,278	27,100,000
8.0 Secondary Schools Projects (List all the Projects)					
Mau Secondary School	-	400,000	400,000	400,000	-
Kiptororo Sec School	-	400,000	400,000	400,000	-
Dagoretti Nyakinyua Sec School	2,000,000.00	300,000	2,300,000	2,300,000	-
Set Kotes Secondary School	400,000.00	-	400,000	400,000	-
Haraka Secondary School	6,500,000.00	-	6,500,000	-	6,500,000
Mau Summit Secondary School	1,100,000.00	-	1,100,000	-	1,100,000

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Boron Secondary School	1,500,000.00	175,000	1,675,000	175,000	1,500,000
Mkulima Secondary School	300,000.00	-	300,000	-	300,000
Tarakwa Secondary School	1,100,000.00	-	1,100,000	-	
Sitoito Secondary School	1,200,000.00	-	1,200,000	-	
Umoja Tulwet Secondary School	2,000,000.00	-	2,000,000	-	
Tilola Mixed Secondary School	1,300,000.00	-	1,300,000	1,300,000	
ELCK Kongoi Secondary School	1,000,000.00	-	1,000,000	-	
Kaptich - Kongoi Mixed Secondary School	500,000.00	-	500,000	500,000	
Kipkewa Secondary School	300,000.00	-	300,000	300,000	-
Kio Secondary School	1,200,000.00	-	1,200,000	-	1,200,000
Kures Secondary School	500,000.00	-	500,000	500,000	-
Sub Total	20,900,000	1,275,000	22,175,000	6,275,000	15,900,000
9.0 Tertiary institutions Projects (List all the Projects)					
9.1 Total Technical Training Institute	-	800,000	800,000	800,000	-
Sub Total		800,000	800,000	800,000	-
10.0 Security Projects					
DCC's Residence	-	400,000	400,000	400,000	-
Sirikwa Ward Assistant County Commissioner's Residence	1,500,000.00	-	1,500,000	-	1,500,000
Sirikwa Ward OCS Residence	500,000.00	-	500,000	-	500,000
Mau Summit Police Station	200,000.00	-	200,000	-	200,000
Kuresoi Division DO's office	-	2,000,000	2,000,000	-	2,000,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)-KURESOI NORTH CONSTITUENCY

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Sub Total	2,200,000	2,400,000	4,600,000	400,000	4,200,000
11.0 Acquisition of assets					
office furniture and fitting	268,000				
Sub Total	268,000	-	268,000	-	268,000
12.0 Others					
12.1 Strategic Plan	1,000,000	-	1,000,000	-	1,000,000
12.2 TSC Sub County office		1,000,000	1,000,000		1,000,000
Sub Total	1,000,000		2,000,000	-	2,000,000
Allocations awaiting approval/unallocated					
Tilola Primary School	5,200,000	-	5,200,000	-	5,200,000
Sub Total	5,200,000	-	5,200,000	-	5,200,000
TOTAL	137,367,724	18,381,069	155,748,793	72,779,418	82,969,375

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KURESOI NORTH CONSTITUENCY**
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XII. 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-Kuresoi North 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 NG-CDF Kuresoi North Constituency for all the years presented.

a) Recognition of Receipts

The NG-CDF Kuresoi North Constituency recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the NG-CDF Kuresoi North Constituency.

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 NG-CDF Kuresoi North Constituency)

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 NG-CDF Kuresoi North Constituency.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient NG-CDF Kuresoi North Constituency 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 2020, 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 NG-CDF Kuresoi North Constituency recognises all payments when the event occurs and the related cash has actually been paid out by the NG-CDF Kuresoi North Constituency

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

In-kind contributions are donations that are made to the NG-CDF Kuresoi North Constituency 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 NG-CDF Kuresoi North Constituency 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 NG-CDF Kuresoi North Constituency 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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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 2019 for the period 1st July 2019 to 30th June 2020 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 2020.

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO.B-005054	1		11,379,310
AIE NO.B-030148	2		10,000,000
AIE NO.B-030462	3		20,000,000
AIE NO.B-006409	4		6,000,000
AIE NO.A-699146	5		11,000,000
AIE NO.B-042780	6		7,000,000
AIE NO.B-047562	7		53,440,868
AIE.NO.B-047491	1	4,000,000.00	
AIE.NO.B-041302	2	18,000,000.00	
AIE.NO.B-047722	3	8,000,000.00	
AIE.NO.B-047944	4	9,000,000.00	
AIE.NO.B-049338	5	19,000,000.00	
AIE.NO.B-104128	6	600,000.00	
AIE.NO.B-104362	7	10,000,000.00	
AIE.NO.B-096785	8	1,000,000.00	
TOTAL		69,600,000	118,820,186

2. PROCEEDS FROM SALE OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings		
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

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere(cash book adjustment)	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,203,252	1,215,252
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)		
Employer Contributions Compulsory national social security schemes	12,000	-
Total	1,215,252	1,215,252

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Allowances	2,320,140	3,100,210
Utilities, supplies and services	60,116	29,812
Communication, supplies and services	80,000	-
Domestic travel and subsistence	135,600	136,500
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	142,800	400,000
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	150,000	250,000
Other operating expenses	-	-
Fuel, Oil and Lubricants	843,000	976,000
Routine maintenance – vehicles and other transport equipment	999,363	442,646
Routine maintenance – other assets	-	109,132
Total	4,731,019	5,444,300

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	38,504,278	59,371,172
Transfers to secondary schools (see attached list)	6,275,000	16,800,000
Transfers to tertiary institutions (see attached list)	800,000	-
Transfers to health institutions (see attached list)	-	-
TOTAL	45,579,278	76,171,172

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,333,869	8,132,279
Bursary – tertiary institutions (see attached list)	10,520,000	13,246,000
Bursary – special schools (see attached list)	-	227,000
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	400,000	4,700,000
Sports projects (see attached list)	-	337,931
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	2,000,000	2,126,681
Total	21,253,869	28,769,891

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	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	~	~
Purchase of ICT Equipment, Software and Other ICT Assets	~	104,000
Purchase of Specialised Plant, Equipment and Machinery	~	~
Rehabilitation and Renovation of Plant, Machinery and Equip.	~	~
Acquisition of Land	~	~
Acquisition of Intangible Assets	~	~
Total	~	104,000

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	~	~
ICT Hub	~	~
	~	~

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10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Equity Bank, Molo Branch A/C No.0230261662434</i>	13,601,651	15,581,069
Total	13,601,651	15,581,069
10B: CASH IN HAND		
Location 1	-	-
Location 2		
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
[Provide cash count certificates for each]		

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11: OUTSTANDING IMPRESTS

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

Total

~

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
Supplier 1	~	~
Supplier 2	~	~
Supplier 3	~	~
Total	~	~

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs

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13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	15,581,069	8,465,498
Cash in hand	-	-
Imprest	-	-
Total	15,581,069	8,465,498

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>) -Cash book adjustment		1,200,000	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	-	-
Imprest issued during the year (B)	2,542,940	3,100,210
Imprest surrendered during the Year (C)	2,542,940	3,100,210
Net changes in account receivables D= A+B-C	-	-

16.CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July 2019 (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

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17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	~	~
Construction of civil works	~	~
Supply of goods	~	~
Supply of services	~	~

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff Gratuity		
1. Julius C. Rotich	235,922	134,813
2. James Ombogo	184,919	105,668
3. Samwel K. Bosuben	159,738	91,279
4. Purity Chebet	129,363	67,269
5. Margaret Chepkoech Maiywa	124,189	62,094
Sub Total	834,131	461,123

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	2,128,817	1,431,353
Use of goods and services	7,028,186	4,080,717
Amounts due to other Government entities (see attached list)	43,000,000	1,600,000
Amounts due to other grants and other transfers (see attached list)	23,344,372	9,172,999
Acquisition of assets	268,000	~104,000
Others (<i>specify</i>)	2,000,000	1,000,000
Allocations awaiting approval/unallocated	5,200,000	
	82,969,375	17,181,069

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	12,232,048	47,707,973
	12,232,048	47,707,973

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XIV. ANNEXES:

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
Construction of buildings	a	b	c	d=a-c	
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
Senior Management		a	b	c	d=a-c	
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (Staff Gratuity Outstanding)						
10. Julius C. Rotich	J	235,922	Feb 2021	-	235,922	Staff paid after 3 years
11. James Ombogo	H	184,919	Feb 2021	-	184,919	Staff paid after 3 years
12. Samuel K. Bosuben	G	159,738	Feb 2021	-	159,738	Staff paid after 3 years
13. Purity Chebet	G	129,363	June 2021	-	129,363	Staff paid after 3 years
14. Margaret Chepkoech Maiywa	G	124,189	June 2021	-	124,189	Staff paid after 3 years
Sub-Total		834,131			834,131	
Grand Total		834,131			834,131	

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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		2,128,817	1,431,353	
Use of goods & services		7,028,186	4,080,717	
Sub-Total		9,157,003	5,512,070	
Amounts due to other Government entities				
1.primary schools		27,100,000	1,600,000	
2.secondary schools		15,900,000	-	
Sub-Total		43,000,000	1,600,000	
Amounts due to other grants and other transfers				
3.Bursary		11,146,131	43,721	
4.Sports		1,800,000	1,500,000	
5.Environment		1,000,000	800,000	
6.Emergency		6,198,241	4,829,278	
7.Security		4,200,000	2,000,000	
Sub-Total		24,344,372	9,172,999	
Acquisition of assets				
Purchase of computer, printer, furniture and IT equipment		-	(104,000)	
Sub-Total			(104,000)	
Others				
TSC Sub County Office			1,000,000	
Strategic Plan		1,000,000		
Sub-Total			1,000,000	
Grand Total		82,969,375	17,181,069	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/2020
Land	1,000,000	-	-	1,000,000
Buildings and structures	8,500,000	-	-	8,500,000
Transport equipment	7,290,000	-	-	7,290,000
Office equipment, furniture and fittings	165,500	-	-	165,500
ICT Equipment, Software and Other ICT Assets	314,608	-	-	314,608
Other Machinery and Equipment	1,119,952	108,000	-	1,227,952
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	18,390,060	108,000	-	18,498,060

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	Bank	Account Number	2019/2020	2018/19
Aerial Primary School	Equity Bank-Molo	0230176368343	-	-
Amani Kuresoi Primary School	Equity Bank-Molo	0230179814665	300,000	-
Araret Primary School	Equity Bank-Molo	0230176418702	215	195
Arorwet Primary School	Equity Bank-Molo	0230178944591	32,560	1,000,000
Baringo Secondary School	Equity Bank-Molo	0230176656418	-	2,203,312
Baringo Valley Primary School	Equity Bank-Molo	0230165821485	184,634	-
Bartagatiet Primary School	Equity Bank-Molo	0230178851137	1,020	320
Bondet Primary School	Equity Bank-Molo	0230190104423	-	-
Bondet Secondary School	Equity Bank-Molo	0230162894992	-	1,200,953
Boron Secondary School	Equity Bank-Molo	0230177503491	34,215	93,825
Bureti Primary School	Equity Bank-Molo	0230163313951	-	1,200,715
Bygum Primary School	Equity Bank-Molo	0230162488318	-	314,985
Chebonde Primary School	Equity Bank-Molo	0230176403042	-	-
Chemare Primary School	Equity Bank-Molo	0230170777210	-	-
Chepkoburot Primary School	Equity Bank-Molo	0230164115601	19,565	145
Cheptagum Primary School	Equity Bank-Molo	0230166004335	-	100,501
Cheptemonok Primary School	Equity Bank-Molo	0230168365935	300,315	100,035
Chepuiyet Primary School	Equity Bank-Molo	0230176385288	835	195
Chesirikwa Primary School	Equity Bank-Molo	0230171412115	-	1,100,035

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Chesirikwa Secondary School	Equity Bank-Molo	0230162454071	-	400,111
Chesubeno Primary School	Equity Bank-Molo	0230162419842	1,000,662	1,500,415
Choronok Primary School	Equity Bank-Molo	0230170877550	225,075	1,002,965
Chorwa Secondary School	Equity Bank-Molo	0230169599641	-	-
Dagoretti Nyakinyua Sec School	Equity Bank-Molo	0230179562959	165,250	-
Dagoretti Nyakinyua Primary School	Equity Bank-Molo	0230162551103	-	1,002,965
Deputy County Commissioner's Residence	Equity Bank-Molo	0230178536071	400,045	45
Elck Kongoi Girls Secondary School	Equity Bank-Molo	0230162453965	-	1,006,133
ELCK Kongoi Secondary School	Equity Bank-Molo	0230262028085	-	-
Githima Primary School	Equity Bank-Molo	0230169722988	-	-
Githiriga Primary School	Equity Bank-Molo	0230169722988	-	1,000,046
Haraka Secondary School	Equity Bank-Molo	0230168437783	-	-
Jogoo Primary School	Equity Bank-Molo	0230179817113	25,280	
Kabarak Primary School	Equity Bank-Molo	0230179808864	300,000	-
Kamara Chiefs Office	Equity Bank-Molo	0230178961694	-	753,540
Kamara Primary School	Equity Bank-Molo	0230178944426	278,640	1,000,000
Kamara Secondary School	Equity Bank-Molo	0230163414696	-	500,048
Kamungei Primary School	Equity Bank-Molo	0230162415973	600,012	-
Kandeny Primary School	Equity Bank-Molo	0230162486467	-	47,676
Kapkures Primary School	Equity Bank-Molo	0230179838158	807,920	-

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Kaplelach Primary School	Equity Bank-Molo	0230171834493	-	706,470
Kapsimotwo Primary School	Equity Bank-Molo	0230170930631	-	700,024
Kapsingoi Primary School	Equity Bank-Molo	0230179851254	110,980	-
Kapsongop Primary School	Equity Bank-Molo	0230164907911	216	600,396
Kaptembwo Primary School	Equity Bank-Molo	0230179768956	570	-
Kaptich -Kongoi Mixed Secondary School	Equity Bank-Molo	0230179685020	280	-
Karima Primary School	Equity Bank-Molo	0230164154315	221	171
Karirikania Secondary School	Equity Bank-Molo	0230163399224	-	202,083
Kenjoketty Primary School	Equity Bank-Molo	0230171411685	-	-
Kibaraa Primary School	Equity Bank-Molo	0230168726453	-	235
Kibaraa Secondary School	Equity Bank-Molo	0230162020828	235	1,101,098
Kiletien Primary School	Equity Bank-Molo	0230170792498	481	1,199,821
Kimeswon Primary School	Equity Bank-Molo	0230171502103	-	-
Kimkasa Primary School	Equity Bank-Molo	0230171770763	-	-
Kimugul Gaa Primary School	Equity Bank-Molo	0230163421914	-	763,328
Kio Primary School	Equity Bank-Molo	0230176359141	300,195	195
Kio Secondary School	Equity Bank-Molo	0230162460678	-	200,475
Kipkewa Secondary School	Equity Bank-Molo	0230168726453	50	235
Kipkoris Primary School	Equity Bank-Molo	0230168660298	600,105	435
Kiplelechon Primary School	Equity Bank-Molo	0230162228428	341	1,400,045

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Kiplongony Pri School	Equity Bank-Molo	0230166537305	300,114	114
Kipsapta Primary School	Equity Bank-Molo	0230164150818	-	200,104
Kipsinendet Primary School	Equity Bank-Molo	0230162481553	-	225
Kiptenden Sirikwa Pri School	Equity Bank-Molo	0230162538553	-	1,000,026
Kiptenden Mau Primary School	Equity Bank-Molo	0230176431908	-	85
Kiptororo Primary School	Equity Bank-Molo	0230166637135	138,610	199,580
Kiptororo Sec School	Equity Bank-Molo	0230162021297	400,485	
Kiwanja Ndege Primary School	Equity Bank-Molo	0230162472364	-	-
Koige Primary School	Equity Bank-Molo	0230163941490	300,294	-
Kondamet Primary School	Equity Bank-Molo	0230179574514	170	
Kongoi Primary School	Equity Bank-Molo	0230170793422	-	-
Korabariet Primary School	Equity Bank-Molo	0230171818845	-	1,217,535
Kowany Primary School	Equity Bank-Molo	0230179797275	860	
Kures Primary School	Equity Bank-Molo	0230168660298	-	435
Kures Secondary School	Equity Bank-Molo	0230179789019	207,660	-
Kuresoi North Environment Project	Equity Bank-Molo	0230177402293	-	-
Kuresoi North Football Tournament	Equity Bank-Molo	0230169800735	-	283,539
Kuresoi Primary School	Equity Bank-Molo	0230162462768	-	1,201
Langwenda Primary School	Equity Bank-Molo	0230171971705	-	1,200,500
Lelaitich Primary School	Equity Bank-Molo	0230162585656	98	-
Lemechonik Primary School	Equity Bank-Molo	0230162481709	300,016	1,279,666

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Maigoya Primary School	Equity Bank-Molo	0230171425142	-	-
Maraba Primary School	Equity Bank-Molo	0230176435412	526	66
Masaita Primary School	Equity Bank-Molo	0230179858803	1,400,000	-
Mau Primary School	Equity Bank-Molo	0230162301960	105	858
Mau Secondary School	Equity Bank-Molo	0230160417546	1,019	1,020
Mau Summit Police Station	Equity Bank-Molo	0230173045509	-	55
Mau Summit Primary School	Equity Bank-Molo	0230178982801	-	1,400,000
Mawingu Primary School	Equity Bank-Molo	0230161980127	-	1,200,034
Mawingu Secondary School	Equity Bank-Molo	0230164729637	-	975
Mkulima Primary School	Equity Bank-Molo	0230162479989	426	327
Mkulima Secondary School	Equity Bank-Molo	0230164975089	-	1,000,185
Mlima Primary School	Equity Bank-Molo	0230177459041	160	
Mororbei Primary School	Equity Bank-Molo	0230161880060	300,009	400,390
Mosop Primary School	Equity Bank-Molo	0230172402968	160,130	-
Moto Primary School	Equity Bank-Molo	0230177552716	555	301,040
Muchorwe Primary School	Equity Bank-Molo	0230170753727	220	1,500,125
Mukeu Pri School	Equity Bank-Molo	0230162439529	-	300,326
Murinduko Primary School	Equity Bank-Molo	0230179562495	310	-
Muthenji Primary School	Equity Bank-Molo	0230176415954	-	81,000
Mutukanio Primary School	Equity Bank-Molo	0230168422306	-	300,000
Mutukanio Secondary School	Equity Bank-Molo	0230168422306	-	501,785
Mwahe Primary School	Equity Bank-Molo	0230168499832	-	440

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Mwaragania Pri School	Equity Bank-Molo	0230177468550	-	325
Mwaragania Sec School	Equity Bank-Molo	0230164521349	-	19
Nagiririet Primary School	Equity Bank-Molo	0230163632509	855	-
Ndege Primary School	Equity Bank-Molo	0230162450173	134,795	1,101,615
Ndoinet Primary School	Equity Bank-Molo	0230171404703	172,210	-
Nyakinywa Primary School	Equity Bank-Molo	0230162551103	-	-
Nyongores Primary School	Equity Bank-Molo	0230162471939	277	1,200,287
Nyota Chief's Office	Equity Bank-Molo	0230178952264	-	1,000,000
Nyota Primary School	Equity Bank-Molo	0230163691309	282,185	900,000
Pele Primary School	Equity Bank-Molo	0230178829532	-	61,394
Roret Primary School	Equity Bank-Molo	0230169708861	460	180
Rwangondu Primary School	Equity Bank-Molo	0230179836138	400,000	-
Sachangwan Secondary School	Equity Bank-Molo	0230164907911	216	600,396
Sasumua Primary School	Equity Bank-Molo	0230177354143	300,520	-
Segutioi Ngariet Primary School	Equity Bank-Molo	0230177402339	680	-
Seguton Primary School	Equity Bank-Molo	0230163410020	-	1,100,195
Set Kotes Primary School	Equity Bank-Molo	0230170804360	-	40
Set Kotes Secondary School	Equity Bank-Molo	0230162357574	400,326	-
Sigowet Primary School	Equity Bank-Molo	0230177505078	-	210
Silibonik Primary School	Equity Bank-Molo	0230171957248	-	310
Silibwet Gaa Primary School	Equity Bank-Molo	0230162408163	-	64,301
Sirikwa Secondary School	Equity Bank-Molo	0230162352394	-	301,715

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Sirikwa Primary School	Equity Bank-Molo	0230162549562	400,011	272
Sitoton Primary School	Equity Bank-Molo	0230162466690	-	-
Sundu River Secondary School	Equity Bank-Molo	0230178990424	-	2,000,000
Tabain Primary School	Equity Bank-Molo	0230162603015	-	999,899
Tabora Primary School	Equity Bank-Molo	0230162444224	-	1,200,536
Tachasis Pri Sch Pendol	Equity Bank-Molo	0230179619267	80	-
Tachasis Primary School	Equity Bank-Molo	0230163408324	283	-
Tarakwa Secondary School	Equity Bank-Molo	0230176556344	-	1,099,760
Tegunot Haraka B Primary School	Equity Bank-Molo	0230162453579	-	600,026
Temoyetta Primary School	Equity Bank-Molo	0230176389551	-	35
Terekena Primary School	Equity Bank-Molo	0230163622752	415	-
Testai Primary School	Equity Bank-Molo	0230170983548	-	-
Tilola Mixed Secondary School	Equity Bank-Molo	0230179784408	537,190	-
Tilola Primary School	Equity Bank-Molo	0230162327148	-	218
Tiriyta Primary School	Equity Bank-Molo	0230170777874	-	-
Tonongoi Primary School	Equity Bank-Molo	0230168351326	288	118
Total TTI	Equity Bank-Molo	0230179531985	31,990	-
Tumoiyot Primary School	Equity Bank-Molo	0230162454252	28,673	-
Umoja Primary School	Equity Bank-Molo	0230164527580	338,909	34
Umoja Tulwet Secondary School	Equity Bank-Molo	0230199742905	-	500,156
Upendo Primary School	Equity Bank-Molo	0230162490357	-	200,125
Total			12,232,048	47,707,973

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XV. 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 (<i>Name and designation</i>)	Status: (<i>Resolved / Not Resolved</i>)	Timeframe: (<i>Put a date when you expect the issue to be resolved</i>)
	Transfer to other Government Entities of Kshs 62,450,000 which includes Kshs 46,850,000 for primary schools. review of records reveal that Kshs.6,900,000 was disbursed to projects in primary schools without supporting designs/building plans for projects implemented. In the absence of the plans therefore, it was not possible to confirm the basis upon which bills of quantities were prepared and disbursement made	Designs/Building plans were provided to auditor but not for all the projects identified by the auditor.	Fund Account Manager	resolved	