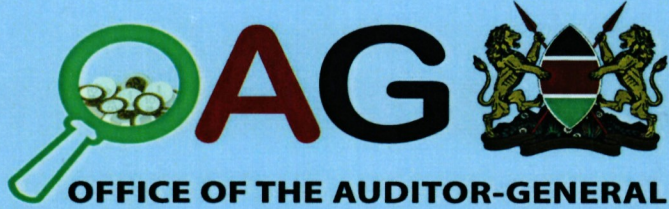


REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 FEB 2022	DAY: Wed.
TABLED BY:	The majority whip Hon. F. Wangwe MP.
CLERK-AT THE-TABLE:	Benson Inzogu.

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

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

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -
AINAMOI 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 (IPSAS)

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	2
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE.....	5
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES.....	7
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	9
V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES	13
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE <i>NGCDF- AINAMOI CONSTITUENCY</i>.....	14
VII. STATEMENT OF RECEIPTS AND PAYMENTS.....	15
VIII. STATEMENT OF ASSETS AND LIABILITIES	16
IX. STATEMENT OF CASHFLOW	17
X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	18
XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES.....	19
XII. SIGNIFICANT ACCOUNTING POLICIES	26
XIII. NOTES TO THE FINANCIAL STATEMENTS.....	30
XIV. PROGRESS ON FOLLOW UP OF AUDITOR'S RECOMMENDATIONS.....	49

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

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 Ainamoi 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	Elvirah Kebaya
2.	County Accountant	Ismail Mbuvi/Ismael Mbuvi
3.	Chairman NGCDFC	Christopher Mibei
4.	Member NGCDFC	Geoffrey Cheruiyot

(d) Fiduciary Oversight Arrangements

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

P.O. Box 46682-00100
Harambee Cooperative Plaza, 5th floor
Junction of Haile Selassie avenue & Uhuru Highway
Nairobi, KENYA

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

(f) NGCDF Ainamoi Constituency Contacts

Telephone:
E-mail: cdfainamoi.ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF Ainamoi Constituency Bankers

1. Kenya Commercial Bank
Kericho Branch
P.O. Box 5-20210
Kericho.
Account no. 1103615831

(h) Independent Auditors

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

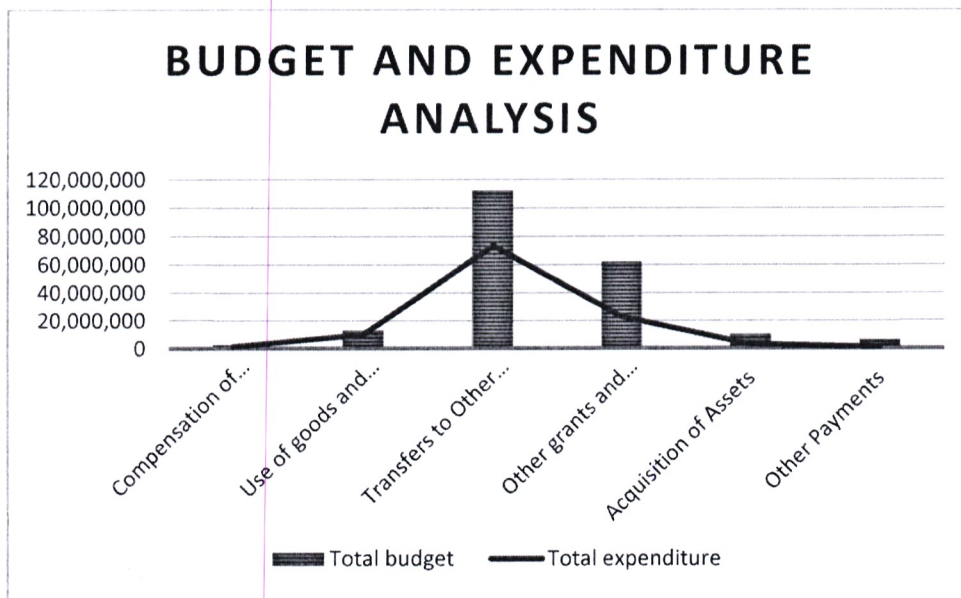
(i) Principal Legal Adviser

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

II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Guided by the vision of AINAMOI Constituency, which is to be a leading Constituency in the effective and efficient management of the devolved funds.

- The AINAMOI NG-CDF was allocated Kshs. 137 million in F/Y 2019/2020 and 20 million was brought forward from the previous financial years. During the F/Y under review, Kshs. 123 million was disbursed to the constituency. A balance of Kshs. 69 million is due from the Board.
- Below is an analysis of expenditure against the budget:



- The AINAMOI NG-CDF has continued to be implemented in a well-organized and coordinated manner the various projects which follows clearly set performance indicators and time frame, under each of the national functions priorities namely: education infrastructure and bursary, security, sports, environment through equity and sustainable development in poverty eradication at community level.
- The budget Performance against actual amounts was good except for a few issues, the change of Officers, tendering process, lack of space for expansion affected the performance to some extent since implementation of projects had to be slow/ stopped for a while.
- The Key achievements have been access to quality and equal opportunity in education by giving bursaries to the less fortunate students both in secondary and tertiary level, the NG-CDFC was able to award bursaries students both in secondary and tertiary level. We have also supported the youth by taking part in the sports activities within the constituency.
- Infrastructure in the public primary and secondary school dormitories, classrooms, administration block, toilets is underway, hence creating a conducive working environment for both students and teachers which boosts morale and general education standards of the schools, security projects of various police stations have also been constructed, renovated and this has given our security team a conducive working environment and also improved security.

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

Emerging issues, implementation challenges and recommendations

- Some of the emerging issues related to implementation of projects is failure by institutions to present bursary acknowledgement letters as well as presenting the cheques at the bank for clearance leading to huge balances of unrepresented cheques on the bank reconciliation statements and eventually stale cheques, late disbursement of funds.

Sign: 

Christopher Mibei
CHAIRMAN NG-CDF COMMITTEE

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-AinamoI Constituency's 2018-2022 strategic plan are to:

- a) To improve quantity and quality of infrastructure in the constituency
- b) To enhance safe built environment in the constituency
- c) To enhance provision of social, sports facilities and services within the constituency
- d) To maximise on the limited land resources during design and construction buildings
- e) To enhance community participation particularly youth, women and special groups
- f) To increase bursary and ensure efficiency and fairness in allocation

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:

PROJECTS PROGRESS REPORT

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	Number of classrooms increased from 176 to 190 Number of laboratories increased from 14 to 16 Number of dormitories increased by 1 Number of administration blocks increased by 2 Number of dining halls increased by 1

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

				Number of toilets increased by 8
Water and Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Equipping of springs of springs	20 springs	The water tanks increased by 8
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Number of constructed chiefs offices increased by 8 and renovated chiefs' offices increased from by 2
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme – 20 football teams participated in tournament	Number of youth groups benefitting from the sports programme increased from 10 to 30
Information Communication and Technology (ICT)	Enhance access to information and technology and use ICT to enhance service delivery	Equip chiefs' offices with computers and internet connectivity to enable them improve service delivery	Number of usable chiefs' offices with computers and internet connectivity	

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – Ainamoi 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. Like any Government entity has the responsibility of ensuring public involvement in project identification, prioritization of projects and adequate allocation of funds to the projects. This is achieved through public involvement o project identification, ensuring that funds are shared equitably and also implementing the projects with strict timelines to achieve efficiency of usage of the funds.

1. Sustainability strategy and profile -

The Ainamoi NG-CDF Committee endeavoured to work within the existing policy guidelines that helped in focusing on the service deliver and drive to better performance with the involvement of both internal and external stakeholders on matters development. The relevance of this was attributed to our vision, mission and core values as provided for in our strategic plan.

Model	Definition	Relevance to sustainable strategy
Vision	To be the most dynamic and solid social fund solution provider	What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place
Mission	To empower constituents through provision of value added and innovative fund utilization	This communicates what the office does to attain sustainable developments
Core Values	Equity, Integrity, Efficiency, Teamwork, Confidentiality, Creativity	These are the norms , principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives

The constituency relied on the five-year strategic plan and the ward priority reports prepared every two years for public participation to prioritise the projects and activities. This encourages ownership of the projects.

2. Environmental performance

Water, Sanitation and Environmental conservation

a) Objectives

- ❖ To ensure each household in the constituency has access to clean safe water. To train constituents on water harvesting technologies and management.
- ❖ To have increased water and environmental conservation.

b) Strategies

- ❖ Increase access to safe water for domestic and institutional use.
- ❖ Increase access to sanitation facilities and clean environment
- ❖ enhance the forest cover

c) Activities:

- ❖ Construction of boreholes in educational institutions, dispensaries, and identified community points
- ❖ Provision of water tanks

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

Reports and Financial Statements

For the year ended June 30, 2020

- ❖ Construction of pit latrines in schools and other public places
- ❖ Initiate afforestation and re-forestation programme
- ❖ Establish tree nurseries
- ❖ Promote tree planting and beautification
- ❖ Identify and establish appropriate waste disposal sites
- ❖ Train people on waste management

3. Employee welfare

Terms & Conditions

This highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters.

Categories of Employment

NG-CDFC offers only categories of employment, which are contract employees who are employed for 2 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements.

Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure

The Fund Account Manager declares vacancies in the office through the NG-CDFC, an approval is then sought for advertisement within the constituency to be done

The Advertisement contains the following:

- Job title
- Main purpose of the job
- A brief description of the key responsibilities of the job
- Education, experience, skills and competencies required for the job □ Location of the job
- Clear instructions on how to apply and information to be submitted in the application
- Closing date for receipt of applications

Appointment of a selection and Interview subcommittee

The NG-CDF committee with the Human Resource representative forms the selection strategy for application review, determination of testing methodology, administration of tests and scoring, and reference check criteria.

Interviews

Interviews for staff employment are conducted in a manner that complies with the office's commitment to equal employment opportunity, to ensure that qualified candidates are not discriminated based on ethnicity, religion, gender, age, disability, status etc.

Offer of Appointment

A person appointed to the office will be given the appropriate letter of offer of appointment, as the case may be, which may be accepted or rejected by the candidate within the stipulated time.

Letters of Appointment

A written contract of service that is signed by the Fund Account Manager and the NG-CDFC Chairman is then issued, which states particulars of employment which include, the name and address of the employee, job description, date of commencement of the job, form and duration of the contract, place of work, hours of work, remuneration, termination, terms and conditions of employment which the employee is entitled to.

Orientation and Induction of employees

The NG-CDFC ensures orientation and induction of new employees. This is carried out in order to familiarize the employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this.

Induction and orientation is done within the first three months of employment.

Promotions

In selecting candidates for promotion, regard is given to merit and extra ordinary ability as reflected in work performance and results after the annual performance appraisal recommendations for promotion is only made by the NG-CDFC resolution

4. Market place practices-

For the NG-CDF to achieve equitable distribution of development resources across the constituency and also control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the strategic plan.

a)Responsible competition practice.

The committee does prequalification of suppliers and contractors so that a database of the best is kept. During projects implementation the office transfers funds to the Project Management Committees who are thereafter guided during tendering process, to ensure that the locals benefit competitively in the provision of services and materials to the projects.

How the organisation ensures responsible competition practices with issues like anticorruption, responsible political involvement, fair competition and respect for competitors

b)Responsible Supply chain and supplier relations

Payments to suppliers are done promptly upon presentation of requisite supporting documents.
Open door policy for walk ins.

c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices

Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders

d) Product stewardship

In order to safeguard consumer rights and interests, the office has a service charter and the complaints handling register and procedure. The service charter points out our commitment in ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy, whereas complaints handling procedures shows our commitment to consistent, fair and confidential complaint handling and to resolve complaints as quickly as possible

5. Community Engagements-

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

Public Participation in identification of bursary beneficiaries, the committee ensures that village level meeting are convened and village representatives are elected to participate in the vetting process, the beneficiary list is shared at the village level.

Public Participation in Project Identification during projects identification where the committee through the Chair convenes open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency.

Effective public engagement is about recognising that involving the public in a project is no longer about information dissemination and telling the people what is being done, but is a two-way information sharing tool. The more views gathered in the process of making a decision, the more likely the final product will meet the most needs and address the most concerns possible.

Public Awareness

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community based needs assessments and public awareness campaigns and holding community meetings

Public Awareness and Sensitisation Exercise Provide

- A menu of options for including individuals and organizational actors in identifying development priorities and selecting NG-CDF projects.
- Ensuring implementation of NG-CDF funded projects are transparent and known to everybody within the community.
- Increase accountability hence ensure local citizens gain skills and confidence to carryout social audits as means to enhanced accountability in management of other devolved funds apart from NG-CDF at constituency and other levels within the constituency.
- Increase public participation at all stages of project cycle funded under NG-CDF kitty
- Identify control and report any irregularities witnessed during NG-CDF project implementation cycle
- Measure the impact of the projects funded by NG-CDF
- Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non state actors.
- Promote awareness creation on constitution and devolved governance system in Kenya

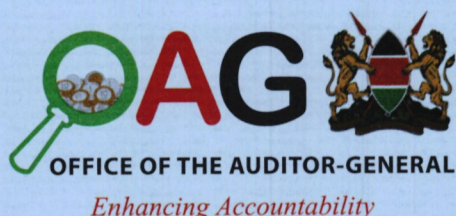
Covid-19 Mitigation Measures

In line with the Governments directive on reducing the chances of being infected or spreading COVID-19, the office resolved in aiding by taking the following precautionary measures.

- The office purchased 100 hand wash pots and basins that were distributed to the Government offices within the constituency

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - AINAMOI 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 - Ainamoi Constituency set out on pages 15 to 60, which comprise the statement of assets and liabilities as at 30 June, 2020, statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter 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 - Ainamoi 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 the National Government Constituencies Development Fund Act, 2015 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

Overpayment of Repairs and Maintenance Services

The statement of receipts and payments reflects Kshs.10,101,189 under use of goods and services. The amount include expenditure of Kshs.523,388 on routine maintenance - vehicles and other transport equipment expenses, out of which, Kshs.403,100 relate to cost of repairs to a motor vehicle. However, a mechanical inspection report from the Ministry of Transport, Housing and Urban Development estimated the cost of repairs to the vehicle to be Kshs.300,000. No explanation or justification was offered by the Management for the excess costs amounting to Kshs.103,100. In addition, support documents such as quotations opening register, quotation opening and evaluation minutes were not provided for audit review.

Consequently, the accuracy and validity of the additional expenditure amounting to Kshs.103,100 incurred on repairs to the motor vehicle could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Ainamoi 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.

Other Matter

Budgetary Control and Performance

The summary statement of appropriation: recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.205,342,682 and Kshs.135,974,958 respectively resulting to shortfall of Kshs.69,367,725 or 35% of the approved budget.

Similarly, the statement reflects final expenditure budget and actual on comparable basis totalling to Kshs.205,342,860 and Kshs.111,005,345 respectively, resulting to an underperformance amounting to Kshs.94,337,515 or 46% of the budget.

The underfunding and under expenditure affected the planned activities and may have impacted negatively on service delivery to the residents of Ainamoi Constituency.

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.

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 the 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. Use of Goods and Services

1.1 Irregular Procurement of Sports Items

Note 5 to the financial statements on use of goods and services reflects expenditure of Kshs.899,700 relating to utilities, supplies and services. Included in the amount is

Kshs.775,000 paid to a local supplier in respect of procurement of 140 balls through request for quotations. However, documents supporting the procurement such as user requisition, quotation opening register, quotation opening minutes, evaluation minutes, inspection and acceptance report and a list of the beneficiaries of the balls were not provided for audit review. Further, the award was made to a non-prequalified supplier contrary to Section 95(3) of the Public Procurement and Asset Disposal Act, 2015 which states that a procuring entity shall invite tenders from approved persons who have been pre-qualified.

Consequently, the Management was in breach of the law.

1.2 Single Sourcing of Printing Services

Expenditure on use of goods and services includes Kshs.1,544,489 incurred on printing, advertising and information supplies and services as disclosed in Note 5 to the financial statements. Review of the expenditure revealed that the Management procured services from a local supplier of printing 850 copies of the strategic plan at a contract sum of Kshs.667,250. However, the services were single sourced from the supplier instead of competitive bidding.

Further, no inspection and acceptance report for the items were provided for audit review. In addition, the Management did not explain the circumstances that led to single sourcing of the printing services.

Consequently, it could not be confirmed whether the fund received value for money from expenditure of Kshs.667,250 on printing services.

2. Delay in Disbursement of Funds

During the year under review, National Government Constituencies Development Fund - Ainamoi Constituency was allocated a total of Kshs.137,367,724. However, from the annual allocation, only Kshs.68,000,000 or 50% was disbursed while the balance of Kshs.69,367,724 was disbursed after the closure of the financial year contrary to Section 39(2) of the National Government Constituencies Development Fund Act, 2015 which requires that funds allocated to the constituencies be disbursed in four equal instalments in the financial year.

Consequently, the National Government Constituencies Development Fund Board was in breach of the law.

3. Inadequate Support of Transfers to Other Government Entities

Note 6 to the financial statements reflects Kshs.73,308,166 in respect of transfer to other government entities. Included in the amount is a transfer of Kshs.41,370,000 to primary schools, of which, Kshs.950,000 was towards construction of one classroom and supply of 40 desks at Lamaiyat Primary School. Although the bills of quantities included supply of 40 desks, there were no specifications in the bills of quantities showing the type of desks to be supplied. Further, the tender evaluation report and acceptance letter from the contractor were not provided for audit review.

Consequently, the Management was in breach of the law.

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 procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual 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 services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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


04 February, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**AINAMOI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020****VII. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	123,040,876	110,284,483
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		123,040,876	110,284,483
PAYMENTS			
Compensation of employees	4	1,363,720	1,215,924
Use of goods and services	5	10,101,189	7,640,785
Transfers to Other Government Units	6	73,308,166	58,276,000
Other grants and transfers	7	22,771,630	35,832,914
Acquisition of Assets	8	2,880,640	310,500
Other Payments	9	580,000	2,136,000
TOTAL PAYMENTS		111,005,345	105,412,123
SURPLUS/DEFICIT		12,035,531	4,872,360

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Ainamoi Constituency financial statements were approved on _____ 2021 and signed by:


Fund Account Manager
Name: Elvirah Kebaya

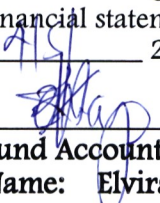

Sub-County Accountant
Name: Ismael Mbuvi
ICPAK Member Number: 27305

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


VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	24,969,613	12,934,082
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		24,969,613	12,934,082
Current Receivables-Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		24,969,613	12,934,082
FINANCIAL LIABILITIES			
Accounts Payable-Retention	12A		
Gratuity	12B	-	-
NET FINANCIAL ASSETS		24,969,613	12,934,082
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	12,934,082	7,901,722
Surplus/Deficit for the year		12,035,531	4,872,360
Prior year adjustments	14	-	160,000
NET FINANCIAL POSITION		24,969,613	12,934,082

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Ainamoi Constituency financial statements were approved on _____ 2021 and signed by:



Fund Account Manager
Name: Elvirah Kebaya



National Sub-County Accountant
Name: Ismael Mbuvi
ICPAK Member Number: 27305

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

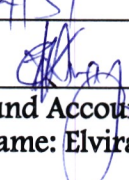
Reports and Financial Statements


For the year ended June 30, 2020

IX. STATEMENT OF CASHFLOW

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	123,040,876	110,284,483
Other Receipts	3	-	-
		123,040,876	110,284,483
Payments for operating expenses			
Compensation of Employees	4	1,363,720	1,215,924
Use of goods and services	5	10,101,189	7,640,785
Transfers to Other Government Units	6	73,308,166	58,276,000
Other grants and transfers	7	22,771,630	35,832,914
Other Payments	9	580,000	2,136,000
		108,124,705	105,101,623
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15		
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	160,000
Net Adjustments		-	160,000
Net cash flow from operating activities		12,035,531	5,342,860
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	2,880,640	310,500
Net cash flows from Investing Activities		2,880,640	310,500
NET INCREASE IN CASH AND CASH EQUIVALENT		12,035,531	5,342,860
Cash and cash equivalent at BEGINNING of the year	13	12,934,082	7,901,722
Cash and cash equivalent at END of the year		24,969,613	12,934,082

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Ainamoi Constituency financial statements were approved on 4/5/2021 and signed by:


Fund Account Manager
Name: Elvirah Kebaya


National Sub-County Accountant
Name: Ismael Mbuvi
ICPAK Member Number: 27305

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NG-CDF Board	137,367,724	67,974,958	205,342,682	135,974,958	69,367,724	66%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	0%
TOTAL RECEIPTS	137,367,724	67,974,958	205,342,682	135,974,958	69,367,724	66%
PAYMENTS						
Compensation of Employees	1,500,000	942,796	2,442,796	1,363,720	1,079,076	56%
Use of goods and services	7,722,482	3,163,264	10,885,746	10,101,189	784,558	93%
Transfers to Other Government Units	78,947,000	30,022,172	108,969,172	73,308,166	35,661,006	67%
Other grants and transfers	48,198,242	16,624,880	64,823,122	22,771,630	42,051,492	35%
Acquisition of Assets	1,000,000	9,000,000	10,000,000	2,880,640	7,119,360	29%
Other Payments	-	8,221,844	8,221,844	580,000	7,641,844	7%
TOTAL	137,367,724	67,974,958	205,342,680	111,005,345	94,337,337	54%

a) The underutilization in all the above expenditure item was occasioned by delays in disbursement of Funds from the Board. The NGCDF-AINAMOI Constituency financial statements were approved on 4/17 2021 and signed by:


Fund Account Manager
Name: Elvirah Kebaya


Sub-County Accountant
Name: Ismael Mbuvi
ICPAK Member Number: 27305

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	1,500,000	942,796	2,442,796	1,363,720	1,079,076
1.2 Committee allowances	3,300,000	723,000	4,023,000	3,453,300	569,700
1.3 Use of goods and services	1,200,000	1,675,039	2,875,039	2,343,211	531,828
	6,000,000	3,340,835	9,340,835	7,159,231	2,180,604
2.0 Monitoring and evaluation					
2.1 Capacity building	1,422,000	67,000	1,489,000	851,188	637,812
2.2 Committee allowances	1,200,000	332,500	1,532,500	1,050,000	482,500
2.3 Use of goods and services	600,482	365,926	966,408	385,985	580,423
	3,222,482	765,426	3,987,908	2,287,173	1,700,734
3.0 Emergency					
	7,198,241	2,017,703	9,215,945		
3.1 Primary Schools					
KEREGO PRIMARY SCHOOL -				100,000	
SOSIOT PRIMARY SCHOOL				600,000	
CHEPNGOB OB PRIMARY SCHOOL				500,000	
ST. PATRICKS PRIMARY SCHOOL				500,000	
KETTUI PRIMARY SCHOOL				500,000	
KOITAPMAT PRIMARY SCHOOL				500,000	
AINAFSOSIOT PRIMARY SCHOOL				500,000	
Ngecherok Primary School				500,000	
MURERET PRIMARY SCHOOL				500,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

TABET PRIMARY SCHOOL						500,000	
Motobo Primary School						500,000	
KENEGUT PRY SCHOOL						500,000	
						5,700,000	
3.2 Secondary schools				-			
BINYINY SEC SCHOOL						500,000	
BUCHENGE SEC SCHOOL						500,000	
						1,000,000	
	7,198,241	2,017,703	9,215,945			6,700,000	2,515,945
4.0 Bursary and Social Security							
4.1 Primary Schools				-			
4.2 Secondary Schools	20,000,001	120,719	20,120,720		1,146,630		18,974,090
4.3 Tertiary Institutions	15,000,000	9,170,856	24,170,856		13,337,933		10,832,923
4.4 Bursary Special School	-	-	-				
4.5 Social Security	-	-	-				
	35,000,001	9,291,575	44,291,576		14,484,563		29,807,012
5.0 Sports							
5.1 Ainamoi Tournament	2,000,000	962,838	2,962,838				2,962,838
	2,000,000	962,838	2,962,838				2,962,838
6.0 Environment							
AIC Telanet Girls Secondary School	125,000		125,000				
Brooke Day Secondary School	125,000		125,000				
Buchenge Secondary School	125,000		125,000				
Chepkoiyo Secondary School	125,000		125,000				
Kapkiam Secondary School	125,000		125,000				
Kenegut Day Secondary School	125,000		125,000				
Kinyose Primary School	125,000		125,000				
Laliat Secondary School	125,000		125,000				
Balance B/F		2,180,818	2,180,818				2,180,818

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

	1,000,000	2,180,818	3,180,818	1,000,000	2,180,818
7.0 Primary Schools Projects					
Kaptoroi Primary School	500,000		500,000	-	500,000
Chepkolon Primary School	250,000		250,000	250,000	-
Bagao Primary School	250,000		250,000	250,000	-
Cheribo Arorwet Primary School	500,000		500,000	500,000	-
Kerego Primary School	1,450,000		1,450,000	1,450,000	-
Chebigen Primary School	1,000,000		1,000,000	1,000,000	-
Kiburet Primary School	950,000		950,000	950,000	-
Kiburuny Primary School	1,000,000		1,000,000	1,000,000	-
Kimeswon Primary School	950,000		950,000	950,000	-
Ainamoi Primary School	1,000,000		1,000,000	1,000,000	-
Kipsigori Baraka Primary School	250,000		250,000	250,000	-
Kipsofet Primary School	2,000,000		2,000,000	-	2,000,000
Kisabei Primary School	1,000,000		1,000,000	1,000,000	-
Kisabei Primary School	250,000		250,000	250,000	-
Koibeyot Primary School	500,000		500,000	500,000	-
Koigaron Primary School	950,000		950,000	950,000	-
Koisamoi Primary School	250,000		250,000	250,000	-
Koisamoi Primary School	950,000		950,000	950,000	-
Kosisit Primary School	250,000		250,000	250,000	-
Lamaiyat Primary School	950,000		950,000	950,000	-
Kamelilo Primary School	950,000		950,000	950,000	-
Maso Primary School	1,000,000		1,000,000	1,000,000	-
Chemobei Primary School	100,000		100,000	100,000	-
Chemugusu Primary School	250,000	600,000	250,000	850,000	-
Motobo Primary School	1,500,000		1,500,000	1,500,000	-
Bechulelach Primary School	950,000		950,000	950,000	-
Mulkelwet Primary School	950,000		950,000	950,000	-
Mureret Primary School	950,000		950,000	950,000	-
Ngororga Primary School	2,000,000		2,000,000	-	2,000,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Oturi Primary School	500,000		500,000	500,000	500,000	-
Queentete Primary School	250,000		250,000	250,000	250,000	-
Samutet Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
St. John Cheribo Primary School	950,000		950,000	950,000	950,000	-
St. Patrick Primary School	1,500,000		1,500,000	1,500,000	1,500,000	-
Sumeiyon Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
Tabet Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
Telanel Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
Mogoiywet Primary School	460,000		460,000	460,000	460,000	-
Kaptoroi Primary School	500,000		500,000	500,000	-	500,000
Barsaiyan Primary School	460,000		460,000	460,000	460,000	-
Kipsofet Primary School	960,000		960,000	960,000	460,000	500,000
Sebetet Primary School	460,000		460,000	460,000	460,000	-
Cheplal Primary School	500,000		500,000	500,000	500,000	-
Kapkiam Primary School	460,000		460,000	460,000	460,000	-
Bagao Primary School	1,660,000		1,660,000	1,660,000	1,160,000	500,000
Kamasian Primary School	960,000		960,000	960,000	460,000	500,000
Chepsoo Primary School	2,000,000		2,000,000	2,000,000	2,000,000	-
Kapsilangwa Primary School	800,000		800,000	800,000	800,000	-
Kipchebor Primary School	2,000,000		2,000,000	2,000,000	2,000,000	-
Koitamat Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
Kosisit Primary School	120,000		120,000	120,000	-	120,000
Chemobei Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
Kaboloin Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
Chepkolon Primary School	700,000		700,000	700,000	700,000	-
Kericho Boys Boarding Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
Lamayat Primary School	200,000		200,000	200,000	200,000	-
Ngecherok Primary School	700,000		700,000	700,000	700,000	-
Koisagat Primary School	180,000		180,000	180,000	-	180,000
Torsogek Primary School	780,000		780,000	780,000	-	780,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Ngorokaa Primary School		1,000,000	1,000,000	-	1,000,000
TOTAL	31,050,000	18,900,000	49,950,000	41,370,000	8,580,000
8.0 Secondary Schools Projects					-
AIC Telanet Girls Secondary School	1,000,000		1,000,000	-	1,000,000
Buchenge Secondary School	500,000		500,000	500,000	-
Buchenge Secondary School	1,000,000		1,000,000	1,000,000	-
Chebigen Secondary School	3,000,000		3,000,000	3,000,000	-
Chemorir Day Secondary School	950,000		950,000	500,000	450,000
Chemorir Day Secondary School	500,000		500,000	-	500,000
Chepkoiyo Secondary School	950,000		950,000	950,000	-
Chepngobob Secondary School	1,920,000		1,920,000	1,920,000	-
Kaboloin Secondary School	1,000,000		1,000,000	1,000,000	-
Kaboloin Secondary School	500,000		500,000		500,000
Kapkiam Secondary School	1,830,000		1,830,000	1,830,000	-
Kapsoit Secondary School	1,670,000		1,670,000	1,670,000	-
Kapteswet Secondary School	7,109,000		7,109,000	-	7,109,000
Kenegut Day Secondary School	500,000		500,000	500,000	-
Kenegut Girls Secondary School	950,000		950,000	950,000	-
Ketitui Secondary school	500,000		500,000	500,000	-
Keongo Secondary School	7,109,000		7,109,000		7,109,000
Kericho Day Secondary School	950,000		950,000	950,000	-
Kipchimchim Day Secondary School	2,000,000		2,000,000	2,000,000	-
Manyoror Secondary School	950,000		950,000	950,000	-
Moi Sitotwet Secondary School	7,109,000		7,109,000	-	7,109,000
Moi Sitotwet Secondary School	400,000		400,000	400,000	-
Motobo Secondary School	500,000		500,000	500,000	-
Sumeiyon Day Secondary School	1,000,000		1,000,000	-	1,000,000
Torit Girls Secondary School	4,000,000		4,000,000	-	4,000,000
Kapkiam Secondary School		1,107,580	1,107,580	1,107,580	-
Kaboloin Secondary School		1,000,000	1,000,000	1,000,000	-
Manyoror Secondary School		600,000	600,000	600,000	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Maso Day Secondary School		920,000		920,000		920,000		-
Kapsoit Secondary School		1,000,000		1,000,000		1,000,000		-
Chemorir Secondary School		2,000,000		2,000,000		2,000,000		-
Kenegut Day Secondary School		509,769		509,769		509,769		0
Keongo Secondary School		500,000		500,000		500,000		-
Poiywek Secondary School		1,500,000		1,500,000		500,000		1,000,000
Motobo Secondary School		500,000		500,000		-		500,000
Kericho Township Secondary School		500,000		500,000		500,000		-
Township Secondary School		1,000,000		1,000,000		1,000,000		-
9.0 Security Projects		47,897,000		11,137,349		59,034,349		30,277,000
Kapsaos Police Station		2,000,000				2,000,000		-
Kericho East Deputy County Commissioner's Office		1,000,000				1,000,000		-
Kipchebor AP Camp		500,000		500,000				500,000
Kapsoit Chiefs Office		300,000		300,000				300,000
Kapsaos Chiefs Office		450,000		450,000				250,000
Kerich AP Camp		2,000		2,000				2,000
Laliat Chiefs Office		1,000,000		1,000,000				-
Chepkurpet Chiefs Office		500,000		500,000				-
Kericho County Commissioner's Office		1,100,000		1,100,000				-
Binyiny Chiefs Office		500,000		500,000				500,000
		3,000,000		4,352,000		7,352,000		1,552,000
10.0 Acquisition of Assets								
10.1 Construction of CDF office		1,000,000		9,000,000		10,000,000		2,880,640
		1,000,000		9,000,000		10,000,000		2,880,640
11.0 Others								
11.1 Strategic Plan				1,364,000		1,364,000		580,000
11.2 Innovation Hub				4,677,027		4,677,027		-
		-		6,041,027		6,041,027		580,000
								5,461,027

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

12.0 Tertiary Projects						
KERICHO TTI-KCB		2,180,817	2,180,817	2,180,817	2,180,817	-
KERICHO TOWNSHIP TECHNICAL INSTITUTE - KCB		1,000,000	1,000,000	1,000,000	1,000,000	-
		3,180,817	3,180,817	3,180,817	3,180,817	-
	137,367,724	67,974,958	205,342,682	111,005,345	94,337,337	

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-Ainamoi Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. Ainamoi NG-CDFC did not budget or collect any tax receipts in the year under review.

Transfers from the Exchequer

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

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 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 Entity recognises all payments when the event occurs and the related cash has actually been paid out by the Entity.

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized 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) –
AINAMOI CONSTITUENCY***
Reports and Financial Statements
For the year ended June 30, 2020

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, we did not have any errors requiring prior year adjustments in the financial statements

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) –
AINAMOI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2020

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019 - 2020	2018 - 2019
		Kshs	Kshs
	AIE NO		
Normal Allocation			54,784,483.15
	B030018		1,500,000.00
	B006282		6,000,000.00
	B030343		10,000,000.00
	B030163		10,000,000.00
	B042705		12,000,000.00
	B042865		16,000,000.00
	B047166	55,040,875.50	
	B041435	20,000,000.00	
	B047355	4,000,000.00	
	B047850	7,000,000.00	
	B049220	14,000,000.00	
	B104232	23,000,000.00	
Conditional Grants	AIE NO...		
Receipt from other Constituency			
TOTAL		123,040,876	110,284,483

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	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

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

Reports and Financial Statements

For the year ended June 30, 2020

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		
Total		

4. COMPENSATION OF EMPLOYEES

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Basic wages of temporary employees	1,342,920	1,185,924.00
Basic wages of casual labour		30,000.00
Personal allowances paid as part of salary		-
House allowance		-
Transport allowance		-
Leave allowance		-
Other personnel payments		-
Employer contribution to NSSF	20,800	
Gratuity-contractual employees		
TOTAL	1,363,720	1,215,924

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Utilities, supplies and services	899,700	612,580
Electricity	13,412	25,000
Water & sewerage charges		
Office rent		
Communication, supplies and services		79,850
Domestic travel and subsistence		
Printing, advertising and information supplies & services	1,544,489	73,080
Rentals of produced assets		
Training expenses		1,433,000
Hospitality supplies and services	312,000	69,130
Other committee expenses	3,545,000	605,500
Committee allowance	2,717,200	3,044,500
Insurance costs	246,000	
Specialised materials and services		
Office and general supplies and services		91,125
Fuel , oil & lubricants	300,000	570,000
Other operating expenses		277,000
Bank service commission and charges		4,604
Other Operating Expenses		
Security operations		755,416
Routine maintenance - vehicles and other transport equipment	523,388	
Routine maintenance- other assets		
TOTAL	10,101,189	7,640,785

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Transfers to Primary Schools	41,370,000	26,697,000
Transfers to Secondary Schools	28,757,349	31,579,000
Transfers to Tertiary Institutions	3,180,817	-
Transfers to Health Institutions	-	-
TOTAL	73,308,166	58,276,000

7. OTHER GRANTS AND TRANSFERS

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Bursary - Secondary	1,146,630	16,214,500.00
Bursary -Tertiary	8,125,000	3,829,144.00
Bursary- Special Schools		5,497,500.00
Mocks & CAT		1,967,980.00
Water		1,550,000.00
Food Security		6,773,790.00
Electricity		
Security	5,800,000	
Roads and Bridges		
Sports		
Environment	1,000,000	
Cultural Projects		
Agriculture		
Emergency Projects	6,700,000	
TOTAL	22,771,630	35,832,914

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2019 - 2020	2018 - 2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings-NG-CDF office	2,880,640	-
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings		310,500
Purchase of computers ,printers and other IT equipment	-	-
Purchase of photocopier	-	-
Purchase of other office equipment	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
TOTAL	2,880,640	310,500

9. OTHER PAYMENTS

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Strategic Plan	580,000	2,136,000
		-
TOTAL	580,000	2,136,000

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2019 - 2020	2018 - 2019
		Kshs (30/6/2020)	Kshs (30/6/2019)
<i>Kenya Commercial Bank, Kericho Branch . Ainamoi NG-CDF</i>	<i>Acc. no. 1103615831</i>	24,969,613	12,934,082
10B: CASH IN HAND)			
		2019 - 2020	2018 - 2019
		Kshs (30/6/2020)	Kshs (30/6/2019)
Location 1		-	-
TOTAL		24,969,613	12,934,082

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>
	Date imprest taken	<i>Kshs</i>	<i>Kshs</i>
		-	-
12 Retention			
Supplier/Contractor	PV No.	2019 - 2020	2018 - 2019
TOTAL			

12A. RETENTION

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1	-	-
Total	-	-

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Staff gratuity	-	-
Totals	-	-

13. BALANCES BROUGHT FORWARD

	2019 - 2020	2018 - 2019
	Kshs (1/7/2019)	Kshs (1/7/2018)
Bank accounts	12,934,082	7,901,722
Cash in hand		
Imprest		
TOTAL	12,934,082	7,901,722

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

14. PRIOR YEAR ADJUSTMENTS

		Balance b/f FY2019 - 2020 per Financial statements	Adjustments	Adjusted balance b/f 2018 - 2019
Description of the error		Kshs	Kshs	Kshs
Bank accounts balances		-	-	-
Cash in hand		-		-
Accounts Payable		-		
Receivables		-	-	-
Others (specify)		-	-	-
TOTAL				-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
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	-	-

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of Employees	1,079,076	942,796
Use of goods and services	784,558	3,163,265
Transfers to Other Government Units	35,661,006	30,022,172
Other grants and transfers	42,051,492	16,624,880
Acquisition of Assets	7,119,360	9,000,000
Other Payments	7,641,844	6,041,027
Allocation awaiting approval		8,221,844
	94,337,337	67,974,958

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	25,083,914.74	29,660,191.22
	25,179,028.74	29,660,191.22

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2020 d=a-c	Comments
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (specify)						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

ANNEX 3 – UNUTILIZED FUND

Programme/Sub-programme	Description	Outstanding balance 2019/20	Outstanding balance 2018/19	Comments
		2019/20	2018/19	
		Kshs	Kshs	
1.0 Administration and Recurrent				
1.1 Compensation of employees	Payment of NG-CDF staff salaries and Gratuities	1,079,076	942,796	Ongoing
1.2 Committee allowances	Payment of NG-CDFCs allowances	569,700	723,000	Ongoing
1.3 Use of goods and services	Purchase of fuel, repairs and maintenance, printing, stationery, telephone, travel and subsistence, office tea.	531,828	1,675,039	Ongoing
		2,180,604	3,340,835	
2.0 Monitoring and evaluation				
2.1 Capacity building		637,812	67,000	Ongoing
2.2 Committee allowances		482,500	332,500	Ongoing
2.3 Use of goods and services	Purchase of fuel, repairs and maintenance, printing, stationery, telephone, travel and subsistence, office tea.	580,423	365,265	Ongoing
		1,700,734	764,765	
3.0 Emergency				
Emergency	To cater for emergencies within the constituency	2,015,945		Ongoing
4.0 Bursary and Social Security				
4.1 Primary Schools				Ongoing

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

4.2 Secondary Schools	To support needy students	18,974,090		Ongoing
4.3 Tertiary Institutions	To support needy students	10,882,923		Ongoing
5.0 Sports		29,857,013		
5.1 Ainamoi Tournament	Sports activities	2,962,838		Ongoing
6.0 Environment				
Balance B/F		2,180,818		Ongoing
7.0 Primary Schools Projects				
Mogoiywet Primary School		-	460,000	Ongoing
Kaptoroi Primary School	Purchase 0.4 acre piece of land	500,000	500,000	Ongoing
Barsian Primary School			460,000	
Kipsotet Primary School	Purchase 1acre piece of land	2,000,000	960,000	Ongoing
Sebetet Primary School			460,000	
Cheplel Primary School			500,000	
Kapkiam Primary School			460,000	
Chepsoo Primary School			2,000,000	
Kapsilangwa Primary School			800,000	
Kipchebor Primary School			2,000,000	
Koitamat Primary School			1,000,000	
Chemugusu Primary School			600,000	
Chemobei Primary School			1,000,000	
Kaboloin Primary School			1,000,000	
Chepkolon Primary School			700,000	
Kericho Boys Boarding Primary School			1,000,000	
Lamaiyat Primary School			200,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Ngororga Primary School	Purchase one acre piece of land	2,000,000		Ongoing
Kaptoroi Primary School	Purchase 0.4 acre piece of land	500,000		Ongoing
Kipsotet Primary School	Purchase 1 acre piece of land	500,000		Ongoing
Bagao Primary School	Completion of one classroom Fittings, plastering, painting and wiring	500,000	1,660,000	Ongoing
Kamasian Primary School	Purchase 0.4 acre piece of land	500,000	960,000	Ongoing
Kosisit Primary School		120,000	120,000	Ongoing
Koisagat Primary School		180,000	(600,000)	Ongoing
Torsogek Primary School		780,000	780,000	Ongoing
Ngororga Primary School		1,000,000	1,700,000	Ongoing
TOTAL		8,580,000	18,720,000	
8.0 Secondary Schools Projects				
Kapkiam Secondary School			1,107,580	
Kaboloin Secondary School			1,000,000	
Manyoror Secondary School			600,000	
Maso Day Secondary School			920,000	
Kapsoit Secondary School			1,000,000	
Kenegut Day Secondary School			509,769	
Kericho Township Secondary School			500,000	
Township Secondary School			1,000,000	
AIC Telanet Girls Secondary School	Renovation of 4 classrooms – Roofing, plastering, painting, wiring and fittings	1,000,000		Ongoing
Chemorir Day Secondary School	completion of two classrooms –plastering, painting and wiring	450,000	2,000,000	Ongoing
Chemorir Day Secondary School	completion of two classrooms –plastering, painting and wiring	500,000	-	Ongoing

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

Kaptebeswet Secondary School	Purchase 51-seater school bus	7,109,000	-	Ongoing
Keongo Secondary School	Purchase 51-seater school bus	7,109,000	500,000	Ongoing
Moi Sitotwet Secondary School	Purchase 51-seater school bus	7,109,000	-	Ongoing
Sumeiyon Day Secondary School	Renovation of 4 classrooms – Roofing, plastering, painting, wiring and fittings	1,000,000	-	Ongoing
Torit Girls Secondary School	Construct one new dormitory -150 capacity, to roofing level	4,000,000	-	Ongoing
Poyjwek Secondary School	Construct Administration Block -5 rooms	1,000,000	1,500,000	Ongoing
Motobo Secondary School	Purchase 0.4 acre piece of land	500,000	500,000	Ongoing
		30,777,000	11,137,349	
9.0 Security Projects				
Ainamoi ACC			600,000	
Laliat Chiefs Office			1,000,000	
Chepkurpet Chiefs Office			500,000	
Kericho County Commissioner			1,100,000	
Kipchebor AP Camp	Construction of AP units	500,000	500,000	Ongoing
Kapsoit Chiefs Office	completion of chiefs' office	300,000	300,000	Ongoing
Kapsaos Chiefs Office	completion of chiefs' office	250,000	450,000	Ongoing
Kerich AP Camp	Construction of AP units	2,000	2,000	Ongoing
Binyiny Chiefs Office	completion of chiefs' office	500,000	500,000	Ongoing
		1,552,000	4,352,000	
10.0 Acquisition of Assets		-	-	Ongoing

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

10.1 Construction of CDF office	Construction of NG-CDF office	7,119,360	9,000,000	Ongoing
		7,119,360	9,000,000	
11.0 Others			-	Ongoing
11.1 Strategic Plan	constituency strategic plan review	784,000	1,364,000	Ongoing
11.2 Innovation Hub	ICT hubs in the constituency	4,677,027	4,677,027	Ongoing
12.0 Tertiary Projects		5,461,027	6,041,027	Ongoing
KERICHO TOWNSHIP TECHNICAL INSTITUTE - KCB	Construction of INSTITUTE	5,461,027	-	Ongoing
		5,461,027		
		94,337,337	67,974,958	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

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) 2019/20
Land	-	-	-	-
Buildings and structures	-	2,880,640	-	2,880,640.00
Transport equipment	6,479,510.00	-	-	6,479,510.00
Office equipment, furniture and fittings	589,500.00	-	-	589,500.00
ICT Equipment, Software and Other ICT Assets	268,000.00	-	-	268,000.00
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	7,337,010.00	2,880,640.00	-	10,217,650.00

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

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

PMC	BANK	A/C NO	Bank Balance	Bank Balance
			2019/2020	2018/2019
Ainapkoror Primary School	KCB	1226781349	5,677.70	5,677.70
Ainaposiot Primary School	KCB	1109616740	16,835.15	
Arorwet Cheribo Pri School	KCB	1150676078	94,557.82	1,423,226.22
Bagao Primary School	KCB	1161329013	1,161,092.45	1,092.45
Barsaiyan Primary School	KCB	1202584799	956.50	38,043.50
Bechulelach Pri. Sch	KCB	1137215275	48,034.50	48,034.50
Binyiny Pri. School	KCB	1137224304	1,163.00	46,593.00
Brooke Day Sec. Sch	KCB	1233557645	198,782.00	994,215.00
Buchenge Secondary School	KCB	1136481176	550,211.20	327,162.20
Chebigen B Pri. Sch	KCB	1225444187	38,789.00	38,789.00
Chebigen Sec. School	KCB	1116107465	1,155,548.15	3,067,722.00
Chemagaldit Pri. School	KCB	1149818638	51,282.05	51,324.05
Chemobei Pri. Sch	KCB	1175797340	1,230,875.85	230,875.85
Chemugusu Primary School	Sidian Bank	1010150013840	53,849.60	0
Chepkoinik Primary School	KCB	1161082042	5,370.00	
Chepkoiyo Primary School	KCB	1204431663	427,230.50	
Chepkolon Pri. School	KCB	1161725938	519,452.60	552,294.60
Chepkurbet Pri. Sch	KCB	1184139113	8,288.80	67,088.80
Cheplel Primary School	KCB	1150691239	32,594.00	49,552.00
Cheplil Primary School	KCB	1137215364	1,292.50	512,264.50
Chepngobob Sec. Sch	KCB	1161471626	1,933,925.85	13,925.85
Chepsoo Sub-Location	Sidian Bank	1010030000346	2,767.00	500,147.00
Highlands Primary School	KCB	1119267048	18,217.70	
Itobei Pri. School	KCB	1152511513	1,341.90	1,341.90
Kamelilo Primary School	KCB	1167144287	4,479.00	
Kapcheptendeniet Pri. Sch	KCB	1176666509	2,493.00	2,493.00
Kapcheptoror Pri. Sch	KCB	1177269570	8,013.95	7,113.95
Kapkiam Primary School	KCB	1239607733	960,000.00	
Kapkiam Secondary School	KCB	1149718234	1,169,853.50	909,054.50
Kapngetuny Primary School	KCB	1208135864	2,469.50	127,766.50
Kapngetuny Sec. School	KCB	1147955190	178,578.80	156,994.50
Kapsigirio Pri. School	KCB	1154471888	480.35	100,400.35
Kapsilangwa Pri. School	KCB	1225732131	24,179.40	344,496.40

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

Kapsoit Secondary School	KCB	1141542560	740,941.00	866,385.00
Kaptoroi Primary School	KCB	1117728935	3,633.25	96,394.25
Kenegut Day Secondary School	KCB	1172460671	2,439,574.00	1,405,410.00
Kenegut Primary School	KCB	1114189235	509,930.20	
Keongo Primary School	KCB	1202922384	1,105.00	1,105.00
Kerego Primary School	KCB	1157943373	601.40	
Kericho Police Station	Sidian Bank	1010030000356	998,947.00	998,947.00
Kericho Township Primary school	KCB	1169822959	2,867.00	
Ketipyese Pri School	KCB	1153816954	1,368.50	16,620.50
Kiboybei Primary School	KCB	1175908568	84,202.00	
Kimasian Pri. Sch	KCB	1161229086	71,166.60	55,599.50
Kimeswon Pri. Sch	KCB	1176001809	82,336.90	82,336.90
Kipchebor Primary School	Sidian Bank	1010030000376	447.00	100,000.00
Kipchimchim Pri. Sch	KCB	1167243498	1,475.00	0
Kipchimchim Secondary School	KCB	1239547633	145.00	25,271.00
Kipchimchim Sub-Location	Sidian Bank	1010030000366	108,827.00	998,947.00
Kiprotgorik Pri. School	KCB	1160142378	862,579.95	0
Kipsigori Baraka Primary School	KCB	1149574305	459,804.35	1,259,901.15
Kipsotet Primary School	KCB	1128702916	164,047.85	1,647.85
Kisabei Primary School	KCB	1150689609	1,260,700.10	700,044.10
Koibeyot Primary School	KCB	1176162179	114,511.90	1,422,534.10
Koigaron Primary School	KCB	1160874077	951,826.00	77,335.30
Koisagat Primary School	KCB	1203457839	5,725.00	5,725.00
Koisamoi Primary School	Sidian Bank	1010030000326	955,954.00	700,497.00
Koitabmat Pri. Sch	KCB	1161348182	89,287.50	0
Kondametul Pri Sch	KCB	1150668415	2,541.65	2,667.65
Kosisit Primary School	KCB	1157944353	488,077.00	580,810.00
Laliat Pri. School	KCB	1175694207	113,924.00	114,050.00
Laliat Secondary School	KCB	1136922180	1,250.00	750
Lamaiyat Primary School	KCB	1200694791	954,556.00	282,682.00
Lelechwet Pri. School	KCB	1226217109	10,852.75	10,852.75
Lemeiywet Pri. School	KCB	1172276161	1,664.00	4,004.00
Manyoror Sec. School	KCB	1121891225	1,023,795.00	62,514.00
Maso Sec. School	KCB	1153557495	6,943.50	1,570.00
Merto Dispensary	KCB	1157819419	1,490.70	1,996.70
Merto Pri. School	KCB	1202988555	5,232.00	56,570.00
Mjini Pri. Sch	KCB	1138650420	1,363.90	21,363.90

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

**Reports and Financial Statements
For the year ended June 30, 2020**

Mogoiywet Primary School	KCB	1184408564	646,072.50	501,324.50
Moi Sitotwet Secondary School	KCB	1162864664	1,853.50	
Motobo Secondary School	KCB	1172034915	138,961.50	0
Mulkelwet Pri. Sch	KCB	1153507595	2,565.40	2,565.40
Mureret Primary School	KCB	1158048823	25,239.75	
Ngecherok Primary School	KCB	1114596027	733,944.55	0
Ngenybare Secondary School	KCB	1134434456	28,295.65	0
Ogirgir Pri. Sch	KCB	1156872227	3,446.50	3,446.50
Otui Primary School	Equity	280190268434	95,114	1,401,015.00
Poiywek Chiefs Office	KCB	1203510659	1,129.00	600,154.00
Queen Tete Primary School	KCB	1202913571	2,795.00	
Queentete Primary School	Sidian Bank	1010030000336	15,760.00	699,047.00
Rongai Pri. School	KCB	1164105833	10,460.95	0
Samaria Primary School	KCB	1120147018	80,421.87	80,421.87
Sebetet Primary School(Kinyose)	KCB	1166602672	62,051.00	501,963.00
Sinendet Pri. Schoolk	KCB	1202530001	994.00	20,994.00
Sosit Pri School	KCB	1162793791	40,080.6	146,978.00
Sugutek Pri. School	KCB	1149658894	426.35	30,754.35
Sumeiyon Sec. School	KCB	1155913744	16,367.70	1,039,609.50
Tabain Pri. School	KCB	1225165881	27,723.00	27,723.00
Tabet Pri. Sch	KCB	1159684286	1,003,826.00	3,826.00
Telanet Girls Secondary School	KCB	1139125818	27,268.00	
Toror Girls Secondary School	KCB	1183601336	514.00	5,108,570.00
TOTAL			25,179,028.74	29,660,191.22

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
KHB/ AICA/ NG- CDF/18-19/12 dated August 25 th 2020 and covering the period F/Y 2018/2019	Misstatement of Other Grants and Payments The management under other grants and other payments disclosed an expenditure of Kshs.35,832,914. Included in this amount under note 7 to the financial statements it was disclosed that Kshs. 1,967,980 was spent on sports projects and Kshs. 6,773,790 was spent on emergency projects. However, the expenses are supported by payment vouchers amounting to Kshs. 599,640 and Kshs. 6,015,750 respectively thus resulting in an unexplained variance of Kshs. 1,368,340 on sports project and Kshs. 758,040 on emergency projects respectively. Further, payment vouchers for cheque No.9130 dated 17.4.19 to Kenegut day secondary school of Kshs.400,000, and cheque No.9529 dated 24.5.19 to Chepngoboh secondary school of Kshs. 450,000	This has been noted. The Bank Statements for April and May, 2019 <i>Annex I</i>	NG-CDPC	Not resolved	30 th June 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>all relating to emergency payments were not provided for audit review.</p> <p>The NG-CDF bank account statements for the months of April and May 2019 were not made available for audit review.</p> <p>Therefore, it was not possible to confirm the completeness and accuracy of expenditure on other grants and other payments.</p>				
	<p>Unsupported payments of Bursary</p> <p>During the year under review, the fund disbursed Kshs. 16,214,500 bursaries to secondary schools and Kshs. 3,829,144 to tertiary schools. However, the bursary payments amounting to Kshs.20,043,644 were not supported by the minutes of the constituency committee meeting authorizing the payments by the Fund. In addition, the bursary project management committee minutes indicating the criteria of identifying the beneficiaries and awarding the bursaries were not made available for audit purposes</p>	<p>This has been noted, the Minutes for the NGCDFC resolution authorizing the payment of Kshs 20,043,644.00 as Bursary. <i>Annex 2</i></p>	NG-CDFC	Not resolved	30 th June 2021
	Unsupported Payments of Other Grants	During the year under review, the entity carried out emergency	NG-CDFC	Not resolved	30 th June 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																																													
	<p>During the year under review, the management expensed Kshs. 6,015,750 on emergency projects. However, the constituency did not prepare reports to the Board indicating the emergency projects undertaken in the constituency.</p> <p>In addition, the payments amounting to Kshs. 6,083,250 had various issue as follows;</p> <table border="1" data-bbox="167 405 758 976"> <thead> <tr> <th>Beneficiary</th> <th>Amount Kshs</th> <th>Audit issue noted</th> </tr> </thead> <tbody> <tr> <td>Kapklam Sec Sch</td> <td>450,000</td> <td>No expenditure returns – returns attached <i>annex 3</i></td> </tr> <tr> <td>Lalial Pry Sch</td> <td>400,000</td> <td>No expenditure returns – returns attached <i>annex 4</i></td> </tr> <tr> <td>Torit Primary School</td> <td>485,750</td> <td>The CDRC minutes is not specific about disbursement of funds to school.</td> </tr> <tr> <td>Kapsot Sec School.</td> <td>750,000</td> <td>Environment project is not approved by Board.</td> </tr> <tr> <td>Kenegut Chief Office</td> <td>500,000</td> <td>Project is not labelled. No CDRC resolution for disbursing funds. Project is not approved by Board.</td> </tr> <tr> <td>EACLERIS Co.Ltd- Gate & centre at Kericho police station</td> <td>299,500</td> <td>Emergency: to manage public during demonstrations.</td> </tr> </tbody> </table>	Beneficiary	Amount Kshs	Audit issue noted	Kapklam Sec Sch	450,000	No expenditure returns – returns attached <i>annex 3</i>	Lalial Pry Sch	400,000	No expenditure returns – returns attached <i>annex 4</i>	Torit Primary School	485,750	The CDRC minutes is not specific about disbursement of funds to school.	Kapsot Sec School.	750,000	Environment project is not approved by Board.	Kenegut Chief Office	500,000	Project is not labelled. No CDRC resolution for disbursing funds. Project is not approved by Board.	EACLERIS Co.Ltd- Gate & centre at Kericho police station	299,500	Emergency: to manage public during demonstrations.	<table border="1" data-bbox="432 1039 1023 1413"> <thead> <tr> <th>Beneficiary Name</th> <th>Amount Kshs</th> </tr> </thead> <tbody> <tr> <td>Kapklam Sec Sch</td> <td>450,000</td> </tr> <tr> <td>Nyengbare Pry Sch</td> <td>200,000</td> </tr> <tr> <td>Polywek Pry</td> <td>100,000</td> </tr> <tr> <td>Ketipyese Pry School</td> <td>450,000</td> </tr> <tr> <td>Samaria Pry Sch</td> <td>1,130,000</td> </tr> <tr> <td>Lalial Pry Sch</td> <td>400,000</td> </tr> <tr> <td>Koigaron Pry Sch</td> <td>400,000</td> </tr> <tr> <td>Kapngeluny Pri. School</td> <td>450,000</td> </tr> <tr> <td>Torit Primary School</td> <td>485,750</td> </tr> <tr> <td>Kenegut Day Secondary School</td> <td>400,000</td> </tr> <tr> <td>Kaboloin Primary School</td> <td>450,000</td> </tr> </tbody> </table> <p>projects amounting to Kshs. 6,015,750 as shown below;</p>	Beneficiary Name	Amount Kshs	Kapklam Sec Sch	450,000	Nyengbare Pry Sch	200,000	Polywek Pry	100,000	Ketipyese Pry School	450,000	Samaria Pry Sch	1,130,000	Lalial Pry Sch	400,000	Koigaron Pry Sch	400,000	Kapngeluny Pri. School	450,000	Torit Primary School	485,750	Kenegut Day Secondary School	400,000	Kaboloin Primary School	450,000			
Beneficiary	Amount Kshs	Audit issue noted																																																
Kapklam Sec Sch	450,000	No expenditure returns – returns attached <i>annex 3</i>																																																
Lalial Pry Sch	400,000	No expenditure returns – returns attached <i>annex 4</i>																																																
Torit Primary School	485,750	The CDRC minutes is not specific about disbursement of funds to school.																																																
Kapsot Sec School.	750,000	Environment project is not approved by Board.																																																
Kenegut Chief Office	500,000	Project is not labelled. No CDRC resolution for disbursing funds. Project is not approved by Board.																																																
EACLERIS Co.Ltd- Gate & centre at Kericho police station	299,500	Emergency: to manage public during demonstrations.																																																
Beneficiary Name	Amount Kshs																																																	
Kapklam Sec Sch	450,000																																																	
Nyengbare Pry Sch	200,000																																																	
Polywek Pry	100,000																																																	
Ketipyese Pry School	450,000																																																	
Samaria Pry Sch	1,130,000																																																	
Lalial Pry Sch	400,000																																																	
Koigaron Pry Sch	400,000																																																	
Kapngeluny Pri. School	450,000																																																	
Torit Primary School	485,750																																																	
Kenegut Day Secondary School	400,000																																																	
Kaboloin Primary School	450,000																																																	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																																										
	<table border="1"> <tr> <td data-bbox="558 380 670 705">PUNTAL agencies</td> <td data-bbox="558 705 670 985">500,000</td> <td data-bbox="558 985 670 1209">No expenditure returns for furniture at Kericho sub-county commissioner's office – returns attached <i>annex 6</i></td> <td data-bbox="558 1209 670 1433"></td> <td data-bbox="558 1433 670 1973"></td> <td data-bbox="558 1973 670 1973"></td> </tr> <tr> <td data-bbox="670 380 782 705">KICAB Investment Ltd- Completion of AP single line at Kericho</td> <td data-bbox="670 705 782 985">299,000</td> <td data-bbox="670 985 782 1209">No expenditure returns. Project is not approved by Board.</td> <td data-bbox="670 1209 782 1433"></td> <td data-bbox="670 1433 782 1973"></td> <td data-bbox="670 1973 782 1973"></td> </tr> <tr> <td data-bbox="782 380 893 705">AINAMOI ACC</td> <td data-bbox="782 705 893 985">600,000</td> <td data-bbox="782 985 893 1209">No CDFC resolution for disbursing funds.</td> <td data-bbox="782 1209 893 1433"></td> <td data-bbox="782 1433 893 1973"></td> <td data-bbox="782 1973 893 1973"></td> </tr> <tr> <td data-bbox="893 380 1005 705">Poiywek Chiefs Office</td> <td data-bbox="893 705 1005 985">600,000</td> <td data-bbox="893 985 1005 1209">No CDFC resolution for disbursing funds – minutes & code list attached <i>annex 7</i></td> <td data-bbox="893 1209 1005 1433"></td> <td data-bbox="893 1433 1005 1973"></td> <td data-bbox="893 1973 1005 1973"></td> </tr> <tr> <td data-bbox="1005 380 1117 705">KICAB Investment Ltd- Completion of AP single line at Kericho</td> <td data-bbox="1005 705 1117 985">199,000</td> <td data-bbox="1005 985 1117 1209">No expenditure returns.</td> <td data-bbox="1005 1209 1117 1433"></td> <td data-bbox="1005 1433 1117 1973"></td> <td data-bbox="1005 1973 1117 1973"></td> </tr> <tr> <td data-bbox="1117 380 1228 705">Kericho Police Station</td> <td data-bbox="1117 705 1228 985">1,000,000</td> <td data-bbox="1117 985 1228 1209">Funds not yet utilized by March 2020 (9 months later). The funds have been utilized – photo attached <i>annex 8</i></td> <td data-bbox="1117 1209 1228 1433"></td> <td data-bbox="1117 1433 1228 1973"></td> <td data-bbox="1117 1973 1228 1973"></td> </tr> <tr> <td data-bbox="1228 380 1407 705">Total</td> <td data-bbox="1228 705 1407 985">6,083,250</td> <td data-bbox="1228 985 1407 1209"></td> <td data-bbox="1228 1209 1407 1433"></td> <td data-bbox="1228 1433 1407 1973"></td> <td data-bbox="1228 1973 1407 1973"></td> </tr> </table>	PUNTAL agencies	500,000	No expenditure returns for furniture at Kericho sub-county commissioner's office – returns attached <i>annex 6</i>				KICAB Investment Ltd- Completion of AP single line at Kericho	299,000	No expenditure returns. Project is not approved by Board.				AINAMOI ACC	600,000	No CDFC resolution for disbursing funds.				Poiywek Chiefs Office	600,000	No CDFC resolution for disbursing funds – minutes & code list attached <i>annex 7</i>				KICAB Investment Ltd- Completion of AP single line at Kericho	199,000	No expenditure returns.				Kericho Police Station	1,000,000	Funds not yet utilized by March 2020 (9 months later). The funds have been utilized – photo attached <i>annex 8</i>				Total	6,083,250								
PUNTAL agencies	500,000	No expenditure returns for furniture at Kericho sub-county commissioner's office – returns attached <i>annex 6</i>																																													
KICAB Investment Ltd- Completion of AP single line at Kericho	299,000	No expenditure returns. Project is not approved by Board.																																													
AINAMOI ACC	600,000	No CDFC resolution for disbursing funds.																																													
Poiywek Chiefs Office	600,000	No CDFC resolution for disbursing funds – minutes & code list attached <i>annex 7</i>																																													
KICAB Investment Ltd- Completion of AP single line at Kericho	199,000	No expenditure returns.																																													
Kericho Police Station	1,000,000	Funds not yet utilized by March 2020 (9 months later). The funds have been utilized – photo attached <i>annex 8</i>																																													
Total	6,083,250																																														

As at the time of audit inspection, the returns by the project management committees (PMC) to constituency committee (CDFC) accounting for the funds allocated to the projects had not been made.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external Audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Also, Kericho police station had not utilized the allocated funds nine (9) months after disbursement. In addition, the payment vouchers were not supported by CDFC resolution disbursing the funds.</p> <p>Further, three (3) projects namely; AP line Kericho-Kshs.499,000; Kericho Police station gate and sentry- Kshs.299,500; Kericho sub-county commissioners office furniture -Kshs.500,000 were directly implemented by the CDFC and not PMC contrary to regulations. The CDFC further failed to account for the funds by preparing returns on how the funds were utilized.</p>				
	<p>Failure to brand assets</p> <p>During the financial year under review, the Fund acquired a laptop of Kshs. 59,500 and office furniture amounting to Kshs. 310,500. However, the assets were not labelled or branded as properties of Ainamoi NGCDF. In the event, the assets are unsecured.</p>	<p>This concern has been noted. The Management has made arrangements to brand the Assets as per your recommendations under NG-CDFC minutes held on 28th August 2020.</p>	<p>NG-CDFC</p>	<p>Not resolved</p>	<p>30th June 2021</p>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Misstatement of Use of Goods and Services</p> <p>The statement of receipts and payments for the year under review indicates the management under use of goods and services spent Kshs. 7,640,785. However, the payments are supported by payment schedules amounting to Kshs.11,455,625 thus resulting into unexplained difference of Kshs. 3,814,840.</p>	<p>This has been noted</p>	<p>NG-CDFC</p>	<p>Not resolved</p>	<p>30th June 2021</p>
	<p>Unaccounted for Fuel Expenses</p> <p>Included under note 4 in the explanatory notes to the financial statements under use of goods and services figure of Kshs. 7,640,785 is expenditure of Kshs. 570,000 on fuel, oil and lubricants. However, fuel register, detail orders and work tickets supporting the fuel expenditure were not made available for audit review. In the event, Kshs. 570,000 was not properly accounted for.</p>	<p>This has been noted, going forward, the committee shall have an updated fuel register, work tickets file and detail orders</p>	<p>NG-CDFC</p>	<p>Not resolved</p>	<p>30th June 2021</p>
	<p>Unsupported Payments</p> <p>Included in note 4 to the financial statements under use of goods and services figure of Kshs. 7,640,785 are payments amounting to Kshs. 897,000 that</p>	<p>This has been noted, the supporting documents have been provided</p>	<p>NG-CDFC</p>	<p>Not resolved</p>	<p>30th June 2021</p>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																																										
	<p>were not accounted for by attaching supporting documents to the payment vouchers as follows; -</p> <table border="1"> <thead> <tr> <th>Payee</th> <th>Date</th> <th>P.V No.</th> <th>Cheque No</th> <th>Amount (Ksh)</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>Kaskazi Beach Hotel</td> <td>06-05-19</td> <td>299</td> <td>9144-45</td> <td>352,000</td> <td>Participants invitation letters, reports, ar purpose the travel a not availle for audit.</td> </tr> <tr> <td>Lenox Hotel</td> <td>06-05-19</td> <td>300</td> <td>9146-47</td> <td>285,000</td> <td>The repc and purpos of the meeting was not availle for audit.</td> </tr> <tr> <td>Sub total</td> <td></td> <td></td> <td></td> <td>637,000</td> <td></td> </tr> <tr> <td>Training</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>District Accountant</td> <td>06-05-19</td> <td></td> <td>9139</td> <td>260,000</td> <td>The repc not provide for audit.</td> </tr> <tr> <td>Grand Total</td> <td></td> <td></td> <td></td> <td>897,000</td> <td></td> </tr> </tbody> </table>	Payee	Date	P.V No.	Cheque No	Amount (Ksh)	Remarks	Kaskazi Beach Hotel	06-05-19	299	9144-45	352,000	Participants invitation letters, reports, ar purpose the travel a not availle for audit.	Lenox Hotel	06-05-19	300	9146-47	285,000	The repc and purpos of the meeting was not availle for audit.	Sub total				637,000		Training						District Accountant	06-05-19		9139	260,000	The repc not provide for audit.	Grand Total				897,000		<p>PV No. (Kaskazi beach hotel) participants, invitation letter, reports</p>			
Payee	Date	P.V No.	Cheque No	Amount (Ksh)	Remarks																																										
Kaskazi Beach Hotel	06-05-19	299	9144-45	352,000	Participants invitation letters, reports, ar purpose the travel a not availle for audit.																																										
Lenox Hotel	06-05-19	300	9146-47	285,000	The repc and purpos of the meeting was not availle for audit.																																										
Sub total				637,000																																											
Training																																															
District Accountant	06-05-19		9139	260,000	The repc not provide for audit.																																										
Grand Total				897,000																																											

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																												
	<p>Budget Performance</p> <p>During the year under review, Ainamoi NG-Constituency Development Fund had a final revenue budget figure of Kshs.173,227,081 consisting; the current year allocation of Kshs.109,040,876; previous years allocations of Kshs. 56,284,483; and a cashbook balance of Kshs.7,901,722. However, the budget was funded by Kshs. 118,186,205 representing 68%. The payments budget performance for the entity was reported as follows:-</p> <table border="1" data-bbox="1018 1258 1418 1827"> <thead> <tr> <th>Audit Components</th> <th>Final budget figures Kshs</th> <th>Actual Expenditure Kshs</th> <th>Absorption rate (%)</th> </tr> </thead> <tbody> <tr> <td>Compensation of employees</td> <td>2,158,720</td> <td>1,215,924</td> <td>56</td> </tr> <tr> <td>Use of goods and services</td> <td>11,114,550</td> <td>7,951,285</td> <td>72</td> </tr> <tr> <td>Transfers to Other Government Units</td> <td>88,138,172</td> <td>58,276,000</td> <td>66</td> </tr> <tr> <td>Other grants and transfers</td> <td>52,457,794</td> <td>35,832,914</td> <td>68</td> </tr> <tr> <td>Acquisition of assets</td> <td>9,000,000</td> <td>0</td> <td>0</td> </tr> <tr> <td>Other payments</td> <td>8,177,027</td> <td>2,136,000</td> <td>26</td> </tr> </tbody> </table>	Audit Components	Final budget figures Kshs	Actual Expenditure Kshs	Absorption rate (%)	Compensation of employees	2,158,720	1,215,924	56	Use of goods and services	11,114,550	7,951,285	72	Transfers to Other Government Units	88,138,172	58,276,000	66	Other grants and transfers	52,457,794	35,832,914	68	Acquisition of assets	9,000,000	0	0	Other payments	8,177,027	2,136,000	26		NG-CDFC	Not resolved	30 th June 2021
Audit Components	Final budget figures Kshs	Actual Expenditure Kshs	Absorption rate (%)																														
Compensation of employees	2,158,720	1,215,924	56																														
Use of goods and services	11,114,550	7,951,285	72																														
Transfers to Other Government Units	88,138,172	58,276,000	66																														
Other grants and transfers	52,457,794	35,832,914	68																														
Acquisition of assets	9,000,000	0	0																														
Other payments	8,177,027	2,136,000	26																														

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)				
	<table border="1" data-bbox="978 387 1023 974"> <tr> <td>Total expenditure</td> <td>173,227,081</td> <td>105,412,123</td> <td>61</td> </tr> </table> <p>Review of the Financial Statements A review of the financial statements for the year under review revealed the following:-</p> <ul style="list-style-type: none"> The statement of receipts and payments indicates compensation of employees as note 4 instead of 3; Use of goods and services as note 5 instead of 4; and note No. 5 in skipped in the notes to the financial statements thus moving from 4 to 6. Annex 5 on PMC bank balances as at 30 June 2019 amounting to Kshs. 30,953,816 are not supported by the individual PMC bank accounts statements or certificate of bank balance as at 30 June 2019. Therefore, we could not confirm the accuracy of the figures as reported. Progress on follow up on auditor recommendations indicate matters that were not reported in the previous year audit report. This report should indicate 	Total expenditure	173,227,081	105,412,123	61	<p>This has been noted</p> <p>PMC Bank Statements as 30th June, 2019 have been availed</p> <p>PMC bank statements as at 30th June 2019</p>	<p>NG- CDFC</p>	<p>Not resolved</p>	<p>30th June 2021</p>
Total expenditure	173,227,081	105,412,123	61						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>the entity follow up on the issue reported in the report of the Auditor-General for the financial year 2017/18 on incomplete and utilized projects.</p>				
	<p>Unsupported Cash and Cash Equivalents The statement of financial assets reflected cash and cash equivalents balance of Kshs. 12,934,082. However, the management provided bank reconciliation statements for the months of January and March 2019 only for audit review. In addition, the Board of survey certificate as at 30 June 2019 for closing of financial year procedure was not made available for audit review. It was therefore not possible to confirm the accuracy of cash and cash equivalent balance of Kshs. 12,934,082</p>	<p>This has been noted. Bank reconciliation statements for the June 2019 Board of survey as at 30 June 2019</p>	<p>NG-CDFC</p>	<p>Not resolved</p>	<p>30th June 2021</p>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – AINAMOI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Weak Strategic Plan</p> <p>Included in note 9 to the financial statements are others payments of Kshs. 2,136,000 with respect to formulation of the constituency strategic plan for the period 2018 to 2023. The appendix 1 on implementation matrix of the strategic plan indicated activities and service delivery targets for years 1 to 5. However, the unit costs of activities were not indicated for the respective service delivery targets in years 1 to 5. It was therefore not possible to compare activity costs and targets with subsequent budgets and their eventual implementation.</p>	<p>The concern has been noted. The management will review the strategic plan to accommodate the recommendations for better service delivery.</p>	<p>NG- CDFC</p>	<p>Not resolved</p>	<p>30th June 2021</p>