

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 11 SEP 2019

Day: KED

REPORT

BY: LEAH MWADIA  
LEADER OF MAJORITY

CLEAR THE WAY

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
SUNA EAST CONSTITUENCY

FOR THE YEAR  
ENDED 30 JUNE 2018



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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND SUNA EAST  
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2018

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SUNA  
EAST CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**SUNA EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018**

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**Mandate**

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

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

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
SUNA EAST CONSTITUENCY  
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**Core Values**

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

**(b) Key Management**

The NGCDF GILGIL day-to-day management is under the following key organs:

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

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2018 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Peter Kibisu Agoi
3.	Sub-County Accountant	Abel Omuga
4.	Chairman NGCDFC	Alphonse Ouma Ombok
5.	Member NGCDFC	Kennedy Oluoch Tiengo

**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF –SUNA EAST 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 SUNA EAST Constituency Headquarters**

P.O. Box 923-40400  
NGCDF BUILDING  
Posta Ngege Road, Adjacent to IEBC  
Migori, KENYA

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

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**(f) NGCDF SUNA EAST Constituency Contacts**

Telephone: (254) 700228624  
E-mail: cdfsunaeast.ngcdf.go.ke  
Website: www.go.ke

**(g) NGCDF SUNA EAST Constituency Bankers**

Cooperative Bank of Kenya  
P.O. Box 481-40400  
Suna Migori, Kenya

**(h) SUNA EAST NGCDF Bankers**

Cooperative Bank of Kenya  
P.O. Box 481-40400  
Suna Migori, Kenya

**(i) Independent Auditors**

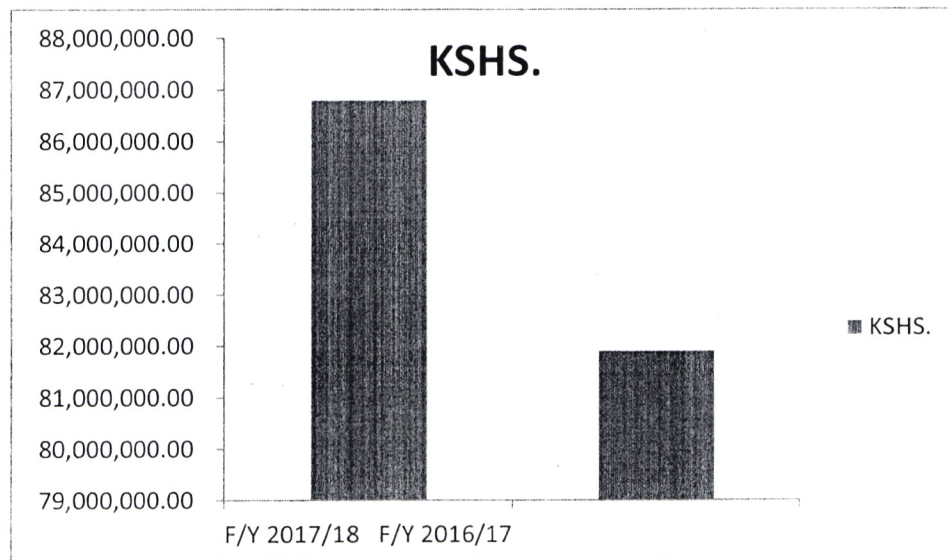
Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GOP 00100  
Nairobi, Kenya

**(j) Principal Legal Adviser**

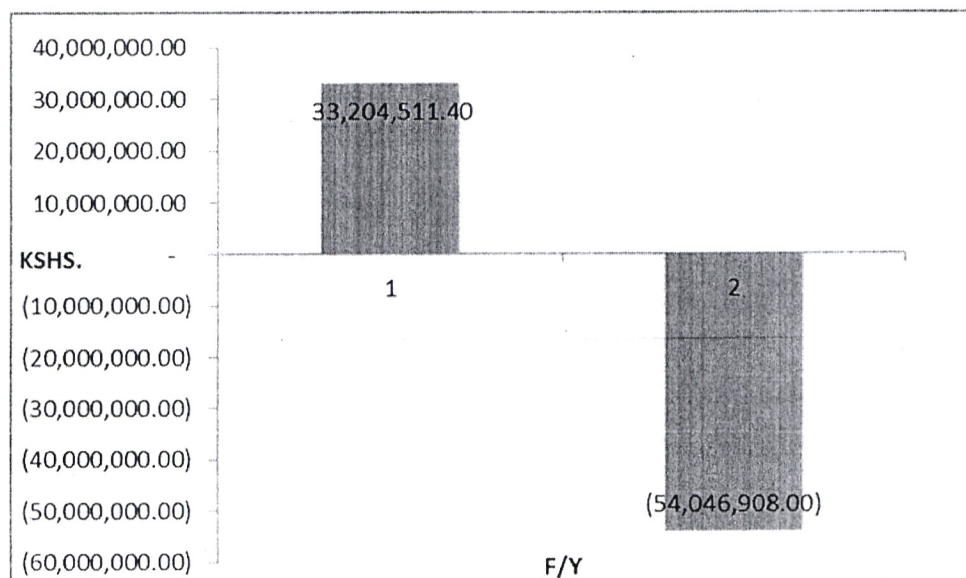
The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
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**II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

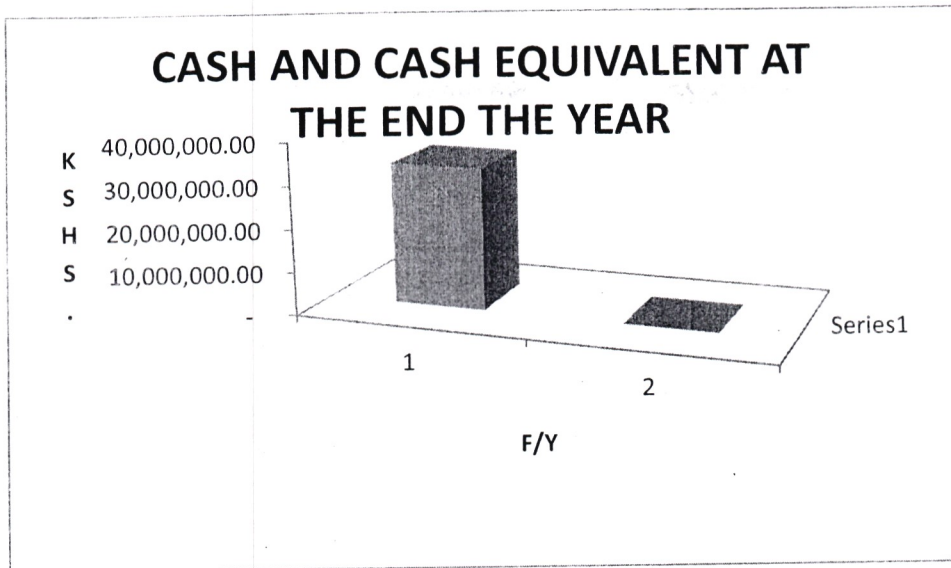


**Figure 1: COMPARISON OF RECEIPTS FROM THE BOARD FOR 2017/2018 AND 2016/2017 FY**



**KEY:1 -SURPLUS IN THE FINANCIAL YEAR 2017/2018  
 2: DEFICIT IN THE FINANCIAL YEAR 2017/2018**

**Figure 2: COMPARISON OF SURPLUS/DEFICIT FOR 2017/2018 AND 2016/2017 FY**



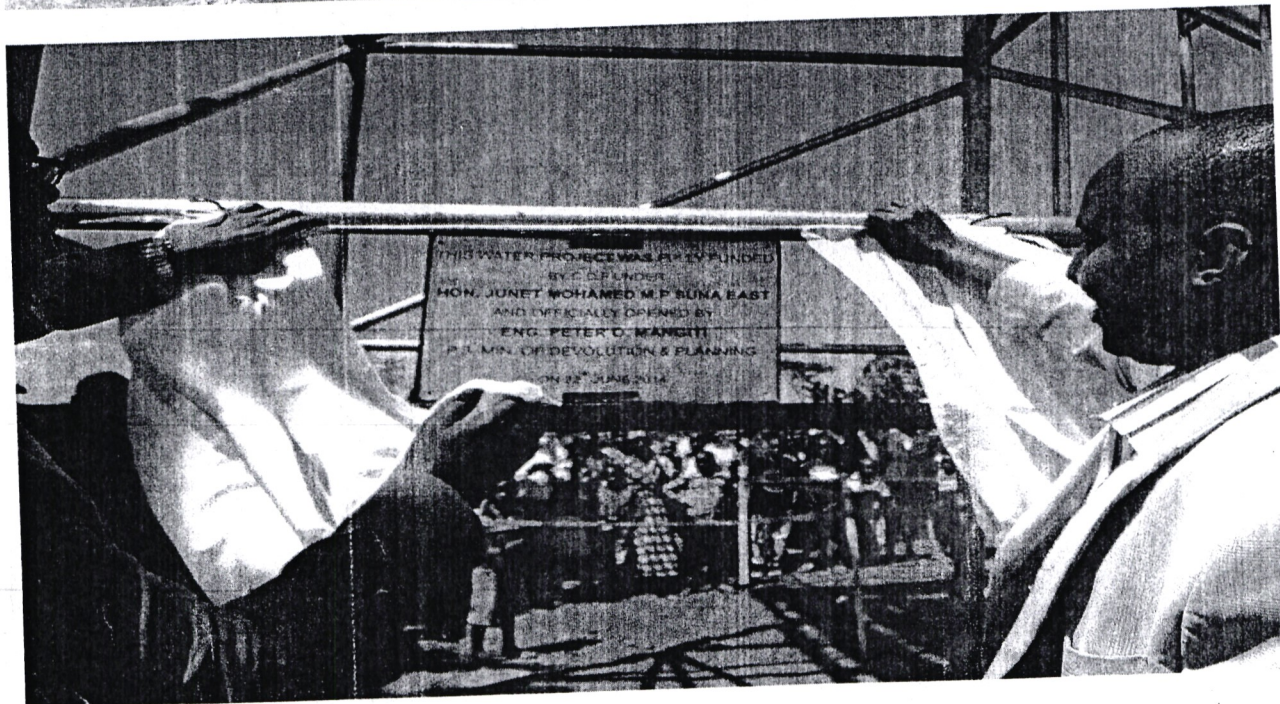
**KEY: 1 – 2017/18 F/Y**  
**2 – 2016/17 F/Y**

**Figure 3: COMPARISON OF CASH AND CASH EQUIVALENT FOR 2017/2018 AND 2016/2017 FY**

The Suna East NCDFC would like to appreciate that despite of all the delays in the disbursement of funds to the constituency brought about by the prolonged electoral undertaking, the NGCDF Board managed to disburse the funds on time and by the end of 30<sup>th</sup> June 2018, we had received all the funds amounting to Kshs. 86,810,345.00 apart from the additional funds of kshs. 11,381,841.00 Which was dispersed later in august 2018?

We used the funds received to undertake various approved project and other were to be advertised under the normal procurement procedures.

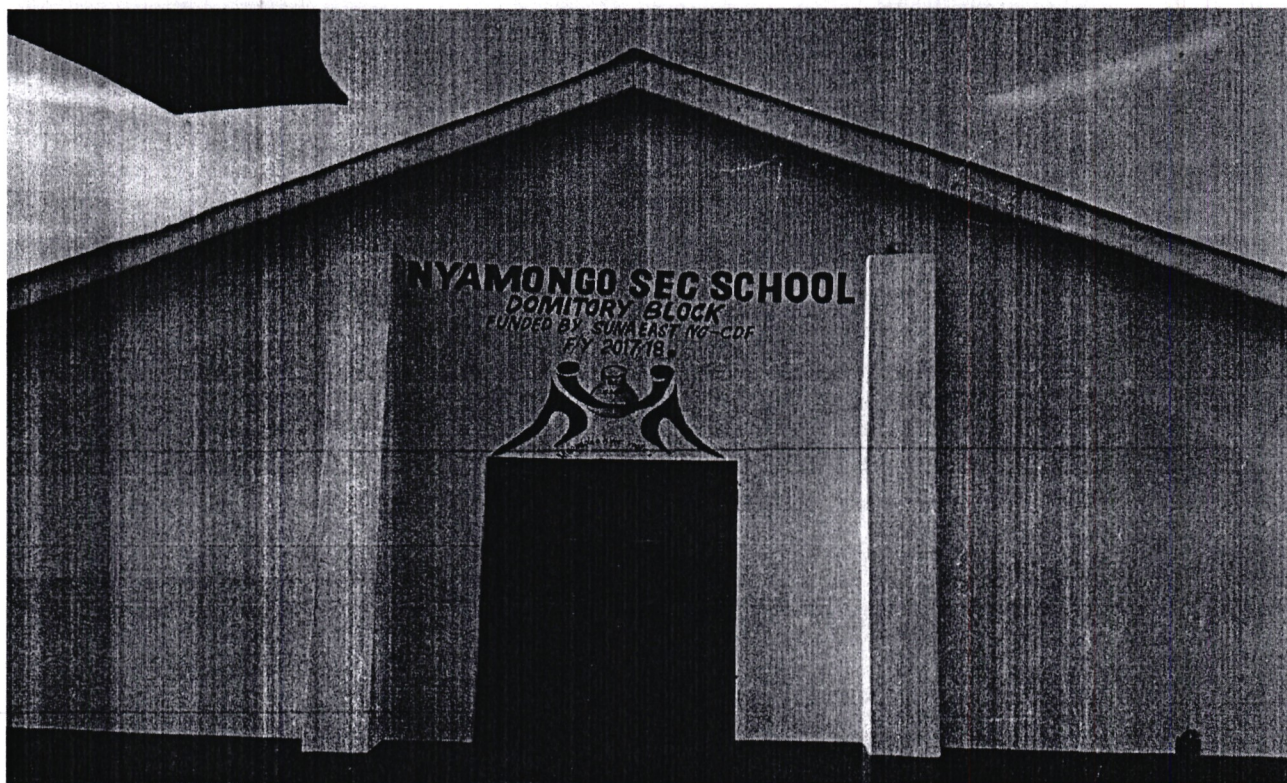
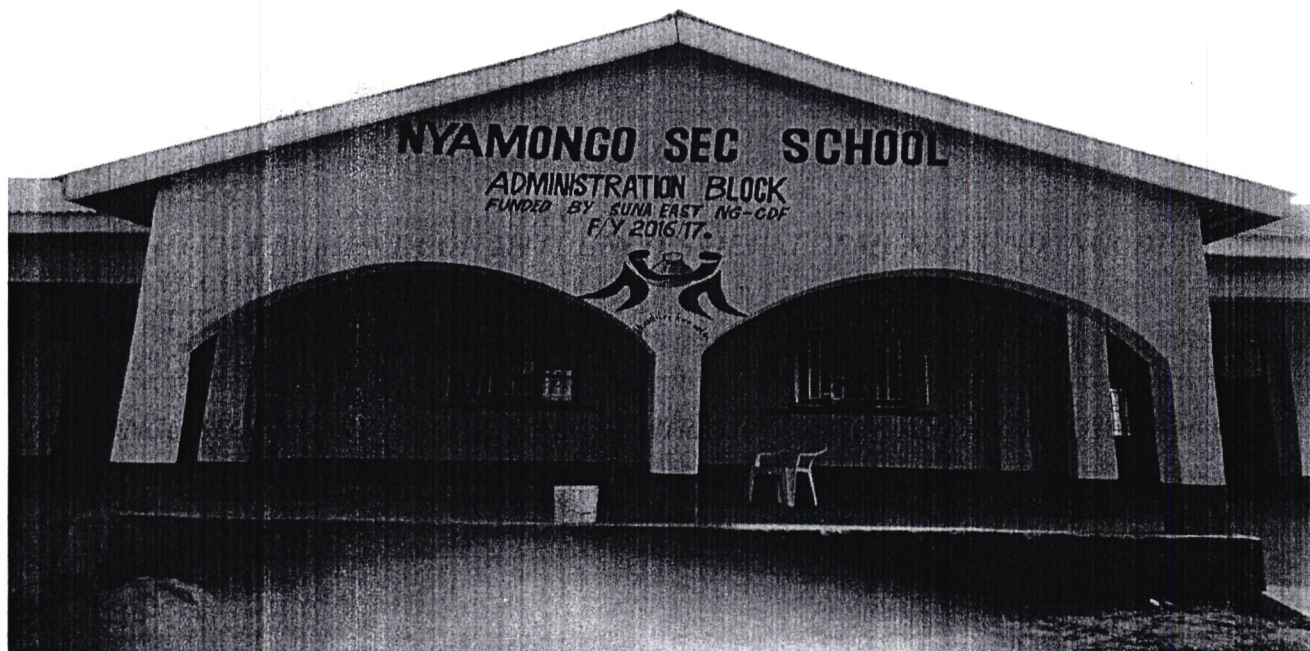
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**SUNA EAST CONSTITUENCY**  
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**NYAMONGO SECONDARY SCHOOL'S ADMINISTRATION BLOCK AND DORMITORY**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
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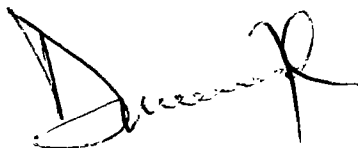
The Suna East NGCDFC within a short period of time had undertaken various project which were completed in the stipulated time frame, that include Nyamongo secondary school administration block and dormitory, Nyango secondary school laboratory project, Kikoma secondary school laboratory, thidhna AP post, Godjope AP post which are all complete.

Other projects are still under construction and most of them are over 80% complete

Most of the learning institutions have been having myriad of changes within the administration with the new head teachers that required time to undertake the changes for the resumption of the work.

However the NGCDFC had to work out quickly in resolving the stalemate and making sure the process did not derail the work of the NGCDF, otherwise the NGCDF has commended the NGCDF board for the quick disbursement of the funds.

*Sign*



**CHAIRMAN NGCDF COMMITTEE**

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

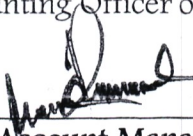
The Accounting Officer in charge of the NGCDF-SUNA EAST Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

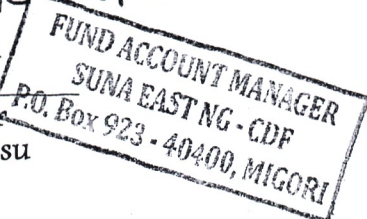
The Accounting Officer in charge of the NGCDF-SUNA EAST Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-SUNA EAST Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.


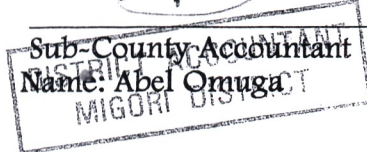
The Accounting Officer in charge of the NGCDF-SUNA EAST Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF-SUNA EAST Constituency financial statements were approved and signed by the Accounting Officer on 18<sup>th</sup> Sept 2018.

  
Fund Account Manager  
Name: Peter Agoi Kibisu

  
FUND ACCOUNT MANAGER  
SUNA EAST NG - CDF  
P.O. Box 923 - 40400, MIGORI

  
  
Sub-County Accountant  
Name: Abel Omuga  
MIGORI DISTRICT

# REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- SUNA EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Suna East Constituency set out on pages 10 to 25, which comprise the statement of assets as at 30 June 2018, 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 explanation which to the best of my knowledge and belief was necessary for the purpose of the audit.

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

#### Basis for Qualified Opinion

##### 1. Compensation of Employees

The statement of receipts and payments reflects expenditure of Kshs.1,215,808 on compensation of employees which includes payments to eight contracted staff and twenty-seven casual employees. However, the budget for those twenty-seven casuals was not provided for audit review. Further, supporting documents such as appointment letters, duty roster and attendance registers showing the nature of work that the casuals were engaged to perform were not provided for audit.

In the circumstances, the validity, accuracy and completeness of the expenditure of Kshs.1,215,808 could not be confirmed.

##### 2. Use of Goods and Services

Included in the use of goods and services expenditure of Kshs.8,467,025 are payments totalling Kshs.1,590,000 which were not supported with relevant documentation. Consequently, the validity, propriety and completeness of the expenditure of Kshs.1,590,000 could not be confirmed.

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

### **3. Expenditure on Sports Activities**

Included in other grants and transfers expenditure of Kshs.23,823,000 is an amount of Kshs.1,000,000 which was paid for sports activities but was not adequately supported by relevant documents such as payment vouchers, invoices and LPO/LSOs. Consequently, the validity and propriety of the expenditure on sports activities of Kshs.1,000,000 could not be confirmed.

### **4. Transfers from NG-CDF Board**

The summary statement of appropriation reflects transfers from NG-CDF Board of Kshs.86,812,875 while the statement of receipts and payments reflects the receipt of Kshs.86,810,345, leading to unreconciled and unexplained variance of Kshs.2,530.

### **5. Cash and Cash Equivalents**

The statement of assets as at 30 June 2018 reflects the cash and cash equivalents balance of Kshs.33,207,042 and relating wholly to the bank balances. However, the cash book indicates bank balances of Kshs.33,039,042 as at that date. The resulting difference of Kshs.168,000 was not explained or reconciled. Consequently, the accuracy and completeness of the cash and cash equivalents balance as at 30 June 2018 could not be ascertained.

### **6. Net Financial Position**

The statement of assets as at 30 June 2018 reflects total financial assets of Kshs.33,207,042 and nil liabilities. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the statement of assets erroneously shows at the bottom net liabilities instead of the net financial position of Kshs.33,207,402.

### **7. Unsupported Adjustments**

The summary statement of appropriation reflects an original budget of Kshs.86,810,345, an adjustment of Kshs.11,381,841 bringing the total approved final budget to Kshs.98,192,185. However, the adjustments under payments in the statement of appropriation were not supported by the approved code list showing the items in the 2016-2017 financial year that were to be financed in the year 2017-2018. Consequently, the validity and completeness of the adjustments 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 - Suna East Constituency in accordance with ISSAI.30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections, I have determined that there are no key audit matters to communicate in my report.

# 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 Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections 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. Emergency Projects**

Included in other grants and transfers expenditure of Kshs.23,823,000 is an amount of Kshs.4,300,000 which was paid for emergency projects. The audit revealed that these projects mainly involved construction of pit latrines. However, relevant supporting documents such as the project files and, the CDF Committee minutes and authority to justify the expenditure in terms of the criteria on emergencies as set out in Section 8 of National Government Constituencies Development Fund Act, 2015 were not provided for audit.

Consequently, the value for money and regularity of the expenditure on emergency projects of Kshs.4,300,000 could not be confirmed.

### **2. Construction of Pit Latrines at Lwanda-Konyango and Modi Beach**

Included in other grants and transfers of Kshs.23,823,000 is an expenditure of Kshs.2,500,000 relating to environmental projects. The Suna East NG - CDF management constructed pit latrines at Lwanda-Konyango Beach and at Modi Beach at a cost of Kshs.1,000,000 and Kshs.500,000, respectively. However, physical verification revealed that the cost of these projects was not commensurate with the work done.

Consequently, value for money of the expenditure of Kshs. 2,500,000 incurred on those projects could not be confirmed.

### **3. Construction of Dormitory at Nyamonge Secondary School**

The Suna East NG – CDF management spent an amount of Kshs.3,000,000 earmarked for emergency projects to finance the construction of a dormitory at Nyamonge Secondary School which did not meet the emergencies criteria in the manner contemplated under Section 8 of National Government Constituencies Development Fund Act, 2015. Further, it was noted that direct procurement method was used to purchase materials for the construction contrary to the provisions of Section 37 of the National Government Constituencies Development Fund Act, 2015.

In the circumstances, the regularity and value for money of the expenditure of Kshs.3,000,000 incurred on the project could not be ascertained.

#### 4. Budget Performance Analysis

The Suna East NG - CDF approved budget for the year 2017/2018 was Kshs.98,192,185 while the actual receipts were Kshs.86,812,875 resulting in a revenue deficit of Kshs.11,379,310.

The actual expenditure was Kshs.53,605,833 against the approved final budget of Kshs.98,192,185 and thus, resulting in a gross under-expenditure of Kshs.44,586,352 or 45%. Significant under- expenditure occurred on the following items:

Description of Item	Approved Budget Kshs.	Actual Expenditure Kshs.	Under-expenditure Kshs.	Under-expenditure in %
Compensation of employees	4,091,379	1,215,808	2,875,571	70 %
Use of goods and services	12,925,247	8,467,025	4,582,212	34 %
Transfer to other Government units	50,336,207	20,100,000	30,236,207	60 %
Other grants and transfers	30,839,352	23,823,000	7,016,352	23 %

In the circumstances, the under-utilization of the approved budget on the expenditure items indicated above implies that the Fund was not able to achieve some of its core objectives and, thereby impacting negatively on the efficiency and effectiveness of the service delivery to the constituents.

#### 5. Projects Verification

Ten projects with a budget outlay of Kshs.25,800,000 were verified and observations made as summarized below:

Name of Project	Activity	Budget (Kshs.)	% Level of Completion	Observations
Nyamongo Secondary school	Walling, roofing, fitting, plastering and painting of the administration block	4,600,000	100%	Complete. Payments made without certification of works.
Kwa Secondary school	Walling, roofing, fitting and plastering of the twin dormitory	4,300,000	50%	Incomplete. Specifications of the award were not followed.
Nyango Secondary School	Construction of laboratory	3,400,000	100%	Procurement procedures were not followed in the purchase of materials.
Kikoma Secondary school	Construction of lintel, slabbing, roofing and fitting of the laboratory	3,500,000	90%	Payments made without certificates of completion.
Onyalo secondary Access Road	Construction of a 1km School access road	1,400,000	Percentage level could not be established.	Bill of quantities and project documents were not provided for audit.

Name of Project	Activity	Budget (Kshs.)	% Level of Completion	Observations
Nyamongo Primary	Construction of a 1km School access road	1,400,000	Percentage level could not be established.	Bill of quantities and project documents were not provided for audit.
Maburi Primary	Roofing, fitting, plastering and painting of four classrooms	1,500,000	70%	Procurement procedures were not followed in the purchase of materials.
Godjope Chiefs camp	Construction of chiefs camp	1,000,000	100%	Project is complete but not in use.
Rabur AP Camp	Construction of chiefs camp	1,700,000	100%	Project is complete but not in use.
Nyamongo Secondary School	Construction of dormitory under emergency	3,000,000	100%	Procurement rules were not followed.
Total		<b>25,800,000</b>		

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

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

### Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether 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 the International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk and governance.

In preparing the financial statements, management is responsible for assessing the ability of National Government Constituencies Development Fund - Suna East Constituency to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to cease operations, or have no realistic alternative but to do so.

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal

control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

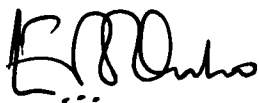
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Fund 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 sustaining its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the National Government Constituencies Development Fund - Suna East Constituency to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

**Nairobi**

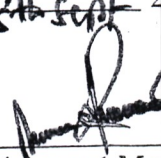
**10 July 2019**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
SUNA EAST CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**


**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2017-2018	2016-2017
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	86,810,345.00	81,896,552.00
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	0	0
<b>TOTAL RECEIPTS</b>		<b>86,810,345.00</b>	<b>81,896,552.00</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,215,808.00	3,693,551.00
Use of goods and services	5	8,467,025.00	9,855,418.00
Transfers to Other Government Units	6	20,100,000.00	51,823,343.00
Other grants and transfers	7	23,823,000.00	70,571,148.00
Acquisition of Assets	8	0	0
Other Payments	9	0	0
<b>TOTAL PAYMENTS</b>		<b>53,605,833.00</b>	<b>135,943,460.00</b>
<b>SURPLUS/DEFICIT</b>		<b>33,204,511.00</b>	<b>(54,046,908.00)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SUNA EAST Constituency financial statements were approved on 18th Sept 2018 and signed by:

  
Fund Account Manager  
Name: Peter Kibisu Agoi

FUND ACCOUNT MANAGER  
SUNA EAST NG - CDF  
P.O. Box 923 - 40400, MIGORI

  
Sub-County Accountant  
Name: Abel Omuga

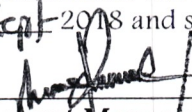
DISTRICT ACCOUNTANT  
MIGORI DISTRICT


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**SUNA EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018**

**V. STATEMENT OF ASSETS**

	Note	2017-2018	2016-2017
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	33,207,042.00	2,530.00
Cash Balances (cash at hand)	10B	0	0
<b>TOTAL</b>		<b>33,207,042.00</b>	<b>2,530.00</b>
<b>CURRENT RECEIVABLES</b>			
Outstanding Imprests	11	0	0
<b>TOTAL FINANCIAL ASSETS</b>		<b>33,207,042.00</b>	<b>2,530.00</b>
<b>REPRESENTED BY</b>			
<b>CURRENT PAYABLES</b>			
Retention	12	0	0
Fund balance b/fwd 1st July...	13	2,530.00	54,049,438.00
Surplus/Deficit for the year		33,204,512.00	(54,046,908.00)
Prior year adjustments	14	0	0
<b>NET LIABILITIES</b>		<b>33,207,042.00</b>	<b>2,530.00</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SUNA EAST Constituency financial statements were approved on 18th Sept 2018 and signed by:

  
**Fund Account Manager**  
**Name: Peter Kibisu Agoi**  
**FUND ACCOUNT MANAGER**  
**SUNA EAST NG - CDF**  
**P.O. Box 923 - 40400, MIGORI**

  
**Sub-County Accountant**  
**Name: Abel Omuga**  
**DISTRICT ACCOUNTANT**  
**MIGORI DISTRICT**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
SUNA EAST CONSTITUENCY  
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**VI. STATEMENT OF CASHFLOW**

Receipts for operating income		2017-2018 KSHS	2016-2017 KSHS
Transfers from CDF Board	1	86,810,342.00	81,896,551.70
Other Receipts	3	0	0
		<b>86,810,345.00</b>	<b>137,996,500.00</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,215,808.00	3,693,551.00
Use of goods and services	5	8,467,025.00	9,855,418.00
Transfers to Other Government Units	6	20,100,000.00	51,823,343.00
Other grants and transfers	7	23,823,000.00	70,571,148.00
Other Payments	9	0	0
		<b>53,605,833.00</b>	<b>135,943,460.00</b>
<b>Adjusted for:</b>			
Retentions	12	0	0
Adjustments during the year	14	0	0
imprest		0	0
<b>Net cash flow from operating activities</b>		<b>33,204,511.00</b>	<b>(54,046,908.00)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	8	0	0
<b>Net cash flows from Investing Activities</b>		<b>0</b>	<b>0</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>33,204,511.00</b>	<b>(54,046,908.00)</b>
Cash and cash equivalent at BEGINNING of the year	13	2,530.00	54,049,433.00
Cash and cash equivalent at END of the year		<b>33,207,042.00</b>	<b>2,530.00</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- SUNA EAST Constituency financial statements were approved on 14th Oct, 2018 and signed by:

Fund Account Manager  
Name: Peter Kibisu Agoi

*[Signature]*  
FUND ACCOUNT MANAGER  
SUNA EAST NG - CDF  
P.O. Box 923 - 00100, MIGORI

*[Signature]*  
Sub-County Accountant  
Name: Abel Omuga

DISTRICT ACCOUNTANT  
MIGORI DISTRICT

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

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	86,810,345.00	11,381,841.00	98,192,185.00	86,812,875.00	11,379,310.00	88.4%
Proceeds from Sale of Assets	0	0	0	0	0	
Other Receipts	0	0	0	0	0	
<b>TOTAL</b>	<b>86,810,345.00</b>	<b>11,381,841.00</b>	<b>98,192,185.00</b>	<b>98,192,185.00</b>	<b>11,379,310.00</b>	<b>100.0%</b>
<b>PAYMENTS</b>						
Compensation of Employees	3,408,621.00	682,759.00	4,091,379.00	1,215,808.00	2,875,571.00	29.7%
Use of goods and services	12,581,337.00	343,910.00	12,925,247.00	8,467,025.40	4,582,212.00	65.5%
Transfers to Other Government Units	40,550,000.00	9,786,207.00	50,336,207.00	20,100,000.00	30,236,207.00	39.9%
Other grants and transfers	30,270,387.00	568,966.00	30,839,352.00	23,823,000.00	7,016,352.00	77.2%
Acquisition of Assets	0	0	0	0	0	0
Other Payments	0	0	0	0	0	0
<b>TOTAL</b>	<b>86,810,345.00</b>	<b>11,381,842.00</b>	<b>98,192,185.00</b>	<b>53,605,833.40</b>	<b>44,586,352.00</b>	<b>54.6%</b>

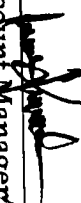
- On compensation of employees we had a 22% in the utilisation of the fund due the first disbursement from the board to the NGCDF of kshs.1,000,000.00 on administration and the balance was disbursed after 31<sup>st</sup> July 2018
- The use of the goods and services was at 65% due to the long procurement procedures that most of the undertakings were done after 31<sup>st</sup> July 2018

**FUND ACCOUNT MANAGER**  
**SUNA EAST NG - CDF**  
 P.O. Box 923 - 40400, MIGORI  
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NATION. GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -- SUNA EAST CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018

- c. The transfer to other government units was done such that a half of the budgeted funds for the period had been disbursed to the project and some projects like Rabuor Taya primary school had an allocation of kshs. 11, 000,000.00 which had to have a procurement process that takes long.
- d. Other grants and other payments was abit high due to bursary disbursement that was done almost 95% security project done only around 30%, that was why the figure could not be above 90%

The NGCDF-SUNA EAST Constituency financial statements were approved on 18th Sept 2018 and signed by:

  
Fund Account Manager  
Name: Peter Kibisu Agor

FUND ACCOUNT MANAGER  
SUNA EAST NG - CDF  
P.O. Box 923 - 40460, MIGORI

Sub-County Accountant  
Name: Abel Omuga

DISTRICT ACCOUNTANT  
MIGORI DISTRICT

## **VIII. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

#### **Tax Receipts**

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

#### **Transfers from the Exchequer**

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

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

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**SIGNIFICANT ACCOUNTING POLICIES**

**External Assistance**

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

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

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

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

**Other receipts**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**Reports and Financial Statements**

**For the year ended June 30, 2018**

**SIGNIFICANT ACCOUNTING POLICIES**

**5. In-kind contributions**

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

**6. Cash and Cash Equivalents**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Funds**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA  
EAST CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

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**SIGNIFICANT ACCOUNTING POLICIES**

**11. Budget**

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

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

**12. Comparative Figures**

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

**13. Subsequent Events**

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

**14. Errors**

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

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

**15. Related Party Transactions**

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

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

**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2017-2018	2016-2017
NORMAL ALLOCATION		Kshs	Kshs
NGCDF Board			
30 <sup>th</sup> January 2018	A892514	5,500,000.00	
21 <sup>st</sup> February 2018	A892799	37,905,172.00	
6 <sup>th</sup> June 2018	A893000	43,405,172.80	
	A839506		4,094,827.60
	A855095		36,853,449.00
	A855515		40,948,275.10
<b>TOTAL</b>		<b>86,810,344.80</b>	<b>81,896,551.70</b>

**2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS**

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Receipts from the Sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Receipts from the Sale of office and general equipment	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

**3 OTHER RECEIPTS**

Description	2017 - 2018	2016- 2017
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Interest Received	0	0
Other Receipts Not Classified Elsewhere (specify)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

FUND ACCOUNT MANAGER  
SUNA EAST NG - CDF  
P.O. Box 923 - 40400, MIGORI

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA  
EAST CONSTITUENCY  
Reports and Financial Statements  
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**4. COMPENSATION OF EMPLOYEES**

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	1,051,076.00	3,089,481.00
Employer contribution to NSSF	164,732.00	604,069.80
<b>Total</b>	<b>1,215,808.00</b>	<b>3,693,550.80</b>

**5 . USE OF GOODS AND SERVICES**

Description	2017-2018	2016-2017
	Kshs	Kshs
Utilities, supplies and services	240,836.00	2,199,680.00
Office rent	0	0
Communication, supplies and services	0	25,000.00
Domestic travel and subsistence	0	274,000.00
Printing, advertising and information supplies & services	0	152,080.00
Rentals of produced assets	0	0
Training expenses	90,000.00	0
Hospitality supplies and services	0	0
Other committee expenses	5,751,975.00	5,154,958.00
Committee allowance	2,291,825.00	1,927,000.00
Insurance costs	0	0
Specialized materials and services	0	0
Office and general supplies and services	0	0
Fuel ,oil & lubricants	0	0
Other operating expenses	92,389.40	0
Routine maintenance – vehicles and other transport equipment	0	122,700.00

**FUND ACCOUNT MANAGER  
SUNA EAST NG - CDF  
P.O. Box 925 - 40100, MIGORI**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA  
EAST CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

Routine maintenance – other assets	0	0
<b>Total</b>	<b>8,467,025.40</b>	<b>9,855,418.00</b>

**6 TRANSFERS TO OTHER GOVERNMENT ENTITIES**

Description	2017-2018	2016-2017
	Kshs	Kshs
Transfers to primary schools	2,900,000.00	31,649,000.00
Transfers to secondary schools	17,200,000.00	18,124,343.00
Transfers to Tertiary institutions	0	0
Transfers to Health institutions	0	2,050,000.00
<b>TOTAL</b>	<b>20,100,000.00</b>	<b>51,823,343.00</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

Description	2017-2018	2016-2017
	Kshs	Kshs
Bursary -Secondary	10,200,000.00	19,473,500.00
Bursary -Tertiary	2,523,000.00	6,006,000.00
Bursary-Universities	4,400,000.00	0
Mocks & CAT	0	0
water	0	0
Agriculture (food security)	0	0
Electricity projects	0	0
Security	0	12,300,000.00
Roads	0	29,091,648.00
Sports	1,000,000.00	1,000,000.00
Other capital grants and transfer	2,700,000.00	0
Emergency Projects (specify)	3,000,000.00	2,700,000.00
<b>Total</b>	<b>23,823,000</b>	<b>70,571,148.00</b>

FUND ACCOUNT MANAGER  
SUNA EAST NG - CDF  
P.O. Box 923 - 40400, MIGORI

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8 ACQUISITIONS OF ASSETS**

<u>Non Financial Assets</u>	2017 - 2018	2016- 2017
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles	0	0
Purchase of Bicycles & Motorcycles	0	0
Overhaul of Vehicles	0	0
Purchase of Office furniture and fittings	0	0
Purchase of computers ,printers and other IT equipment's	0	0
Purchase of photocopier	0	0
Purchase of other office equipment's	0	0
Purchase of soft ware	0	0
Acquisition of Land	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**9 Other Payments**

	2017-2018	2016-2017
ICT Hub	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

**10A: Bank Balances (cash book bank balance)**

<u>Name of Bank, Account No. &amp; currency</u>		2017-2018	2016-2017
	Account Number	Kshs (30/6/2017)	Kshs (30/6/2016)
<i>Cooperative, Migori Branch</i>	1120481849500	2,530.00	54,049,438.00
<b>Total</b>		<b>2,530.00</b>	<b>54,049,438.00</b>

**FUND ACCOUNT MANAGER**  
**SUNA EAST NG - CDF**  
**P.O. Box 923 - 40400, MIGORI**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA  
EAST CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

**10B: CASH IN HAND)**

	2017-2018	2016-2017
	Kshs (30/6/2017)	Kshs (30/6/2016)
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other receipts (specify)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance as at 30/06/2018</i>
	Date imprest taken	Kshs	Kshs	
	NIL	0	0	0

**12 Retention**

Supplier/Contractor	PV no	2017 - 2018	2016 - 2017
		0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>

**13 BALANCES BROUGHT FORWARD**

	2017-2018	2016-2017
	Kshs (1/7/2017)	Kshs (1/7/2016)
Bank accounts	2,530.00	54,049,438.00
Cash in hand	0	0
Imprest	0	0
<b>Total</b>	<b>2,530.00</b>	<b>54,049,438.00</b>
<i>[Provide short appropriate explanations as necessary]</i>		

**FUND ACCOUNT MANAGER  
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**14 PRIOR YEAR ADJUSTMENTS**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA  
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	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bank accounts	0	0
Cash in hand	0	0
Imprest	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	2017- 2018	2016 - 2017
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>
<b>15.2: PENDING STAFF PAYABLES(See Annex 2)</b>		
	2017- 2018	2016 - 2017
	Kshs	Kshs
Senior management	0	0
Middle management	0	0
Unionisable employees	0	0
Others (all staff)	2,875,571.00	0
	<b>2,875,571.00</b>	<b>0</b>

**15.3: UNUTILIZED FUNDS (see Annex 3)**

	2017- 2018	2016 - 2017
	Kshs	Kshs
Amounts due to other Government entities (see attached list)	30,236,207.00	0
Amounts due to other grants and other transfers (see attached list)	7,016,352.00	0
Use of goods and services(CIH)	4,458,222.00	
Others (specify)	0	0
	0	0

FUND ACCOUNT MANAGER  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA EAST CONSTITUENCY**

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**ANNEX 3**

**A. AMOUNTS DUE TO OTHER GOVERNMENT ENTITIES**

PROJECT NAME	ACTIVITY	AMOUN(KSHS)
Ngege primary school	Plastering and painting of administration block	300,000.00
OchiengOrwa primary school	Fitting , Plastering and painting of Two classrooms	400,000.00
Onyalo primary school	Roofing,Fitting , Plastering and painting of the administration block	500,000.00
Ombo primary school	Fitting , Plastering and painting of the administration block	400,000.00
Pundo apuoche primary. school	Fitting and Plastering of Two classrooms	300,000.00
Ting'na primary school	Roofing,Fitting and Plastering and painting of Two classrooms	500,000.00
Kakrao pri school	Fitting and Plastering of Two classrooms	300,000.00
Alara primary school	Fitting and Plastering of Two classrooms	500,000.00
Kilimanjaro primary school	Roofing,fitting,plastering,painting of the administration block	450,000.00
RabuorTaya primary school	Construction of stored building with eight classrooms	11,000,000.00
Siling Secondary School	Roofing,fitting plastering and painting of the laboratory	800,000.00
Nyaduong Secondary School	Concreting first floor slab of a dormitory	1,000,000.00
Godngoche secondary school	Constnction of an Overhead tank (Kshs.1,200,000.00 and power pump installation (kshs.300,000.00 and piping(Kshs.400,000.00)	1,900,000.00
mwache Secondary School	Roofing,Fitting,plastering and painting of the Laboratory	600,000.00
Onyalo Secondary School	Construction of the dining hall	1,000,000.00
Witharaga Secondary School	Roofing,fitting,plastering,painting of Four classrooms	500,000.00

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA EAST CONSTITUENCY**

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**For the year ended June 30, 2018**

Kwa Hills primary school	Roofing, Plastering fitting and painting of administration block	1,800,000.00
Rabuor Taya primary school	Plastering fitting and painting of administration block	900,000.00
Anjego primary school	Fitting , Plastering and painting of three classrooms	900,000.00
Muhaya primary school	Fitting , Plastering and painting of three classrooms	900,000.00
Siling primary. school	Fitting , Plastering and painting of three classrooms	800,000.00
Thidhna primary school	Roofing, Fitting and Plastering and painting of Two classrooms	700,000.00
Onyalo primary school	Roofing, Fitting and Plastering and painting of administration block	600,000.00
Midoti primary school	Plastering and painting of Three classrooms	300,000.00
Kikoma secondary school	Fitting, plastering and painting of the laboratory	2,000,000.00
Sagegi Secondary school	Roofing, fitting and painting of the dormitory	886,206.89
		<b>30,236,206.89</b>

**B. AMOUNTS DUE TO OTHER GRANTS AND OTHER TRANSFERS**

Godjope AP post	Construction of 6 units of AP houses	200,000.00
Thidhna AP post	Fencing three quarters of an acre with barbed wire (kshs.250,000) and Three door Toilet construction. (Kshs,200,000)	450,000.00
Mikiria AP post	Fencing half an acre with barbed wire (kshs.150,000) and Three door Toilet construction. (Kshs,150,000) and painting of the six units(Kshs.100,000)	400,000.00
Sunarabuor chief's office	Fitting and painting of Sub chiefs office	300,000.00
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	1,568,966.00

**FUND ACCOUNT MANAGER  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA EAST CONSTITUENCY**

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Sports	Purchase of sports kits i.e. balls, uniforms for following teams in the constituency:- Midoti football club, Kowiti football club, Gotkachola football club, Radienya football club, Kwa football club, Rayudhi football club, Magina football club, thidhna football club, Anganga football club, Ogwedhi football club, Sagegi football club, Kadika football club, Migori Yuoth football club, Rabuor Taya football club, Remo football club, WiArot football club, Bam-got football club, Alara football club and Siling football club @ Kshs 70,811.63 per team.	345,421.00
Bursary to Secondary Schools, Tertiary Institutions (colleges, Universities)	Payment of bursary to needy students	251,896.00
Strategic Plan	Constituency Strategic Plan	3,500,000.00
<b>TOTAL</b>		<b>7,016,352.00</b>

<b>SUMMARY OF FIXED ASSET REGISTER</b>				
Asset class	Historical Cost b/f (Kshs) 2016/17	Additional during the year (kshs)	Disposal during the year (kshs)	Historical Cost (Kshs) 2017/18
Buildings and structures	5,450,000.00	0	0	5,450,000.00
Transport equipment	4,538,169.00	0	0	4,538,169.00
Office equipment, furniture and fittings	7,056,355.00	0	0	7,056,355.00
ICT Equipment, Software and Other ICT Assets	210,000.00	0	0	210,000.00
<b>Total</b>	<b>17,254,524.00</b>	<b>0</b>	<b>0</b>	<b>17,254,524.00</b>

**FUND ACCOUNT MANAGER**  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA  
EAST CONSTITUENCY  
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For the year ended June 30, 2018**

**PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2018**

PMC	BANK	ACCOUNT NUMBER	BANK BALANCE KSHS	BANK BALANCE KSHS
			2016/17	2015/16
				1,392.50
NYANGO SECONDARY SCHOOL	COOPERATIVE	1141048672100	578.75	
MABUBI PRIMARY SCHOOL	COOPERATIVE	1141750618900	2,775.25	-
NYAMONGO PRIMARY SCHOOL ACCESS PROJECT	COOPERATIVE	1141750758100	3,900.50	-
NYAMONGO SECONDARY SCHOOL	COOPERATIVE	1141481316001	7,875.50	-
SUNA EAST CONSTITUENCY SPORTS COMMITTEE	COOPERATIVE	1141750757900	4,450.25	-
GODJOPE AP POST PMC	COOPERATIVE	1134482081400	00.00	-
KIKOMA MIXED SEC SCHOOL	COOPERATIVE	1141204322101	00.00	-
KWA SECONDARY SCHOOL CDF	COOPERATIVE	1139203085300	2,200.00	-
NYAMWARE PRIMARY SCHOOL	COOPERATIVE	1139056288500	4,300.00	4,300.00
OMBO PRIMARY SCHOOL	COOPERATIVE	1139482624900	1,622.50	2,062.50
THIDHNA PRIMARY SCHOOL	COOPERATIVE	1141482166300	3,300.50	3,740.50
KWA HILLS PRIMARY SCHOOL	COOPERATIVE	1141202933700	4,082.50	4,962.50
RABUOR TAYA PRIMARY SCHOOL	COOPERATIVE	1141202649801	7,072.50	7,512.50
WUOTH OGIK PRIMARY SCHOOL	COOPERATIVE	1141056296400	1,912.50	2,352.50
ANJEGO PRIMARY SCHOOL	COOPERATIVE	1141481641300	2,352.50	2,352.50
VYALO PRIMARY SCHOOL	COOPERATIVE	1141482214900	900.50	900.50
KIKOMA PRIMARY SCHOOL	COOPERATIVE	1141482624700	1,483.00	1,483.00
WI-AROT PRIMARY SCHOOL	COOPERATIVE	1141048551800	1,012.50	1,452.50
NYABISAWA PRIMARY SCHOOL	COOPERATIVE	1139481088300	1,165.00	1,165.00
SANGLA PRIMARY SCHOOL	COOPERATIVE	1141204805200	801.00	801.00
RANGENYA PRIMARY SCHOOL	COOPERATIVE	1141750154700	900.25	900.25
GODNGOCHE PRIMARY SCHOOL	COOPERATIVE	1139056290300	2,730.00	3,170.00
RADIENYA PRIMARY SCHOOL	COOPERATIVE	1141048008300	1,450.25	1,450.25
KAKRAO PRIMARY SCHOOL	COOPERATIVE	1141750184300	900.50	900.50
REMO PRIMARY SCHOOL	COOPERATIVE	1139056282000	3,840.00	4,280.00
NYIKENDO SECONDARY SCHOOL	COOPERATIVE	1141202847300	6,912.50	6,912.50
KORUA SECONDARY SCHOOL	COOPERATIVE	1141482867700	1,263.00	1,703.00
ANDINGO KODIT PRIMARY SCHOOL	COOPERATIVE	1141204709900	1,450.25	1,450.25
NYASARE PRIMARY SCHOOL	COOPERATIVE	1141056289100	(93.00)	2,862.50
BONDA PRIMARY SHOOOL	COOPERATIVE	1139203653800	1,050.25	1,050.25
KADIKA PRIMARY SCHOOL	COOPERATIVE	1139048740200	3,350.00	3,350.00
NYANGO PRIMARY SCHOOL	COOPERATIVE	1120481849500	1,923.00	402.75

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUNA

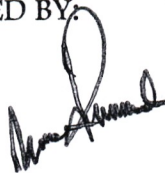
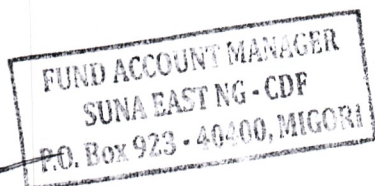
EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

MAGINA SECONDARY SCHOOL	COOPERATIVE	1141202181200	1,450.00	1,450.00
LICHOTA KOJWANG PRIMARY SCHOOL	COOPERATIVE	1141204136300	1,912.50	775.00
MUHAYA PRIMARY SCHOOL	COOPERATIVE	1141048645100	2,105.00	315.50
KILIMANJARO PRIMARY SCHOOL	COOPERATIVE	1141750152200	2,240.50	900.25
GODJOPE PRIMARY SCHOOL	COOPERATIVE	1141750153900	775.00	775.00
OSINGO PRIMARY SCHOOL	COOPERATIVE	1141750139300	775.25	775.25
NYADUONG PRIMARY SCHOOL	COOPERATIVE	1141204740800	2,325.00	2,325.00
TINGNA PRIMARY SCHOOL	COOPERATIVE	1141750154800	1,650.25	1,650.25
KWA SECONDARY SCHOOL	COOPERATIVE	1139203085300	1,332.50	1,772.50
SILING PRIMARY SCHOOL	COOPERATIVE	1141202493101	1,400.50	1,400.00
MIGINGO KOBADDE COMM SCHOOL	COOPERATIVE	1134482215800	2,352.50	2,352.50
KWA PRIMARY SCHOOL	COOPERATIVE	1141204721200	4,675.75	4,675.75
MWACHE PRIMARY SCHOOL	COOPERATIVE	1139482166500	1,462.75	1,902.75
PHELGONA OPANDA PRIMARY SCHOOL	COOPERATIVE	1141204788000	402.75	402.75
NYAKONYA PRIMARY SCHOOL	COOPERATIVE	1141204685900	2,022.50	2,462.50
OPASI PRIMARY SCHOOL	COOPERATIVE	1141481968000	1,022.50	1,462.50
KASEMBO PRIMARY SCHOOL	COOPERATIVE	1141481096600	612.50	1,052.50
NYAMANGA DISPENSARY	COOPERATIVE	1134481241200	315.50	315.50
TOTAL			106,295.50	89,675.25

PREPARED BY:

PETER KIBISU  
FUND ACCOUNT MANAGER

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

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**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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)
		YET TO RECEIVE THE CERTIFICATE			