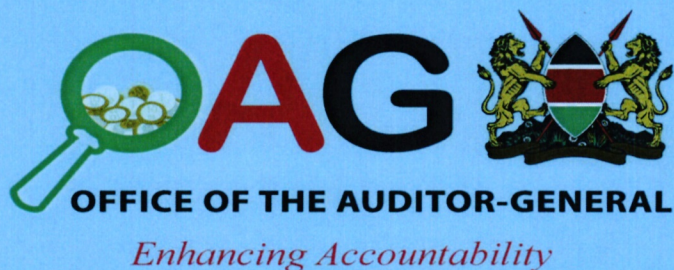
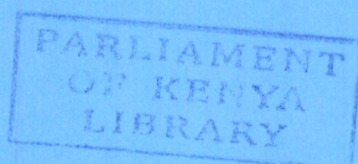


REPUBLIC OF KENYA



REPORT



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 07.OCT 2021	DAY: THURSDAY
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CLERK-AT THE TABLE:	Benson Inziga

THE AUDITOR-GENERAL

ON

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

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



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –NAMBALE
CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Patrick Malongo Lidovolo
2.	Sub-County Accountant	Jorim Agolla
3.	Chairman NGCDFC	Alfred Juma Okochiel
4.	Member NGCDFC	James Okumu

(d) Fiduciary Oversight Arrangements

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

P.O. Box 27-50409,
Opposite the Sub County Commissioner Office,
Off Nambale-Busia Road,
NAMBALE

NGCDF NAMBALE Constituency Contacts

Telephone: (254) 723-447-87

E-mail: cdfnambale@ngcdf.go.ke

Website: www.ngcdf.go.ke



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

(f) NGCDF NAMBALE Constituency Bankers

Cooperative Bank of Kenya,
Busia Branch,
BUSIA

(g) Independent Auditors

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

(h) 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)

NAMBALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Nambale Constituency is one of the Seven Constituencies in Busia County covering the four wards of Bukhayo North/Walatsi, Bukhayo East, Bukhayo Central and Nambale Township with a total area of 238 square kilometers. Original Nambale Consistency was established in the 1988 Election but was split in 2013 to Nambale and Matayos Constituency. Nambale Constituency has a rich history, unprecedented wealth, and a diversity of cultures. Having started from a humble beginning, Nambale is today, in terms of Productivity one of the potential and mega wealth generating constituencies in Busia County. Currently Nambale Constituency is represented in the Kenya National Assembly by Dr. John Sakwa Bunyasi, a former World Bank economist now serving his second term in Parliament.

In the year under review, Nambale Constituency received a total of Ksh. 108,784,483 from the previous Ksh. 46,082,302 received in 2017-2018. This has enabled the Constituency to implement various infrastructure development programmes targeting the grassroots. In summary, Transfer to other Government Entities increased fourfold from Ksh. 15,688,536 in 2017-2018 to Ksh. 51,798,000 while other grants and transfers increased from Ksh. 28,073,000 to Ksh. 40,143,147.

Of the transfers to other Government Entities, Primary Schools infrastructure projects consumed a total of Ksh. 29,190,000 from Ksh. 5,326,000 and Secondary Schools from Ksh. 22,608,000 from Ksh. 3,600,000. On the other hand, other transfers and grants includes Bursary of Ksh. 29,207,647 (24,601,000), Security Projects of Ksh. 2,850,000 (668,00) and Emergency projects of Ksh. 6,380,000 (1,030,000). Other projects include Development of a strategic plan and an ICT Innovation Hub in the Constituency.

During the year, the Constituency Development fund carried out tremendous key infrastructure development across the wards including construction of 12 Science laboratories at Fr. Simon Sibembe, Mabunge RC, St. James Madibo, Khayo, Buyofu, St. Francis Lupida, St. Joseph Musokoto, Nambale Urban, Emukhuyu, Segero and Cannon Awori secondary Schools. We also did completion of Dining Halls in 4 schools, Constructions of classrooms, Renovation and upgraded the sanitary facilities of many schools with support from the Amref Busia office.

These milestones could not be achieved without some challenges along the way. Among the many challenges experienced include late disbursements of funds from the National Government Constituencies Development Fund Board, Poverty at the grass root level, Insufficient Land for infrastructure Development, Overpopulation in some schools, lack of sufficient sanitation facilities, over stretching of funds, compromised project quality and changes in regulatory framework which devolved health sector without allocating money for completion of the already initiated projects.

The Nambale National Government Constituency Development Fund has tried to address this challenges by capacity Building key Stakeholders, Establishing Technical linkage with the AMREF Busia Office and County Government of Busia, Increased allocations to procurement of Land for Building of new Schools and classrooms, hiring of Built Industry technician to help in Project Quality and allocating of enough funds for project completion.

Mr. Alfred Juma Okochiel
CHAIRMAN, NAMBALE NGCDF COMMITTEE

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

NAMBALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

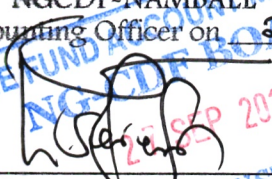
The Accounting Officer in charge of the NGCDF-NAMBALE Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-NAMBALE Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the entity's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-NAMBALE 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.

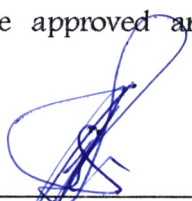
The Accounting Officer in charge of the NGCDF-NAMBALE Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible 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-NAMBALE Constituency financial statements were approved and signed by the Accounting Officer on 27/9/2019.


Fund Account Manager

Name: Patrick Malongo Lidovolo

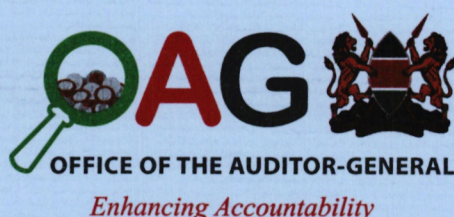

Sub-County Accountant

Jorim Agolla

ICPAK Member Number:

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 - NAMBALE CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Nambale Constituency set out on pages 7 to 33, which comprise the statement of assets and liabilities as at 30 June, 2019, and the 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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Nambale Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Opinion

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

During the year under review, the Fund's budgeted revenue was Kshs.166,353,030 against actual receipts of Kshs.110,411,187 representing an underfunding of Kshs.55,941,843. Further, the Fund spent a total of Kshs.107,883,516 against a budget of Kshs.166,353,030 representing under absorption of Kshs.58,469,514 or 35 %.

In the circumstances, the Fund failed to implement its budget as approved subsequently not achieving set goals and programs for service delivery to the residents of Nambale.

2. Project Performance

Review of the project implementation status report revealed that the Fund was to implement a total of 77 projects/programmes across different sectors during the financial year. However, analysis of the projects progress showed that 22% of the projects were still on-going while 78% had been completed as at the time of audit in July, 2020 as tabulated below:

Budgeted projects		Ongoing			Completed		
No.	Kshs.	No.	Kshs.	%	No.	Kshs.	%
35	19,350,000	3	2,150,000	9	32	17,250,000	91
27	29,422,000	10	9,100,000	37	17	20,322,000	63
3	5,605,000	3	5,605,000	100	-	-	-
7	3,050,000	1	1,000,000	14	6	2,050,000	86
1	1,400,000				1	1,400,000	100
1	1,383,000				1	1,383,000	100
1	5,738,993				1	5,738,994	100
2	32,200,000				2	32,200,000	100
77	98,148,993	17	17,855,000	22	60	78,293,993	78

In the circumstances, the Fund failed to fully implement all approved projects thus not achieving its set goals for service delivery to the residents.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matter described in the Conclusion on Compliance and Effectiveness in

Use of Public Money 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

Delayed Utilization of an Office Block at Nambale Police Division

Included in the other grants and transfers expenditure of Kshs.40,143,146 under Note 5 to the financial statements is an amount Kshs.500,000 disbursed to Nambale Police Division towards completion of an office block during the year under review. However, physical verification conducted on the project revealed that the project was complete but had not been put to beneficial use.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the review so as to obtain limited assurance as to 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 of Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the 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 the 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 money is applied in an effective manner.

Those charged with governance are responsible for overseeing the Fund's 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 review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review 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 Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

14 September, 2021

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

V. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board	1	108,784,483	46,082,302
TOTAL RECEIPTS		108,784,483	46,082,302
PAYMENTS			
Compensation of employees	2	1,624,619	2,516,674
Use of goods and services	3	14,317,751	11,563,820
Transfers to Other Government Units	4	51,798,000	15,688,536
Other grants and transfers	5	40,143,146	28,073,000
TOTAL PAYMENTS		107,883,516	57,842,030
SURPLUS/DEFICIT		900,967	(11,759,728)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAMBALE Constituency financial statements were approved on 27/9/2019 and signed by:


Fund Account Manager
Name: Patrick Malongo Lidovolo



Sub-County Accountant
Jorim Agolla
ICPAK Member Number:

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

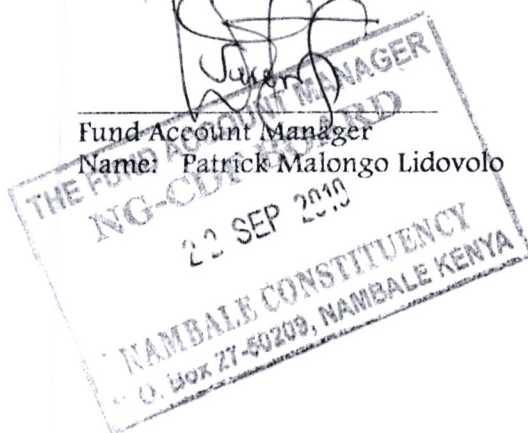
VI. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018- 2019	2017 - 2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	7A	2,527,672	1,626,705
Total Cash and Cash Equivalents		2,527,672	1,626,705
TOTAL FINANCIAL ASSETS		2,527,672	1,626,705
NET FINANCIAL ASSETS		<u>2,527,672</u>	<u>1,626,705</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	7A	1,626,705	13,386,433
Surplus/Deficit for the year		900,967	(11,759,728)
NET FINANCIAL ASSETS		<u>2,527,672</u>	<u>1,626,705</u>

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

Fund Account Manager
Name: Patrick Malongo Lidovolo

Sub-County Accountant
Jorim Agolla
ICPAK Member Number:



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

VII. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	108,784,483	46,082,302
Other Receipts			
Total Receipts		108,784,483	46,082,302
Payments			
Compensation of Employees	2	1,624,619	2,516,674
Use of goods and services	3	14,317,751	11,563,820
Transfers to Other Government Units	4	51,798,000	15,688,536
Other grants and transfers	5	40,143,146	28,073,000
Total Payments		107,883,516	57,842,030
Net cash flow from operating activities		900,967	(11,759,728)
NET INCREASE IN CASH AND CASH EQUIVALENT		900,967	(11,759,728)
Cash and cash equivalent at BEGINNING of the year	6B	1,626,705	13,386,433
Cash and cash equivalent at END of the year		2,527,672	1,626,705

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAMBALE Constituency financial statements were approved on 27/9/2019 and signed by:

Fund Account Manager
Name: Patrick Malongo Lidovolo

Sub-County Accountant
Jorim Agolla
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,876	57,312,154	166,353,030	110,411,187	55,941,843	66.4%
Other Receipts		-	-	-	-	
TOTAL RECEIPTS	109,040,876	57,312,154	166,353,030	110,411,187	55,941,843	67.0%
PAYMENTS						
Compensation of Employees	2,458,800	-	2,458,800	1,624,619	834,182	66%
Use of goods and services	8,883,082	15,995,155	24,878,237	14,317,751	10,560,487	58%
Transfers to Other Government Units	53,927,000	34,004,271	87,931,271	51,798,000	36,133,271	59%
Other grants and transfers	43,771,993	7,312,728	51,084,721	40,143,146	10,941,574	79%
TOTAL	109,040,875	57,312,154	166,353,029	107,883,516	58,469,514	

(a) Nambale NG-CDF had significant variations in utilizations of resources as explained below:

- i. A total of Ksh. 166,353,030 was expected from the NG-CDF Board which comprises of Ksh. 109,040,876 as allocation for 2018-2019 Financial year, Ksh. 54,784,483 as 2017-2018 allocation not received and Ksh.1,626,704. However, only Ksh. 108,784,483 was received in form of AIE for 2017-2018 (Ksh. 54,784,483) and 2018-2019 (Ksh.54, 000,000). By close of the year a total of Ksh. 55,040,875(2018-2019) had not been received. This translates into a underutilization of the annual allocations by 35% which consequently affected the other sectors as indicated above.

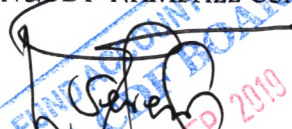
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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- ii. Under other payments of Ksh. 5,037,517 (adjustment Column) relates to an allocation of Ksh. 4,677,027 for establishment of Constituency ICT hubs which had not kicked off due to policy issues at the Board and the ministry of ICT level. The Constituency was only able to implement one ICT hub in the year under review.

The NGCDF-NAMBALE Constituency financial statements were approved on 30/9 2019 and signed by:


Fund Account Manager
Name: Patrick Malongo Lidovolo


Sub-County Accountant
Jorim Agolla
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019		2018/2019	6/30/2019	
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					0
1.1 Compensation of employees	2,701,200		2,701,200	1,624,619	1,076,581
1.2 Committee allowances	1,570,000	2,481,499	4,051,499	3,248,000	803,499
1.3 Use of goods and services	2,271,251	2,545,729	4,816,980	4,295,730	521,250
2.0 Monitoring and evaluation					0
2.1 Capacity building	1,166,000	1,017,097	2,183,097		2,183,097
2.2 Committee allowances	1,082,000	2,438,830	3,520,830	3,163,907	356,923
2.3 Use of goods and services	951,430	1,512,000	2,463,430	1,610,113	853,317
3.0 Emergency					0
3.1 Primary Schools	3,500,000	5,172,276	8,672,276	4,784,343	3,887,933
3.2 Secondary schools	2,238,994		2,238,994	1,360,000	878,994
4.0 Bursary and Social Security					0
4.1 Secondary Schools	17,000,000	500,000	17,500,000	12,804,582	4,695,418
4.2 Tertiary Institutions	3,500,000	1000000	4,500,000	3,445,064	1,054,936
4.4 Universities	11,700,000	500,000	12,200,000	12,000,000	200,000
5.0 Sports			0		0
5.1 Sports Tournament	1,400,000	887,206	2,287,206	1,329,000	958,206
6.0 Environment			0		0
6.1 Bukhaya Central	345,750		345,750	345,750	0
6.2 Nambale Township	345,750		345,750	345,750	0
6.3 Bukhaya North	345,750		345,750	345,750	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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For the year ended June 30, 2019

6.4 Bukhayo East	345,750		345,750	345,750	0
7.0 Primary Schools Projects					0
Kaludeka Primary	550,000.00	600,000.00	1,150,000	1,150,000.00	0
Maira Pri School	150,000.00	500,000.00	650,000	650,000.00	0
Makale Pri School	150,000.00		150,000	150,000.00	0
Nangeni Pri School	400,000.00		400,000	400,000.00	0
Namaindi Pri School	250,000.00		250,000	250,000.00	0
Namisi Pri School	250,000.00	1,200,000.00	1,450,000	1,450,000.00	0
Sango Pri School	150,000.00		150,000	150,000.00	0
Buloma Pri School	400,000.00		400,000	400,000.00	0
Matili Pri School	200,000.00		200,000	200,000.00	0
Khulwanda Pri school	150,000.00	1,200,000.00	1,350,000	1,350,000.00	0
Opedur Pri School	200,000.00		200,000	200,000.00	0
Koshalai Pri School	650,000.00		650,000	650,000.00	0
Kajoro Pri School	400,000.00		400,000	400,000.00	0
Makongeni Pri School	400,000.00		400,000	400,000.00	0
Nambale AC Pri School	400,000.00		400,000	400,000.00	0
Ikondokhera Pri School	1,200,000.00		1,200,000	1,200,000.00	0
Siera Primary school	500,000.00		500,000	500,000.00	0
Maira Primary	400,000.00	320,000.00	720,000	920,000.00	
Kajoro primary		650,000.00	650,000	650,000.00	0
Makongeni Primary		650,000.00	650,000	650,000.00	0
Emakina Primary		650,000.00	650,000	650,000.00	0
St Martin Kisoko Special sc		450,000.00	450,000	450,000.00	0
Maira Primary		650,000.00	650,000	650,000.00	0
Nangeni Primary		650,000.00	650,000	650,000.00	0
Malanga Primary		600,000.00	600,000	600,000.00	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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For the year ended June 30, 2019

Koshalai Primary		650,000.00	650,000	650,000.00	0
Musokoto B Primary		700,000.00	700,000	700,000.00	0
Igara Primary		600,000.00	600,000	600,000.00	0
Katira Primary		400,000.00	400,000	400,000.00	0
Otiri Primary		300,000.00	300,000	300,000.00	0
Sango Primary		650,000.00	650,000	650,000.00	0
Madibo Primary		600,000.00	600,000	600,000.00	0
Namaindi Primary		650,000.00	650,000	650,000.00	0
Buloma Primary		650,000.00	650,000	650,000.00	0
Matili primary		650,000.00	650,000	650,000.00	0
Ekisumo Primary		600,000.00	600,000	600,000.00	0
Sianda primary		650,000.00	650,000	650,000.00	0
Sikinga Primary		600,000.00	600,000	600,000.00	0
Khayo Primary		600,000.00	600,000	600,000.00	0
Madende Primary		800,000.00	800,000	800,000.00	0
St. Peters Khwirale Primary School		800,000.00	800,000	800,000.00	0
Mabunge RC Primary School	400,000.00	400,000.00	800,000	800000	0
Maira Primary School	1,200,000.00	300,000.00	1,500,000	800000	700,000
Esidende Primary School	1,100,000.00	500,000.00	1,600,000		1,600,000
Ekisumo Primary School	1,000,000.00	400,000.00	1,400,000		1,400,000
Madende Primary School	400,000.00	400,000.00	800,000		800,000
Elwanikha Primary School	500,000.00	500,000.00	1,000,000		1,000,000
Madibo Primary School	1,000,000.00	500,000.00	1,500,000		1,500,000
Sikinga Primary School	1,000,000.00	500,000.00	1,500,000		1,500,000
Sianda Primary School	300,000.00	300,000.00	600,000		600,000
Otiri Primary School	300,000.00	300,000.00	600,000		600,000
Lupida Primary School	400,000.00	400,000.00	800,000		800,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Musokoto B Primary School	400,000.00	700,000.00	1,100,000		1,100,000
Igara Primary School	1,000,000.00	500,000.00	1,500,000		1,500,000
St. Martin Kisoko Special School	1,150,000.00	550,000.00	1,700,000		1,700,000
Emakina Primary School	300,000.00	300,000.00	600,000		600,000
Lwanyange Primary School	600,000.00	600,000.00	1,200,000		1,200,000
					0
TOTAL	68,313,875	43,224,637	111,538,512	77,668,358	33,870,154
					0
8.0 Secondary Schools Projects					0
Fr.Simon Sibembe Sec	550,000.00		550,000	550,000.00	0
Khwirale Centre Sec	600,000.00		600,000	600,000.00	0
Lupida Sec	950,000.00		950,000	950,000.00	0
Lupida Secondary School	1,262,000.00	400,000.00	1,662,000	1,582,000.00	80,000
Lwanyange Sec	500,000.00	500,000.00	1,000,000	1,000,000.00	0
Lwanyange Sec	1,200,000.00		1,200,000	1,200,000.00	0
Mabunge RC Sec	2,000,000.00		2,000,000	2,000,000.00	0
Madende Sec	1,200,000.00		1,200,000	1,200,000.00	0
Maolo Sec	650,000.00		650,000	650,000.00	0
Maolo Secondary	150,000.00	150,000.00	300,000	300,000.00	0
Namaindi Sec	1,200,000.00		1,200,000	1,200,000.00	0
St Marys Buyofu Sec	350,000.00	350,000.00	700,000	700,000.00	0
St Peters Khwirale Sec	300,000.00	300,000.00	600,000	600,000.00	0
St. James Madibo Sec	350,000.00	350,000.00	700,000	700,000.00	0
Fr. Simon Sibembe Mixed Secondary School	450,000.00		450,000	450,000.00	0
St. James Madibo RC Secondary School	1,000,000.00		1,000,000	1,000,000.00	0
St. Paul's Elwanikha Secondary School	204,000.00		204,000	204,000.00	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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For the year ended June 30, 2019

Sikinga Secondary School	2,800,000.00		2,800,000	2,800,000.00	0
Khayo Secondary School	500,000.00		500,000	500,000.00	0
Madende Secondary School	1,900,000.00		1,900,000	1,900,000.00	0
Madende Secondary School	400,000.00		400,000	400,000.00	
St. Joseph Musokoto Secondary School	550,000.00		550,000	400,000.00	150,000
Nambale Urban Secondary School	1,256,000.00		1,256,000	400,000.00	856,000
Emukhuyu Secondary School	500,000.00		500,000	400,000.00	100,000
Emukhuyu Secondary School	1,000,000.00		1,000,000	400,000.00	600,000
Segero Secondary School	2,000,000.00		2,000,000	400,000.00	1,600,000
Siera Secondary School	1,600,000.00		1,600,000		1,600,000
Canon Awori Secondary School	2,000,000.00		2,000,000		2,000,000
	27,422,000.00	2,050,000.00	29,472,000	22,486,000.00	6,986,000
			0		
9.0 Tertiary institutions Projects			0		
9.1 Mungatsi TTI	5,605,000	1,300,000	6,905,000	0	6,905,000
10.0 Security Projects					
Tangakona AP Camp	300,000.00		300,000	0	300,000
Mungatsi Ass. Chief's camp	500,000.00	500,000.00	1,000,000	500,000.00	500,000
Walatsi AP Camp	500,000.00	500,000.00	1,000,000	500,000.00	500,000
Nambale Ass. Chief's camp	500,000.00	500,000.00	1,000,000	500,000.00	500,000
Nambale Chief's office	300,000.00	300,000.00	600,000	300,000.00	300,000
Malanga Ass. Chief's office	200,000.00	200,000.00	400,000	200,000.00	200,000
Nambale police Division	550,000.00	500,000.00	1,050,000	1,000,000.00	50,000
Siekunya Ass. Chief's office		150,000.00	150,000	150,000.00	
Lupida AP Camp	200,000.00	200,000.00	400,000	200,000.00	200,000
	8,655,000.00	4,150,000.00	12,805,000	3,350,000.00	9,455,000
10.1 Improved Infrastructure	3,050,000	2,850,000	5,900,000	2,850,000	3,050,000

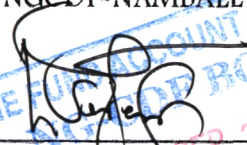
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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For the year ended June 30, 2019

12.0 Others					
12.1 Strategic Plan		360,490	360,490	359,900	590
12.2 Innovation Hub		4,677,027	4,677,027	1,169,257	3,507,770
12.3 CDF Office Renovation	1,000,000		1,000,000		1,000,000
12.4 Sub County Education Offices	600,000		600,000		600,000
TOTALS	109,040,875	57,312,154	166,353,029	107,883,515	58,469,514

The NGCDF-NAMBALE Constituency financial statements were approved on 27/9 2019 and signed by:


Fund Account Manager
Name: Patrick Malongo Lidovolo


Sub-County Accountant
Jorim Agolla
ICPAK Member Number:

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

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the NGCDF-NAMBALE 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)
NAMBALE CONSTITUENCY
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For the year ended June 30, 2019.

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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

Reports and Financial Statements

For the year ended June 30, 2019.

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)
NAMBALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019.

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law 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 2019.

14. Errors

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

During the year, casting errors in the prior year asset register have been corrected and the nature and amounts are disclosed under annexure 4.

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)
NAMBALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019.

X. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES				
	Description		2018-2019	2017-2018
			Kshs	Kshs
1330407	Normal Allocation	AIE NO. B005124	54,784,483.15	
		AIE NO. B006981	10,000,000.00	
		AIE NO. B005432	12,000,000.00	
		AIE No. B006480	8,000,000.00	
		AIE No. B042814	11,000,000.00	
		AIE No. B047039	13,000,000.00	
				46,082,302.00
	TOTAL		108,784,483.15	46,082,302.00

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2 COMPENSATION OF EMPLOYEES				
2110000	Description		2018-2019	2017-2018
			Kshs	Kshs
2110201	Basic wages of contractual employees		1,624,618.50	1,641,101.00
2710120	Gratuity			875,573.00
	Total		1,624,618.50	2,516,674.00

3.0 USE OF GOODS & SERVICES			
2200000	Description	2018-2019	2017 - 2018
		Kshs	Kshs
2210100	Utilities, supplies and services	114,969	223,914
2210200	Communication, supplies and services	300,000	638,557
2210300	Domestic travel and subsistence	360,000	381,400
2210700	Training expenses	2,749,974	1,454,700
2210802	Other committee expenses	5,163,907	5,407,500
2210809	Committee allowance	1,248,000	0
2210900	Insurance costs	100000	221030
2211000	Specialised materials and services	0	360000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAMBALE CONSTITUENCY
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2211100	Office and general supplies and services	645,550	755,371
2211200	Fuel , oil & lubricants	1,050,000	500,000
2211300	Other operating expenses	330,000	0
2220100	Routine maintenance - vehicles and other transport equipment	546,487	181,838
2220200	Routine maintenance- other assets	98,750	0
	Strategic Plan	359,900	0
	ICT Hub	1,169,257	0
	Social Security Benefits	80,957	0
	TOTAL	14,317,751	10,124,310

2630200	4 TRANSFER TO OTHER GOVERNMENT ENTITIES			
	Description		2018-2019	2017-2018
			Kshs	Kshs
2630204	Transfers to primary schools		29,190,000	5,326,000
2630205	Transfers to secondary schools		22,608,000	3,600,000
2630206	Transfers to Tertiary institutions	-		6,762,536
	TOTAL		51,798,000	15,688,536

2640000	5 OTHER GRANTS AND OTHER PAYMENTS			
	Description		2018-2019	2017-2018
			Kshs	Kshs
2640101	Bursary -Secondary		13,688,853	13,166,000
2640102	Bursary -Tertiary		15,518,793	11,435,000
2640507	Security		2,850,000	668,000
2640509	Sports		329,000	49,000
2640510	Environment		1,376,500	1,725,000
2640200	Emergency Projects (Specify)		6,380,000	1,030,000
	Total		40,143,146	28,073,000

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6. A: Bank Balances (cash book bank balance)				
	Name of Bank, Account No. & currency	Account Number	2018-2019	2017-2018
			Kshs (30/6/2019)	Kshs (30/6/2018)
	<i>Cooperative Bank, Busia Branch</i>		2,527,672	1,626,704
	Total		2,527,672	1,626,704

6.B BALANCES BROUGHT FORWARD				
			2018-2019	2017-2018
			Kshs (1/7/2018)	Kshs (1/7/2017)
	Bank accounts		4,849,675	6,718,442
	Total		4,849,675	6,718,442

7. OTHER IMPORTANT DISCLOSURES

7.1: PENDING STAFF PAYABLES (See Annex 1)				
			Kshs	Kshs
			2018-2019	2017-2018
	Others (staff Salaries June 2019)		150,622	-
	Total		150,622	-

7.2: UNUTILIZED FUND (See Annex 3)			
		Kshs	Kshs
		2018-2019	2017-2018
	Compensation of employees	834,182	0
	Use of goods and services	2,638,683	5,711,731
	Committee Expenses	2,652,001	5,245,907
	Amounts due to other Government entities (see attached list)	36,133,271	34,004,271
	Amounts due to other grants and other transfers (see attached list)	10,941,574	7,312,728
	Others	5,269,803	5,037,517

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	Total	58,469,514	57,312,154
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7.3: PMC account balances (See Annex 4)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	4,170,123	1,443,601
	4,170,123	1,443,601

ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES			
Name of Staff	Job Group	Original Amount	Date Payable Contracted
		a	B
Others (specify)			
10. Salaries for June	NA	150,622	Jun-19
Sub-Total		150,622	
Grand Total		150,622	

ANNEX 2 - ANALYSIS OF OTHER PENDING PAYABLES			
Name	Brief Transaction Description	Original Amount	Date Payable Contracted
		a	B
Amounts due to other Government entities			
Mabunge RC Primary	Completion of One classroom	400,000	2018/2019
Maira Primary School	Construction of two classrooms	880,000	2018/2019
Esidende Primary School	Construction of Administration block	1,100,000	2018/2019
Ekisumo Primary School	Construction of Administration block	400,000	2018/2019
Madende Primary School	Renovation of one classroom	400,000	2018/2019
Elwanikha Primary School	Completion of Administration block	500,000	2018/2019

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Madibo Primary School	Completion of Administration block	1,000,000	2018/2019
Sikinga Primary School	Completion of Administration block	1,000,000	2018/2019
Sianda Primary School	Completion of Computer Laboratory	300,000	2018/2019
Otiri Primary School	Completion of Administration block	300,000	2018/2019
Lupida Primary School	Completion of Administration block	400,000	2018/2019
Musokoto B Primary School	Completion of Administration block	1,300,000	2018/2019
Igara Primary School	Completion of Administration block	1,000,000	2018/2019
St. Martin Kisoko Special School	Completion of Dining Hall	1,200,000	2018/2019
Emakina Primary School	Renovation of 5 classrooms	300,000	2018/2019
Lwanyange Primary School	Renovation of 4 classrooms	600,000	2018/2019
Khayo Primary School	Renovation of 5 classrooms	300,000	2018/2019
Fr Simon Sibembe Mixed Secondary School	Completion of Laboratory	450,000	2018/2019
St James Madibo RC Secondary school	Completion of 5 classrooms	650,000	2018/2019
St Paul Elwanikha Secondary School	Completion of 2 classrooms	204,000	2018/2019
Sikinga Secondary School	Completion of Dining Hall	1,800,000	2018/2019
Khayo Secondary School	Completion of Laboratory	500,000	2018/2019
Madende Secondary	Renovation of Dining Hall	1,900,000	2018/2019
Madende Secondary	Completion of 2 classrooms	400,000	2018/2019
St Joseph Musokoto Secondary School	Completion of 3 classrooms	550,000	2018/2019
Nambale Urban Secondary School	Completion of twin Laboratory	1,160,000	2018/2019
Emukhuyu Secondary School	Completion of One classroom	500,000	2018/2019
Emukhuyu Secondary School	Construction of Laboratory	2,000,000	2018/2019

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Segero Secondary School	Completion of Laboratory	3,000,000	2018/2019
Siera Secondary School	Construction of two classrooms	1,600,000	2018/2019
Canon Awori Secondary School	Construction of Laboratory	2,000,000	2018/2019
Namaindi Secondary School	Completion of One classroom	250,000	2017/2018
Mungatsi TTI	Purchase of 5.5 acres	2,805,000	2018/2019
Mungatsi TTI	Fencing of Land	2,200,000	2018/2019
Mungatsi TTI	Purchase and install a three phase transformer	500,000	2017/2018
Mungatsi TTI	Fencing with concrete poles	800,000	2016/2017
Nambale University Campus	Construction of an Abolition block	600,000	2018/2019
Sub-Total		35,249,000	
Amounts due to other grants and other transfers			
Mungatsi Assistant Chief's Office	Completion of Office	1,000,000	2018/2019
Walatsi AP Camp	Completion of Office	496,000	2018/2019
Nambale Chief's Office	Completion of Office	284,000	2018/2019
Nambale Assistant Chief's Office	Completion of Office	600,000	2018/2019
Malanga Assistant Chief's Office	Wiring and fencing of Assistant Chief's office	200,000	2018/2019
Sports Activities	Organizing and running of football, netball, athletics and indoor tournaments	672,306	2017/2018
Sports Activities	Organizing and running of football, netball, athletics and indoor tournaments	1,070,100	2018/2019
Emergency	Supporting of urgent unforeseen need for expenditure	2,093,272	2017/2018
Emergency	Supporting of urgent unforeseen need for expenditure	3,929,960	2018/2019
Environment	Purchase and plant tree seedlings	6,500	2018/2019
Sub-Total		9,451,212	
Others			
Renovation of NGCDFC Office	Renovation of NGCDFC Office	1,000,000	2018/2019

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Sub County Education Office	Renovation of Sub County Education Office	600,000	2018/2019
Constituency Innovation Hub Projects	Procuring the system and services	3,507,777	2017/2018
Constituency Strategic Plan	Preparation of five plan	500	2017/2018
Administration	Payment of staff salaries and Gratuity, Sitting allowances and goods & services	3,221,846	2018/2019
Administration	Surplus (Payment of staff salaries and Gratuity, Sitting allowances and goods & services)	900,967	
Monitoring & Evaluation	Payment of sitting allowances, goods & services, training PMCS and CDFC	3,219,252	2018/2019
Bursary Secondary Schools	Provision of bursary award to needy students in secondary institutions	1,319,000	2018/2019
Sub-Total		13,769,343	
Grand Total		58,469,514	

ANNEX 3 - PMC Bank Account Balances						
NO.	PROJECT NAME	BANK ACCT NO.	BANK	BRANCH	2018/2019	2017/2018
1	St. Teresa Makale Primary	1139237152400	COOPERATIVE	BUSIA	433,655	117,755
2	Maira Primary	1139236078100	COOPERATIVE	BUSIA	174,261	
3	St. Peters Khwirale Primary school	1141237055600	COOPERATIVE	BUSIA	5,353	
4	St. Martin's Kisoko Special school	1139236509400	COOPERATIVE	BUSIA	455,838	
5	Musoma Primary school	1139235944000			26,080	
6	St. Peter's Khwirale Secondary	1141237055600	COOPERATIVE	BUSIA	5,353	825,560
7	Musokoto DEB Primary school	1139236805700	COOPERATIVE	BUSIA		2,123
8	Kaludeka Secondary	1141237061800	COOPERATIVE	BUSIA	9,563	
9	Opedur Primary School	1139236210800	COOPERATIVE	BUSIA	1,537	
10	Kacheroi Primary School	1139236841900	COOPERATIVE	BUSIA	184,873	
11	Katira Primary School	1139235934500	COOPERATIVE	BUSIA	6,400	
11	Nambale Assistant Chief's Office	1141237685300	COOPERATIVE	BUSIA	10,095	
12	Nang'eni Primary School	1139236804200	COOPERATIVE	BUSIA	151,273	
13	Namisi Primary School	1139236722100	COOPERATIVE	BUSIA	381,693	2,193

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14	Lwanyange Secondary School	1139236942100	COOPERATIVE	BUSIA	3,675	
15	Maolo Secondary School	1141237691100	COOPERATIVE	BUSIA	125,510	145,165
16	Buyofu Primary school	1139236504500	COOPERATIVE	BUSIA		4,173
17	Mabunge R.C Primary School	1139236882800	COOPERATIVE	BUSIA	15,153	306,903
18	Malanga Assistant Chief's Office	1141237061000	COOPERATIVE	BUSIA	4,563	
19	Ikondokhera Primary School	1141237127400	COOPERATIVE	BUSIA	382,063	
20	Siera Secondary School	1139237681100	COOPERATIVE	BUSIA	2,325	
21	St. Joseph Musokoto Secondary	1139236238900	COOPERATIVE	BUSIA	32,861	
22	Lupida AP Camp	1141238768800	COOPERATIVE	BUSIA	9,320.00	
23	Walatsi A.P Camp	1141237684800	COOPERATIVE	BUSIA	9,325	
24	Sango Primary School	1141237687400	COOPERATIVE	BUSIA	239,025	
25	St.James Madibo Secondary	1139236797900	COOPERATIVE	BUSIA	304,323	
26	Mungatsi Assistant Chief's Office	1141236521600	COOPERATIVE	BUSIA	6,135	
27	Kisoko Boys Primary School	1141237034700	COOPERATIVE	BUSIA		3,013
28	Mungatsi Primary school	1139236885200	COOPERATIVE	BUSIA		3,893
29	Siekunya Assistant Chief's Office	114123769625	COOPERATIVE	BUSIA	4,325	0
30	Malanga A.C.K Primary	1242037195100	NATIONAL	BUSIA	62,420	0
31	St. Peters Mukemo Primary	1242037195100	NATIONAL	BUSIA		0
32	Fr. Simon Sibembe Secondary	1242037226801	NATIONAL	BUSIA	230	0
33	Emakina Primary	124237197600	NATIONAL	BUSIA	672	0
34	Nambale A.C Primary School	1242037197700	NATIONAL	BUSIA	780	0
35	Mary Immaculate Nambale Urban Secondary	1047037354400	NATIONAL	BUSIA	492	0
36	Igara Primary	124237208000	NATIONAL	BUSIA	5,287	0
37	Koshalai Primary	1047087398800	NATIONAL	BUSIA	384	0
38	Musokoto B. Primary	1224036567401	NATIONAL	BUSIA	9,350	0
39	Mwangaza A.C.K Primary School	12420380183300	NATIONAL	BUSIA	59,740	0
40	Otiri Primary	124237193500	NATIONAL	BUSIA	0	0
41	Igara Secondary School	124207193400	NATIONAL	BUSIA	0	0
42	Khwirale Centre Secondary	1022211261600	NATIONAL	BUSIA	325	0
43	Khayo Primary	1047037200300	NATIONAL	BUSIA	400	0
44	Khulwanda Primary	1047087252100	NATIONAL	BUSIA	47,463	0
45	Madende Primary	102403683001	NATIONAL	BUSIA	6,060	0
46	Madibo Primary	1224036796301	NATIONAL	BUSIA	1,778	0
47	Matili Primary	102408504820	NATIONAL	BUSIA	950	0
48	Sianda Primary	1242037204000	NATIONAL	BUSIA	355	0
49	St. Mary's Buyofu Secondary School	1242376754800	NATIONAL	BUSIA	22,240	0
50	Madende Secondary	1242037194900	NATIONAL	BUSIA	13,660	0
51	Namaindi Secondary	124237985001	NATIONAL	BUSIA	3,787	0
52	Sikinga Secondary	1242037650300	NATIONAL	BUSIA	2,587	0
53	St. Mary's Nmbale Secondary	1047085047700	NATIONAL	BUSIA	118	0

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56	Nambale Police Division	79000027613	FAMILY	BUSIA	149,643	2,334
57	Buloma Primary School	79000027767	FAMILY	BUSIA	251,655	1,804
58	Ekisumo Primary School	79000025389	FAMILY	BUSIA	43	0
59	Sikinga Primary School	79000025314	FAMILY	BUSIA	18	0
60	Namahindi Primary school	79000025338	FAMILY	BUSIA	394	103
61	Kajoro Primary school	79000025861	FAMILY	BUSIA	1,056	28,449
62	Nambale Urban Primary School	1175780146	KCB	BUSIA	1,060	0
63	Deputy County Commissioners Office	11451294554	KCB	BUSIA		0
64	Tangakona A.P Camp	1178693791	KCB	BUSIA	60,559	0
65	Siera Primary School	1177420651	KCB	BUSIA	5,760	0
66	Lupida Secondary	1136655050	KCB	BUSIA	480,982	0
67	Esidende Primary school	1178419185	KCB	BUSIA	4,530	0
			TOTALS		4,170,123	1,443,601

ANNEX 4– SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	3,000,000	Nil	Nil	3,000,000
Buildings and structures	15,943,060	Nil	Nil	15,943,060
Transport equipment	4,950,000	Nil	Nil	4,950,000
Office equipment, furniture and fittings	1,890,460	6,500	Nil	1,896,960
ICT Equipment, Software and Other ICT Assets	736,990	Nil	Nil	736,990
Total	26,520,510	6,500	Nil	26,527,010

The addition of office equipment in the year were charged to administration vote (Goods and services). In addition, the prior year the nature and amounts of prior year adjustments are as tabulated below:

Asset Class	Prior Year Certified Balance	Casting Error	Restated Balance
Office equipment, furniture & fittings	1,404,912	485,548	1,890,460
ICT Equipment, Software & Other ICT Assets	607,470	129,520	736,990
Total	2,012,382	615,068	2,627,450

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XI. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
1. Construction of Double Houses at Tangakona AP Camp	The Fund transferred Kshs.668,000 to Tangakona AP camp for the construction of double room houses to completion. During the field inspection, it was noted that the project remained incomplete despite the allocated amount having been fully spent. Further, the floors were cracking, an indication of poor workmanship. Painting, gutter installation and doors were also not installed. In the circumstances, value for money was not obtained in the implementation of the project.	The project is complete at the moment and in use	Fund Account Manager	Resolved	30.06.2019
2. Unverifiable Expenditure on Purchased Land	During the year under review, the Fund disbursed Kshs.2,977,200 to Khwirale Secondary School and Mungatsi TTI for purchase of land. However, the procurement records relating to the two parcels of land procured were not available for audit review	Land titles for both institutions are ready and available	Fund Account Manager	Resolved	30.06.2019

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (<i>Resolved / Not Resolved</i>)	Timeframe : (<i>Put a date when you expect the issue to be resolved</i>)
	an indication that the schools did not have title deeds to proof ownership of the parcels of land. In addition, the project management committees did not provide land survey and valuation reports, detailing how the purchase price was arrived at				
3. Project Implementation Status	Nambale NG-CDF was to implement a total of 84 projects/programmes by different sectors during the financial year with a budget cost of Kshs. 130,547,415 through various project management committees. However, analysis of the project implementation status reports revealed that 32 or 39% of the projects had not been started, 43 or 52% of the projects were still on going and 9 or 11% of the projects had been completed as at the time of audit in February 2019	The delay in implementation of the projects were due to delay in receipt of funds from the NG_CDF Board, the projects have since been completed and in use	Fund Account Manager	Resolved	30.06.2019
4. Budget Performance	During the year under review, the Fund revenue was budgeted at Kshs.114,253,219 against actual receipt of Kshs.46,082,302 representing underfunding of Kshs.68,170,917. Further, the Fund spent a total of Kshs.57,842,030.00 against a budget of Kshs.114,253,219 presenting under expenditure of	The underutilization of the budget was as a result of delay in receiving of the funds from the NGCDF Board, the funds have since been received and fully utilized.	Fund Account Manager	Resolved	30.06.2019

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (<i>Resolved / Not Resolved</i>)	Timeframe : (<i>Put a date when you expect the issue to be resolved</i>)
	Kshs.56,411,189 or 51%				

