

REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

**DATE:** 23 FEB 2022

DAY:  
Wed.

**THE AUDITOR-GENERAL**

TABLED  
BY:

The majority whip  
Hon. E. Wangwe, MP

CLERK-AT  
THE-TABLE:

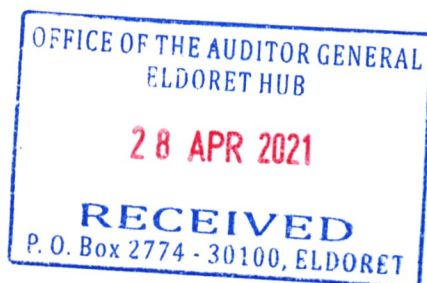
Benson Inzigu.

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND -  
KEIYO NORTH CONSTITUENCY**

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





---

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –  
KEIYO NORTH CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

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

---

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



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

---

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT .....	2
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE .....	5
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES .....	8
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING.....	10
V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES .....	12
VI. REPORT OF THE AUDITOR AUDITORS ON THE <i>NGCDF- KEIYO NORTH CONSTITUENCY</i> .....	13
VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2020 .....	14
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2020.....	15
IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2020.....	16
X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED.....	18
<u>XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES.....</u>	<u>20</u>
<u>XII. SIGNIFICANT ACCOUNTING POLICIES .....</u>	<u>26</u>
XII NOTES TO THE FINANACIAL STATEMENTS.....	30



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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**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 KEIYO NORTH Constituency day-to-day management is under the following key organs:

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

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Milcah Sugut
2.	Sub-County Accountant	Sammy Kiplagat
3.	Chairman NGCDFC	Paul Tarus
4.	NGCDFC Secretary	Kenneth Cherop

**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF –KEIYO NORTH Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

**(e) NGCDF KEIYO NORTH Constituency Headquarters**

Keiyo North Constituency,  
P.O BOX 640-30700,  
Iten.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**(f) NGCDF KEIYO NORTH Constituency Contacts**

Telephone: (254) 726884581,  
E-mail: [cdfkeiyonorth@cdf.go.ke](mailto:cdfkeiyonorth@cdf.go.ke)  
Website: [www.cdf.go.ke](http://www.cdf.go.ke)

**(g) NGCDF KEIYO NORTH Constituency Bankers**

1. Kenya Commercial Bank  
A/c:1103235303,  
P.O, BOX, 640-30700,  
Iten.

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

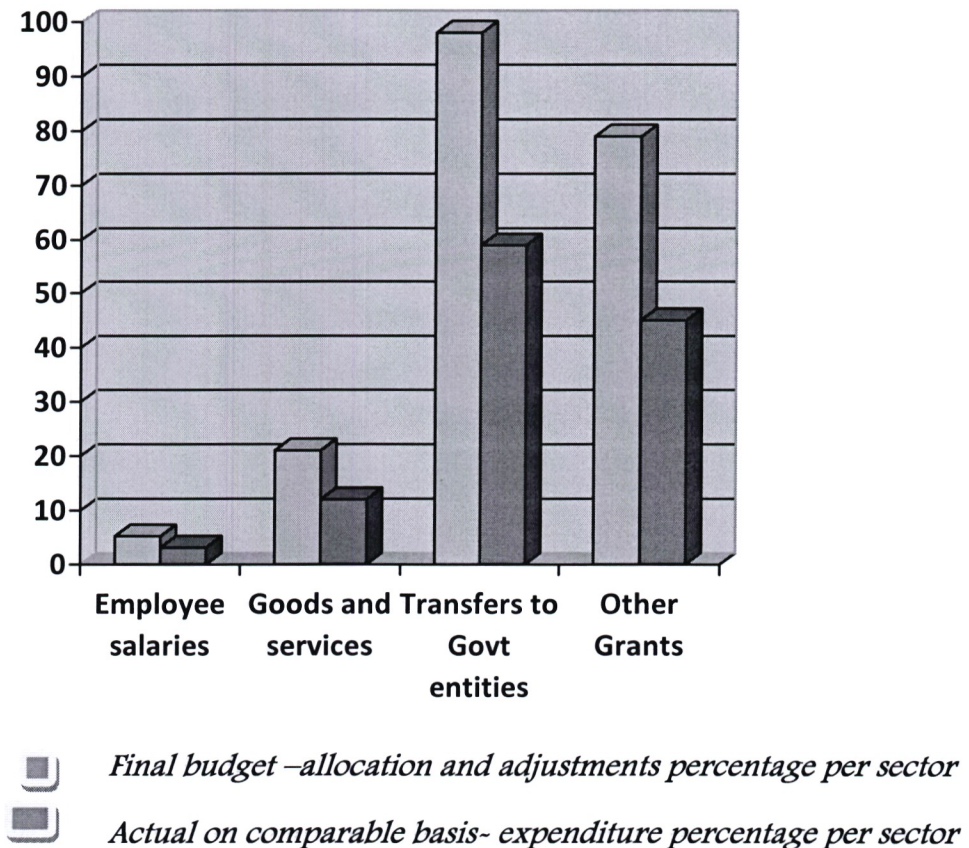
**Reports and Financial Statements  
For the year ended June 30, 2020**

**II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

I wish to mention that this year's performance of the fund has been progressive especially on development which includes provision of learning facilities in schools by constructing classrooms and other facilities. Implementation of projects however faced challenges due to delays in funding which led to implementation of few projects during the financial year under review.

The graph below represents the performance based on the final budget against the actual on comparable basis. The final budget of Kshs.192, 908,600 includes the original budget of Kshs.137, 367,724 which is the total allocation for the FY 2019/2020, the balances at the beginning of the year and the funds for the prior year that had not been received at the beginning of the year for 2019/2020 which amounts to Kshs.78, 881,609.

The actual expenditure against the original budget for the FY 2019/2020 is represented in the graph.



10  
11  
12

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

To highlight a few transfers to other government institutions comprise of funds disbursed to education sector i.e. primary and secondary schools to develop infrastructure, while other grants are funds transferred to bursaries, emergency, sports, environment and security.

Bursaries form the integral part of the fund; the funds have ensured transition of students from secondary to colleges and promote continued learning for needy students. The NG-CDFC developed a guideline for identifying bursary beneficiaries which is usually applied during the vetting which is done in every sub location. In the financial year 2019/2020 the committee considered partial scholarships were beneficiaries in secondary schools and tertiary institutions were awarded. The residents are guided and they are involved in identifying the needy students. The figure below shows the bursaries disbursed to secondary schools and tertiary institutions and the number of beneficiaries for the FY 2019/2020.

Category	Male		Female		Students with Special Needs (PWDs)		Totals
	No	Amount	No	Amount	No	Amount	
Universities	327	3,924,000	327	3,924,000			7,748,000
Tertiary Institutions	298	3,816,000	440	5,826,000			9,772,000
High Schools / Secondary Schools	1,076	8,355,000	1,169	10,345,000	12	130	19,930,000
Total							37,450,000

**Highlights of projects.**

In line with our strategic objectives to enhance and improve infrastructure in the education sector we considered improvement of the learning environment through renovations of classrooms by allocating funds for tiling and painting at least 5 classrooms in primary schools, construction of laboratories and new classrooms during the FY 2019/2020.

Below are some of the on going and complete projects;



Project name: Kapchelal secondary school  
Activity: Dining hall



Project name: Bugar secondary school  
Activity: Administration



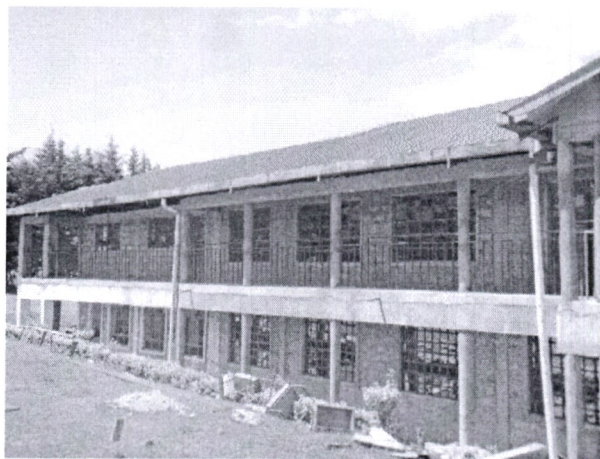
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**



Project name: Kobil primary school  
Activity: Renovation of 4 classrooms



Project name: Kapchelal secondary school  
Activity: Administration block

A handwritten signature in blue ink, appearing to read "Rams". The signature is stylized with a large, looped initial.

Sign

CHAIRMAN NGCDF COMMITTEE



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES**

**Introduction**

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

The key development objectives of NGCDF-KEIYO NORTH Constituency's 2018-2022 plan are to:

- To achieve effective and efficient security services
- Provide quality and accessible educational services
- Have efficient and effective project identification and implementation process
- Enhance sports development in the constituency
- Ensure cross-cutting issues are mainstreamed and addressed effectively
- Improve staff capacity

**Progress on attainment of Strategic development objectives**

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	<ul style="list-style-type: none"> <li>• Provide quality and accessible educational services</li> </ul>	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> <li>- number of usable physical infrastructure build in primary, secondary, and tertiary institutions</li> <li>- number of bursary beneficiaries at all levels</li> </ul>	<p>In FY 19/20, we allocated funds for construction of 6 laboratories, renovation of 72 classrooms, 15 new classrooms, 4 dormitories, 4 administration blocks and purchase of welding and sewing machines at TVC.</p> <p>Awarded bursaries to 1392 students in the tertiary institutions and 2245 students in secondary schools.</p>
Security	<ul style="list-style-type: none"> <li>• To achieve effective and efficient security</li> </ul>	Chiefs offices constructed and furnished	No. of offices	In FY 2019/2020, 6 assistant chief's offices will be constructed one is

11  
12  
13  
14  
15

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

	services			already complete.
Environment	Enhance environmental conservation through water harvesting and energy saving.	Purchase of storage tanks  Install energy saving devices	No, of schools  No. of school	This financial year we will purchase tanks for 5 schools.  We have also installed energy saving jikos in 4 secondary schools and 5 primary schools.
Sports	<ul style="list-style-type: none"> <li>Enhance sports development in the constituency</li> </ul>	Purchase sports equipment for institutional teams	No.of teams No.of schools	We have ensured that all schools are provided with games and sport uniforms 1 Hockey team, 20 football and 5 volley ball teams have been provided with kits.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

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

**1. Sustainability strategy and profile**

Through its strategic planning the fund has drawn its sustainability strategy and profile from its vision, mission and core values .

**2. Environmental performance**

KEIYO NORTH NG-CDF is guided by the National Government Constituencies Development Fund (NGCDF) Board Environmental Sustainability guidelines which have been prepared in line with Chapter 5 of the Constitution of Kenya and the Environmental Management and Coordination Act (EMCA) of 1999.

The NG-CDFC involves the public in the identification and implementation of environmental projects to ensure maintenance and sustainability.

In line with this, the fund has taken into consideration the environmental activities falling within the national functions which include water harvesting, energy conservation, waste management and tree planting.

**a) Energy policy.**

- i. Installation of biogas and energy saving devices in public institutions; energy saving devices have been installed in 6 schools; the schools will benefit through low maintenance cost, less smoke hence improving hygiene.
- ii. Sensitizing the community on energy saving policies; the committee has taken the initiative to sensitize the community on importance of exploring new energy saving systems.
- iii. Carrying out energy requirements surveys; through the energy requirement surveys the committee have done the analysis on the need for energy saving devices in schools.

**b) Water harvesting.**

The NG-CDFC has since aside funds for purchase of storage tanks and gutters to take advantage of rain water in schools. This was extended to this financial year where 5 primary schools will benefit.

**c) Waste management**

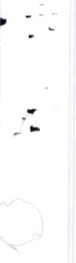
The NG-CDFC has set aside funds to put up sanitary facilities to ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks.

**3. Employee welfare.**

KEIYO NORTH NG-CDFC is guided by the policies under the labour laws and the Board's circular of 2013 on recruitment of its staff.

The staff members are eligible to affordable health care services and to benefit from the NHIF medical scheme as statutory deductions are done and remitted on a monthly basis. In regard to safety, the committee also complies with the Occupation safety and Health Act 2007, in line with section 11(1) of the Act, Every employee shall, while at the workplace

- (a) Ensure his own safety and health and that of other persons who may be affected by his acts or omissions at the workplace;
- (b) Co-operate with the employer or any other person in the discharge of any duty or requirement imposed on the employer or that other person by this Act or any regulation made hereunder;
- (c) Comply with the safety and health procedures, requirements and instructions given by a person having authority over him for his own or any other person's safety.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**4. Market place practices-**

The objective of the Fund is to provide mechanisms for cascading implementation of the National Government development Agenda at the constituency level.

*a) Responsible competition practice.*

The fund being guided by the NG-CDFC Act 2015 has endeavoured to uphold fairness, equity and transparency during distribution of resources and implementation of projects.

*b) Responsible Supply chain and supplier relations.*

NG-CDF KEIYO NORTH through its strategic plan identified various stakeholders including the suppliers and is committed towards strengthening supplier relations through sensitization and prequalification of all the suppliers who meet requirements, timely payments for service provided and goods supplied feedback mechanisms and effective communication linkages.

*c) Responsible marketing and advertisement.*

To enhance its marketing strategies the committee has continuously updated the online platform and publicize its information in social media mainly aimed at reaching out to the youth. Advertisement of tenders has been done widely on local platforms and major tenders in newspapers.

*d) Product stewardship.*

The committee has developed a service charter aimed at ensuring that customers are well informed of the objectives of fund, its operations which includes project implementation by the PMC, Bursaries, payment of suppliers, complaint handling mechanisms and decision making.

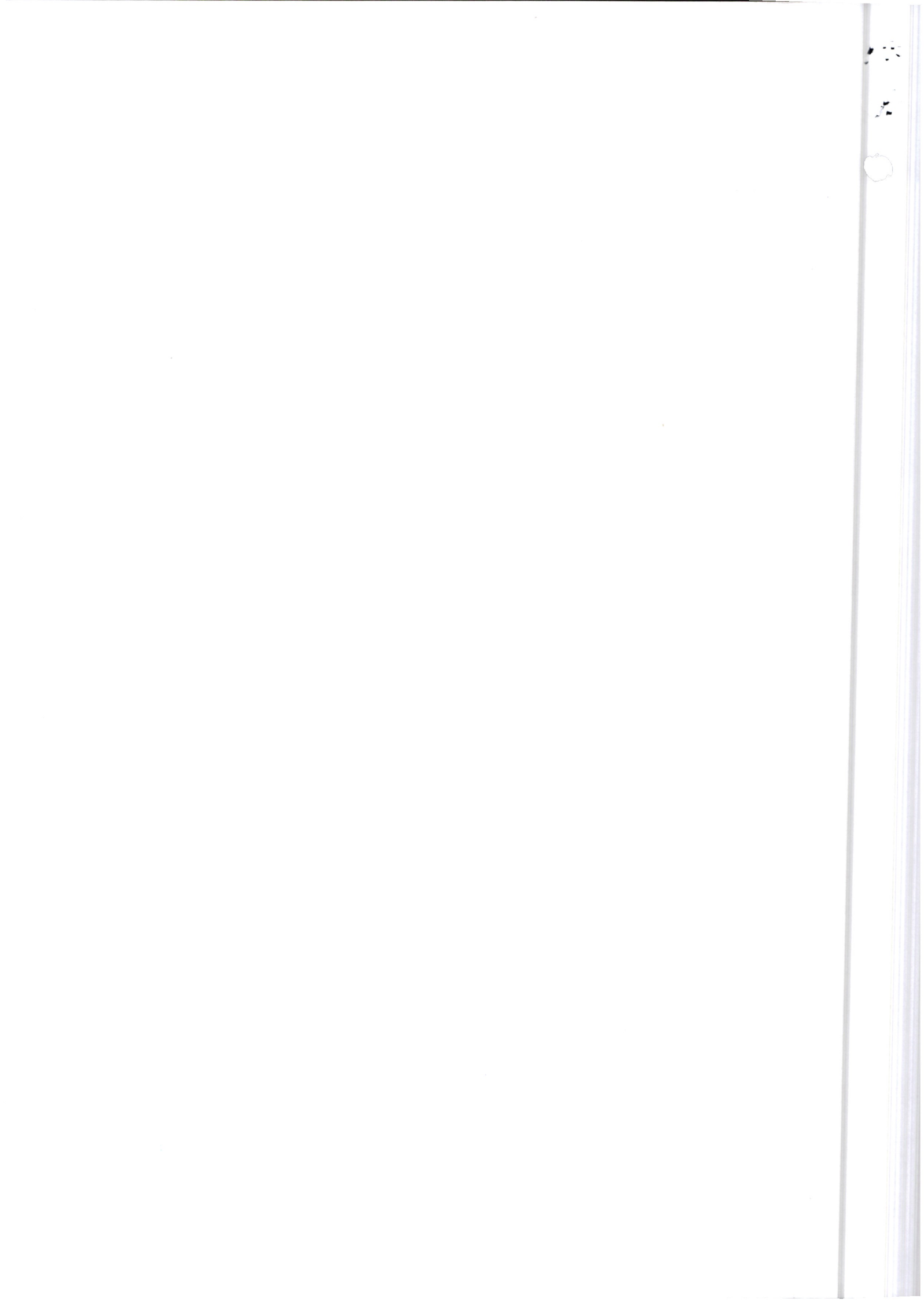
**5. Community Engagements**

The NG-Constituency Development Act 2015 stipulates in part 5 section 27 subsection 1 and 2 that the chairperson of the NG-CDFC shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency. The NG-CDFC shall then deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency, including joint projects with other constituencies, consider the national development

Plans and policies and the constituency strategic development plan, and identify a list of priority projects, both immediate and long term, out of which the list of projects to be submitted in accordance with the Act shall be drawn from. There after the list of proposed constituency based projects to be covered under this Act shall be submitted by NG-CDFC to the Board.

Among other activities benefiting the community KEIYO NORTH NG-CDF which includes promotion of education, sports and environment the committee in line with the objective of promoting education sponsored through bursary vote 200 youths to join Technical Vocational Training.

Further, in partnership with the Parliamentary Service Commission-Keiyo North contributions towards combating covid 19 in line with Government directive, 900 litres of sanitizers were distributed to 8 public offices,4 markets,5 chief offices,6 police stations and offices and 1 National reserve



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**V. 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-KEIYO NORTH Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-KEIYO NORTH 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, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-KEIYO NORTH 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-KEIYO NORTH 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-KEIYO NORTH Constituency financial statements were approved and signed by the Accounting Officer on 11/9 2020.

Fund Account Manager

Name: Mkalah Sigut

Sub-County Accountant

Name: Sammy K. Kiplagat

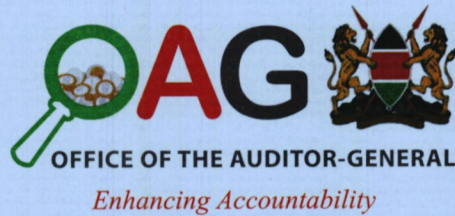
ICPAK Member Number:

23642

NATIONAL TREASURY  
SUB-COUNTY ACCOUNTANT  
KEIYO NORTH



# 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 - KEIYO NORTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

---

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Keiyo North Constituency set out on pages 14 to 51, which comprise the statement of receipts and payments, statement of assets and liabilities, statement of cash flows, summary statement of appropriation: recurrent and development combined and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Keiyo North Constituency as at 30 June, 2020, and (of) its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

#### Basis for Qualified Opinion

##### 1.0 Cash and Cash Equivalents

As disclosed in Note 10A to the financial statements, the Statement of Assets and Liabilities reflects a Cash and Cash Equivalents balance of Kshs.22,168,183 as at 30 June, 2020. However, the bank reconciliation statement for June, 2020 indicated an amount of Kshs.10,592,924 being unrepresented cheques whose supporting documents were not provided.

Consequently, the accuracy and completeness of the bank balance of Kshs.22,168,183 as at 30 June, 2020 could not be confirmed.

## **2.0 Bursary Disbursements to Tertiary Institutions**

As disclosed in Note 7 to the financial statements, the statement of receipts and payments for the year ended 30 June, 2020 reflects a balance of Kshs.45,022,950 in respect to Other Grants and Transfers. Included in this figure are bursary disbursements totalling Kshs.18,475,000. An audit review revealed that disbursements amounting to Kshs.6,590,000 could not be matched to the intended beneficiaries.

In the circumstances, accuracy and completeness of other grants and transfers of Kshs.45,022,950 for the year ended 30 June, 2020 could not be confirmed.

## **3.0 Project Management Committee Account Balances**

Disclosed under Note 17.4 to the financial statements is a figure of Kshs.13,331,687 in respect to Project Management Committee account balances as at 30 June, 2020. However, relevant cash books, bank confirmation certificates and bank reconciliation statements relating to the said accounts were not provided for audit review. Further, balances of 83 accounts totalling to Kshs.23,932,067 were not included in the figure of Kshs.13,331,687. No information was provided detailing how the funds were utilized during the year and subsequent closure of the accounts.

In the absence of these records, the validity, accuracy, and completeness of Project Management Committee account balance of Kshs.13,331,877 as at 30 June, 2020 could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Matters**

#### **1.0 Budgetary Control and Performance**

The summary statement of Appropriation: Recurrent and Development Combined reflects final receipts budget and actual on comparable basis of Kshs.216,254,282 and Kshs.146,386,558 respectively resulting to an under-funding of Kshs.69,867,725 or 32% of the budget. Further, the statement indicates the Fund utilized

Kshs.124,470,923 against the disbursements of Kshs.146,386,558 resulting to underutilization of Kshs.21,915,635 or 15%. The Project expenditure was limited to the amount realised.

In the circumstances, the budget under funding and expenditure underutilization affected the planned activities and may have impacted negatively on service delivery to the public.

## **2.0 Projects**

### **2.1 Project Implementation Status**

A review of the project implementation status as at 30 June, 2020 indicated that a total of one hundred and thirteen (113) projects were funded at an estimated cost of Kshs.118,944,027. The NGCDF transferred Kshs.71,270,338 to various PMCs for implementation of development projects. Thirty-two (32) project with an estimated value of Kshs.24,139,256 were completed and in use, twenty-four (24) projects with estimated cost of Kshs.23,781,825 were yet to start, twenty-two (22), projects with an estimated cost of Kshs.23,349,257 were on going.

Consequently, failure to complete the funded projects is an indication that programs or activities were not implemented negatively affecting the people of Keiyo North Constituency.

## **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 matter(s) described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1.0 Transfer to Other Government Entities**

##### **1.1 Non-Labeling of CDF Projects**

As disclosed in Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other government units amounting to Kshs.59,038,513 as at 30 June, 2020. However, audit verifications revealed three (3) projects implemented during the year but were not labeled as having been funded by the NG-CDF, contrary to Section 11 of the National Government Constituency Development Fund Regulations, 2016 which require Management to ensure that projects are labelled in accordance with the guidelines issued by the Board.

Consequently, it was not possible to independently confirm that the projects were funded by the Keiyo North Constituency.  
The Management is in breach of the law.

## **1.2 Unsupported Expenditure**

As disclosed in Note 6 to the financial statements, the statement of receipts and payments for the year ended 30 June, 2020 reflects transfers to other government units of Kshs.59,038,513 relating to funds disbursed to various Project Management Committees. However, actual expenditure returns and acknowledgement letters from institutions that received the funds were not provided. This is contrary to Section 15(1)(d) of the National Constituency Development Fund Regulations, 2016 which states that the Project Management Committees shall prepare returns and file them with a Constituency Committee.

In the circumstances, Management is in breach of the law.

## **2.0 Unresolved Prior Year Audit Matters**

Annexed to the financial statements submitted for audit, is the progress on follow up of auditor recommendations on matters raised in the audit report for 2018/2019. The issues raised remain unresolved contrary to Section 68(2)(l) of the Public Finance Management Act, 2012 which require accounting officers to take appropriate measures to resolve any issues arising from audit which may remain outstanding.

The Management is therefore in breach of the law.

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

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

## **Basis for Conclusion**

### **1.0 Internal Control Weaknesses in Human Resource Records**

Disclosed under Note 4 to the financial statements is compensation of employees balance of Kshs.3,194,714. A review of the personal files revealed that one employee was appointed in August, 2019 for three-year renewable contract. However, advertisement of the said vacancy was not presented for audit review.

Further examination revealed that, documents in staff files were not foliod or referenced.

It was therefore not possible to ascertain whether the recruitment process followed due diligence and the weaknesses of filling of documents in Human Resource section needs to be addressed.

### **2.0 Failure to Maintain Stores Records for Projects**

As disclosed in Noe 6 to the financial statements, the statement of receipts and payments for the year ended 30 June, 2020 reflects transfers to Other Government Entities of Kshs.59,038,513. Project verifications noted that 19 PMCs projects with a total disbursement of Kshs.13,699,000 were not maintaining store records showing materials received in store, usage and balances. As a result, it was not possible to confirm whether all the materials purchased were utilized for the intended purpose.

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

### **Responsibilities of Management and those Charged with Governance**

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

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

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

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

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

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

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

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

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

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


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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

**08 February, 2022**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**


**Reports and Financial Statements**


**For the year ended June 30, 2020**

**VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED JUNE 30, 2020**

	Note	2019 - 2020 Kshs	2018 - 2019 Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF board	1	123,040,875.50	111,022,414.00
Proceeds from Sale of Assets	2		
Other Receipts	3	5,000.00	
<b>TOTAL RECEIPTS</b>		<b>123,045,875.50</b>	<b>111,022,414.00</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,194,715.00	2,107,542.00
Use of goods and services	5	7,282,920.00	6,399,566.00
Transfers to Other Government Units	6	59,038,513.00	57,750,000.00
Other grants and transfers	7	45,022,950.00	34,884,290.00
Acquisition of Assets	8	9,931,825.00	-
Other Payments	9	-	909,000.00
<b>TOTAL PAYMENTS</b>		<b>124,470,923.00</b>	<b>102,050,398.00</b>
<b>SURPLUS/(DEFICIT)</b>		<b>(1,425,047.50)</b>	<b>8,972,016.00</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KEIYO NORTH Constituency financial statements were approved on 11/5/2020 and signed by:

  
Fund Account Manager  
Name: Mikah Sigut

  
National Sub-County Accountant  
Name: Sammy R. Kiplagat  
ICPAK Member Number: 23642

NATIONAL TREASURY  
SUB-COUNTY ACCOUNTANT  
KEIYO NORTH



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**


**Reports and Financial Statements**


**For the year ended June 30, 2020**

**VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2020**

	Note	2019-2020	2018-2019
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	22,168,183	23,340,682
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>22,168,183</b>	<b>23,340,682</b>
Accounts Receivable			
Outstanding Imprests	11		-
<b>TOTAL FINANCIAL ASSETS</b>		<b>22,168,183</b>	<b>23,340,682</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable			-
Retention	12A		-
Deposits (Gratuity)	12B	252,548	
<b>TOTAL FINANCIAL LIABILITES</b>		<b>21,915,635</b>	<b>14,368,666</b>
<b>NET FINANCIAL ASSETS</b>			
<b>REPRESENTED BY</b>			
Fund balance b/fwd	13	23,340,682	14,368,666
Prior year adjustments	14		
Surplus/Deficit for the year		(1,425,048)	8,972,016
<b>NET FINANCIAL POSITION</b>		<b>21,915,635</b>	<b>23,340,682</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KEIYO NORTH Constituency financial statements were approved on 11/5/2020 and signed by:

  
Fund Account Manager  
Name: Milcah Sigut

  
National Sub-County Accountant  
Name: Sammy K. Kiplagat  
ICPAK Member Number: 23642



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED JUNE 30, 2020**

		2019 - 2020	2018 - 2019
		Kshs	Kshs
<b>Receipts for operating income</b>			
Transfers from NGCDF Board	1	123,040,876	111,022,414
Other Receipts	3	5,000	
<b>Total receipts</b>		<b>123,045,876</b>	<b>111,022,414</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	3,194,715	2,107,542
Use of goods and services	5	7,282,920	6,399,566
Transfers to Other Government Units	6	59,038,513	57,750,000
Other grants and transfers	7	45,022,950	34,884,290
Other Payments	9	-	909,000
<b>Total payments</b>		<b>114,539,098</b>	<b>102,050,398</b>
<b>Total Receipts Less Total Payments</b>		<b>8,506,778</b>	<b>8,972,016</b>
<b>Adjusted for:</b>			
Decrease/ (Increase) in Accounts receivable: (outstanding imprest)	15		
Increase/ (Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	252,548	-
Prior year adjustments	14		-
<b>Net adjustments</b>		<b>252,548</b>	
<b>Net cash flow from operating activities</b>		<b>8,759,326</b>	<b>8,972,016</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	9,931,825	-
<b>Net cash flows from Investing Activities</b>		<b>(9,931,825)</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(1,172,500)</b>	<b>8,972,016</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>13</b>	<b>23,340,682</b>	<b>14,368,666</b>
<b>Cash and cash equivalent at END of the year</b>		<b>22,168,183</b>	<b>23,340,682</b>

11  
12  
13

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

---

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KEIYO NORTH Constituency financial statements were approved on 11/5/2020 and signed by:



Fund Account Manager

Name: Mikaeli Sigut



National Sub-County Accountant

Name: Sammy H. Kiplangat

ICPAK Member Number:

23642





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	137,367,724	78,881,558	216,249,282	146,381,558	69,867,725	68
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts	-	5,000	5,000	5,000	-	
<b>PAYMENTS</b>						
Compensation of Employees	2,877,400	2,327,098	5,204,498	3,194,715	2,009,783	61
Use of goods and services	9,485,695	12,116,451	21,602,145	7,282,920	14,319,225	34
Transfers to Other Government Units	66,220,000	32,338,513	98,558,513	59,038,513	39,520,000	60
Other grants and transfers	58,284,629	21,269,982	79,554,611	45,022,950	34,531,661	57
Acquisition of Assets	-	10,038,514	10,038,514	9,931,825	106,689	99
Other Payments	500,000	791,000	1,291,000	-	1,291,000	0
Un allocated		5,000	5,000		5,000	
<b>TOTALS</b>	<b>137,367,724</b>	<b>78,886,558</b>	<b>216,254,282</b>	<b>124,470,923</b>	<b>91,783,359</b>	


1000


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

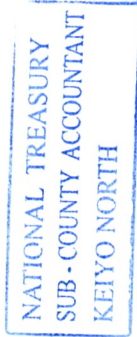
Comments on underutilisation of funds (below 90%).

- a) Compensation of employees-The underutilisation was brought by staff payables i.e gratuity and funds yet to be received from the board
- b) Use of goods and services-the unutilised funds comprises of funds not yet committed awaiting disbursement from the board.
- c) Transfer to other government units-Funds not yet received from the board.
- d) Other grant and transfers- Funds not yet received from the board.
- e) The changes between the original and the final budget for transfers to government entities, other grants and acquisition of assets is as a result of reallocations done during the financial year

The NGCDF-KEIYO NORTH Constituency financial statements were approved on 11/5 2020 and signed by:

  
Fund Account Manager  
Name: Milcah Segut

  
Sub-County Accountant  
Name: Sunny K. Mupfayan  
ICPAK Member Number: 23642





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES.**

Programme/Sub-programme	Original budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020 Kshs		2018/2019 Kshs	30/06/2019 Kshs	
<b>1.0 Administration and Recurrent</b>					
1.1 Compensation of employees	2,877,400.00	2,327,098.00	5,204,498.00	3,194,715.00	2,009,783.00
1.2 Committee allowances	2,200,000.00	1,231,560.00	3,431,560.00	1,668,500.00	1,763,060.00
1.3 Use of goods and services	3,164,662.76	3,647,766.25	6,812,429.01	2,529,440.00	4,282,989.01
1.4 Acquisition of assets	-	-	0.00		-
<b>2.0 Monitoring and evaluation</b>					
2.1 Capacity building	1,300,000.00	2,281,800.00	3,581,800.00	1,365,000.00	2,216,800.00
2.2 Committee allowances	1,400,000.00	2,313,379.00	3,713,379.00	1,090,100.00	2,623,279.00
2.3 Use of goods and services	1,421,032.00	2,641,946.00	4,062,978.00	629,880.00	3,433,098.00
<b>Other Grants</b>					
<b>3.0 Emergency</b>					
4.0 Bursary and Social Security	7,198,241.38	8,312,704.03	15,510,945.41	2,400,000.00	13,110,945.41
4.2 Secondary Schools	19,500,000.00	2,083,710.00	21,583,710.00	19,800,000.00	1,783,710.00
4.3 Tertiary Institutions	21,592,034.00	182,972.00	21,775,006.00	18,505,000.00	3,270,006.00
4.5 Social Security			0.00		-
<b>5.0 Sports</b>					
5.0 Sports	2,747,354.00	4,492,562.00	7,239,916.00	873,500.00	6,366,416.00
					-

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

6.0 Environment		3,598,034.00	1,494,450.00	2,103,584.00
Kipyegor Primary School	120,000.00	-	120,000.00	120,000.00
Moi Tambach Primary School	340,000.00	-	340,000.00	340,000.00
Kabore Day Secondary School	170,000.00	-	170,000.00	170,000.00
Kabulwo Secondary School	560,000.00	-	560,000.00	560,000.00
Kessup Day Secondary School	460,000.00	-	460,000.00	460,000.00
Kapchetal Secondary School	450,000.00	-	450,000.00	450,000.00
Kapkessum Secondary School	170,000.00	-	170,000.00	170,000.00
Chebonet Secondary School	190,000.00	-	190,000.00	190,000.00
Kipkulot Primary School	41,000.00	-	41,000.00	41,000.00
Bugar Primary School	82,000.00	-	82,000.00	82,000.00
Kessup Primary School	41,000.00	-	41,000.00	41,000.00
Yokot Primary School	41,000.00	-	41,000.00	41,000.00
Kapkoi Day Secondary School	41,000.00	-	41,000.00	41,000.00
Kamariny Day Secondary School	41,000.00	-	41,000.00	41,000.00
<b>Security</b>				
Chebaror Chief's Office		500,000.00	500,000.00	-
Bugar chiefs office		100,000.00	100,000.00	-
Kapteren Chief's Office		150,000.00	150,000.00	-
Kamogich Chief's office		150,000.00	150,000.00	-
Kapchemutwa DO's office		150,000.00	150,000.00	-
Tambach Police station		1,550,000.00	1,550,000.00	1,550,000.00
Kamoingon Assistant Chief's office	900,000.00		900,000.00	900,000.00
Siroch Assistant Chief's Office	900,000.00		900,000.00	900,000.00
Kendur Assistant Chief's office	900,000.00		900,000.00	900,000.00

10  
11  
12

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO NORTH CONSTITUENCY**

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

Kipsoen Assistant Chief's Office	900,000.00		900,000.00		900,000.00	900,000.00
Kibendo Assistant Chief's office	900,000.00		900,000.00		900,000.00	-
<b>Total</b>	<b>58,284,629.38</b>	<b>21,269,982.03</b>	<b>79,554,611.41</b>	<b>45,022,950.00</b>	<b>34,531,661.41</b>	
<b>6.2 Primary Schools</b>						
Anin Primary School	450,000.00	500,000.00	950,000.00	500,000.00	450,000.00	450,000.00
Berese primary school		600,000.00	600,000.00	600,000.00	-	-
Bugar Primary School	700,000.00	1,000,000.00	1,700,000.00	1,700,000.00	-	-
Chebokokwa primary school		400,000.00	400,000.00	400,000.00	-	-
Chebonet primary school		500,000.00	500,000.00	500,000.00	-	-
Chegilet Primary School	450,000.00	400,000.00	850,000.00	850,000.00	-	-
Chelंगा Primary School	700,000.00	600,000.00	1,300,000.00	1,300,000.00	-	-
Chesitek Primary School	450,000.00		450,000.00	450,000.00	-	-
Iten Primary School	600,000.00	400,000.00	1,000,000.00	1,000,000.00	-	-
Iten Special School	700,000.00	-	700,000.00	700,000.00	-	-
Kabore Primary School	750,000.00	600,000.00	1,350,000.00	600,000.00	750,000.00	750,000.00
Kabulwo Primary School	700,000.00	600,000.00	1,300,000.00	600,000.00	700,000.00	700,000.00
Kameza Primary School	250,000.00	-	250,000.00	250,000.00	-	-
Kapchela Primary	1,000,000.00	700,000.00	1,700,000.00	1,200,000.00	500,000.00	500,000.00
Kapkei Primary School	700,000.00		700,000.00	-	700,000.00	700,000.00
Kapkerembe primary school		850,000.00	850,000.00	850,000.00	-	-
Kapkessum Primary School	600,000.00	400,000.00	1,000,000.00	400,000.00	600,000.00	600,000.00
Kapkoi Primary School	600,000.00	-	600,000.00	-	600,000.00	600,000.00
Kaplamai Primary School	450,000.00	-	450,000.00	-	450,000.00	450,000.00
Kapsio Primary School	1,000,000.00	-	1,000,000.00	-	1,000,000.00	1,000,000.00
Kapsisi Primary School	200,000.00	600,000.00	800,000.00	800,000.00	-	-
Kapteren Primary School	300,000.00	850,000.00	1,150,000.00	1,150,000.00	-	-
Kaptum primary school		600,000.00	600,000.00	600,000.00	-	-
Katalel Primary School	850,000.00	-	850,000.00	150,000.00	700,000.00	700,000.00



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO NORTH CONSTITUENCY**

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

Kendur primary school		600,000.00	600,000.00	600,000.00	-
Kewapos primary school		600,000.00	600,000.00	600,000.00	-
Kermuk Primary school	200,000.00	-	200,000.00	200,000.00	-
Kibargoiyet Primary School	450,000.00	400,000.00	850,000.00	850,000.00	-
Kibendo Primary School	450,000.00	-	450,000.00	-	450,000.00
Kiboi Primary School	900,000.00	-	900,000.00	900,000.00	-
Kipchawat primary school		300,000.00	300,000.00	300,000.00	-
Kipka Primary School	150,000.00	-	150,000.00	150,000.00	-
Kipkulot Primary School	700,000.00	600,000.00	1,300,000.00	600,000.00	700,000.00
Kipsabu Primary School	300,000.00	-	300,000.00	300,000.00	-
Kiptabus Primary School	1,000,000.00	-	1,000,000.00	-	1,000,000.00
Kiptoit Primary School	700,000.00	1,200,000.00	1,900,000.00	1,200,000.00	700,000.00
Kipyegor Primary School	300,000.00	600,000.00	900,000.00	900,000.00	-
Kobil Primary School	600,000.00	200,000.00	800,000.00	800,000.00	-
Kokwao primary school		500,000.00	500,000.00	500,000.00	-
Kolol Primary School	150,000.00	-	150,000.00	-	150,000.00
Korkitony Primary School	500,000.00	-	500,000.00	500,000.00	-
Lamaon Primary School	700,000.00	600,000.00	1,300,000.00	600,000.00	700,000.00
Matany Primary School	700,000.00	600,000.00	1,300,000.00	600,000.00	700,000.00
Mindililwo Primary School	500,000.00	600,000.00	1,100,000.00	1,100,000.00	-
Mindililwo Special School	400,000.00	300,000.00	700,000.00	700,000.00	-
Moi Tambach Primary School	300,000.00	500,000.00	800,000.00	800,000.00	-
Msekekwa primary school		600,000.00	600,000.00	600,000.00	-
Muno Primary School	450,000.00	-	450,000.00	450,000.00	-
Nyalil Primary School	600,000.00	600,000.00	1,200,000.00	600,000.00	600,000.00
Nyawa Primary School	700,000.00	600,000.00	1,300,000.00	1,300,000.00	-
Rimoi primary school		800,000.00	800,000.00	800,000.00	-
Salaba Primary School	600,000.00	600,000.00	1,200,000.00	600,000.00	600,000.00
Sergoit Primary School	450,000.00	200,000.00	650,000.00	200,000.00	450,000.00



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

Singore primary school		400,000.00	400,000.00	400,000.00	-
Siroch Primary School	700,000.00	100,000.00	800,000.00	800,000.00	-
Songeto Primary School	700,000.00	600,000.00	1,300,000.00	600,000.00	700,000.00
St.Andrews Simotwo Primary school	120,000.00	-	120,000.00	120,000.00	-
William Murgor Primary School	950,000.00	-	950,000.00	250,000.00	700,000.00
Yokot Primary School	1,000,000.00	600,000.00	1,600,000.00	900,000.00	700,000.00
<b>Total</b>	<b>26,720,000.00</b>	<b>22,300,000.00</b>	<b>49,020,000.00</b>	<b>34,420,000.00</b>	<b>14,600,000.00</b>
<b>6.3 Secondary schools</b>					
AIC Kessup Girls Secondary school	1,500,000.00	-	1,500,000.00	1,500,000.00	-
Anin Girls Secondary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Anin Mixed Day secondary school	700,000.00	-	700,000.00	700,000.00	-
Bugar Secondary School	1,000,000.00	1,000,000.00	2,000,000.00	1,000,000.00	1,000,000.00
Chebonet Secondary School	1,000,000.00	1,000,000.00	2,000,000.00	2,000,000.00	-
Chelingwa secondary school		600,000.00	600,000.00	600,000.00	-
Chegilet Secondary School	2,500,000.00	1,500,000.00	4,000,000.00	1,500,000.00	2,500,000.00
Kabore Secondary School	300,000.00	1,200,000.00	1,500,000.00	1,500,000.00	-
Kabulwo Secondary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Kamariny Secondary School	1,100,000.00	1,669,256.00	2,769,256.00	2,369,256.00	400,000.00
Kapchela Secondary School	900,000.00	-	900,000.00	600,000.00	300,000.00
Kapkessum Secondary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Kapkoi Secondary School	300,000.00	-	300,000.00	-	300,000.00
Kaptum Secondary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Kapkonga Day Secondary school		600,000.00	600,000.00	600,000.00	-
Kessup Day Mixed Secondary School	3,000,000.00	-	3,000,000.00	-	3,000,000.00
Kibendo Secondary School	2,500,000.00	600,000.00	3,100,000.00	2,180,000.00	920,000.00

10  
11  
12

13  
14

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

Kimuron Secondary School	1,500,000.00	-	1,500,000.00	-	1,500,000.00
Kipsoen Secondary School	2,500,000.00	-	2,500,000.00	-	2,500,000.00
Kokwao Secondary School	3,000,000.00	369,257.00	3,369,257.00	369,257.00	3,000,000.00
Korkitony Secondary School	700,000.00	-	700,000.00	700,000.00	-
Muno Secondary	3,000,000.00	1,500,000.00	4,500,000.00	1,500,000.00	3,000,000.00
Sergoit Secondary School	3,000,000.00	-	3,000,000.00	-	3,000,000.00
Siroch Secondary School	2,500,000.00	-	2,500,000.00	-	2,500,000.00
St.Alphonsus Mutei Girls Secondary School	500,000.00		500,000.00	500,000.00	-
<b>Total</b>	<b>38,500,000.00</b>	<b>10,038,513.00</b>	<b>48,538,513.00</b>	<b>24,618,513.00</b>	<b>23,920,000.00</b>
<b>Tertiary institution</b>			0.00		-
Kipsoen Technical and Vocational College	1,000,000.00	-	1,000,000.00		1,000,000.00
<b>11.0 Acquisition of assets</b>			0.00		-
11.1 Motor Vehicles		9,638,514.00	9,638,514.00	9,638,460.00	54.00
11.3 Purchase of furniture and equipment		400,000.00	400,000.00	293,365.00	106,635.00
11.4 Purchase of computers			0.00		-
<b>12.0 Others</b>			0.00		-
11.2 Construction of CDF office	500,000.00		500,000.00		500,000.00
12.1 Strategic Plan		291,000.00	291,000.00		291,000.00
12.2 Audit fees		500,000.00	500,000.00		500,000.00
12.3 Un allocated		5,000	5,000		5,000
<b>Total</b>	<b>137,367,724.14</b>	<b>78,886,558.28</b>	<b>216,254,282.42</b>	<b>124,470,923.00</b>	<b>91,783,359.42</b>

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

10

11

12

## **XII. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

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

The accounting policies set out in this section have been consistently applied by the 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.

#### **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) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

---

**SIGNIFICANT ACCOUNTING POLICIES**

**External Assistance**

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

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

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

During the year ended 30<sup>th</sup> June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**Other receipts**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**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.

100  
100  
100

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**SIGNIFICANT ACCOUNTING POLICIES**

---

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2019 for the period 1<sup>st</sup> July 2019 to 30<sup>th</sup> June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

**12. Comparative Figures**

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

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2020.

**14. Errors**

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

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

**15. Related Party Transactions**

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

11  
12  
13

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**XIII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2019-2020	Description		2018-2019
		Kshs			Kshs
NGCDF Board			NGCDF Board		
AIE NO	B047215	55,040,875.50	AIE NO	B005201	36,405,172.80
AIE NO	B047452	4,000,000.00	AIE NO	B005231	2,237,931.00
AIE NO	B041291	18,000,000.00	AIE NO	B005376	11,379,310.35
AIE NO	B047711	5,000,000.00	AIE NO	B030430	10,000,000.00
AIE NO	B047913	7,000,000.00	AIE NO	B030145	10,000,000.00
AIE NO	B049299	14,000,000.00	AIE NO	B006372	6,000,000.00
	B104324	20,000,000.00		A699123	11,000,000.00
				B047075	7,000,000.00
				B042904	17,000,000.00
<b>Total</b>		<b>123,040,876</b>			<b>111,022,414</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEPTS**

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from hire of hall	5,000	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>5,000</b>	<b>-</b>

**4. COMPENSATION OF EMPLOYEES**

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,594,460	1,406,960
Personal allowances paid as part of salary	445,250	393,000
Pension and other social security contributions (Gratuity)	1,123,972	289,182
Employer Contributions Compulsory national social security schemes	25,560	18,400
Other personnel payments	5,473	-
<b>Total</b>	<b>3,194,714</b>	<b>2,107,542</b>



Handwritten marks or characters at the top right corner.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	2,892,280	2,550,200
Utilities, supplies and services	380,830	400,485
Communication, supplies and services	131,000	112,000
Domestic travel and subsistence	629,880	410,140
Printing, advertising and information supplies & services	298,671	28,000
Rentals of produced assets	-	-
Training expenses	1,343,000	437,200
Hospitality supplies and services	5,720	22,700
Insurance costs	326,000	42,202
Specialized materials and services	-	-
Office and general supplies and services	307,090	209,280
Other operating expenses	106,075	662,900
Fuel, oil and lubricants	703,000	303,603
Routine maintenance – vehicles and other transport equipment	110,839	495,516
Routine maintenance – other assets	48,535	725,340
<b>Total</b>	<b>7,282,920</b>	<b>6,399,566</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	34,420,000	30,100,000
Transfers to secondary schools (see attached list)	24,618,513	21,850,000
Transfers to tertiary institutions (see attached list)	-	5,800,000
<b>Total</b>	<b>59,038,513</b>	<b>57,750,000</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	19,700,000	14,255,000
Bursary – tertiary institutions (see attached list)	18,475,000	14,785,000
Bursary – special schools (see attached list)	130,000	
Mock & CAT (see attached list)	-	
Security projects (see attached list)	1,950,000	3,300,000
Sports projects (see attached list)	873,500	194,290
Environment projects (see attached list)	1,494,450	-
Emergency projects (see attached list)	2,400,000	2,350,000
<b>Total</b>	<b>45,022,950</b>	<b>34,884,290</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	9,638,460.00	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	293,365	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>Total</b>	<b>9,931,825</b>	<b>-</b>

**9. OTHER PAYMENTS**

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	909,000
ICT Hub	-	-
	-	909,000

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)**

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Kenya Commercial Bank Keiyo North NG-CDF 110323530</i>	22,168,183	23,340,682
	-	-
	-	-
<b>Total</b>	<b>22,168,183</b>	<b>23,340,682</b>
<b>10B: CASH IN HAND</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<b>Total</b>				<b>-</b>

**12A. RETENTION**

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

**12B. GRATUITY DEPOSITS**

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Jonathan Yator	51,480	-
Damaris Jepkosgei	41,622	-
Maureen Kimitei	41,622	-
Robert Korir	58,626	-
Jane Chepchirchir	25,128	-
Emmy Chemutai	34,070	-
Deposits	5,000	-
<b>Total</b>	<b>252,548</b>	-

Gratuity deposits are deposits from January 2019 to June 2020.

**13. BALANCES BROUGHT FORWARD**

	2019-2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Bank accounts	23,340,682	14,368,666
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>23,340,682</b>	<b>14,368,666</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**14. PRIOR YEAR ADJUSTMENTS**

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

**a. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST**

	2019 – 2020 KShs	2018 - 2019 KShs
Outstanding Imprest as at 1 <sup>st</sup> July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

**b. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

	2019 – 2020 KShs	2018 - 2019 KShs
Deposit and Retentions as at 1 <sup>st</sup> July 2019 (A)		
Deposit and Retentions held during the year (B)	252,548	-
Deposit and Retentions paid during the Year (C)	-	-
Net changes in account receivables D= A+B-C	252,548	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**17. OTHER IMPORTANT DISCLOSURES**

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

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

**17.2: PENDING STAFF PAYABLES (See Annex 2)**

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	247,548	-
Others ( <i>specify</i> )	-	-
	247,548	-

**17.3: UNUTILIZED FUND (See Annex 3)**

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	2,009,783	2,327,098
Use of goods and services	14,319,226	12,116,502
Amounts due to other Government entities (see attached list)	39,520,000	30,300,000
Amounts due to other grants and other transfers (see attached list)	34,531,661	21,669,982
Acquisition of assets	106,689	7,400,000
<b>Others</b>		
Construction of CDF office	500,000	
Strategic plan	291,000	291,000
Audit fees	500,000	500,000
Innovation hubs		4,677,027
Un allocated (AIA)	5,000	
<b>Total</b>	<b>91,783,359</b>	<b>78,881,609</b>

100



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

---

**17.4: PMC account balances (See Annex 5)**

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	13,331,877	23,932,067
	13,331,877	23,932,067



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

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	A	B	C	d=a-c	
<b>Grand Total</b>					

100



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

**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Outstanding Balance 2020	Outstanding Balance 2019	Comments
<b>NGCDF STAFF</b>		C	d=a-c	
Jonathan Yator	J	51,480		
Damaris Jepkosgei	H	41,622		
Maureen Kimitei	H	41,622		
Robert Korir	J	58,626		
Jane Chepchirchir	D	25,128		
Emmy Chemutai		34,070		



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

**ANNEX 3 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees	Payment of salaries and gratuity	2,009,783	2,327,098	Balances include gratuity payable to staff Includes also funds disbursed towards the end of financial year and funds not yet received from the board.
Use of goods & services	committee allowances and expenses, office utilities, printing, fuel and other operations	14,319,226	12,116,502	Includes funds disbursed towards the end of financial year and funds not yet received from the board.
<b>Amounts due to other Government entities</b>				
Primary schools	Being funds for construction of classrooms and renovation of classrooms	14,600,000	21,800,000	Funds not yet received.
Secondary schools	Being funds for construction of classrooms, admin block and labs	23,920,000	8,500,000	Funds not yet received
Tertiary institutions	Being funds for purchase of welding and sewing machines at Kipsoen TVC.	1,000,000	-	Funds not yet received
<b>Sub-Total</b>		<b>39,520,000</b>	<b>30,300,000</b>	
<b>Amounts due to other grants and other transfers</b>				
Security	Being funds for construction of ass.chief's offices	5,150,000	2,600,000	Includes funds disbursed towards the end of financial year and funds not yet received from the board.
Sports	Being funds to carry out sport activities	6,366,416	4,492,562	Includes funds disbursed towards the end of financial year and funds not yet received from the board.
Environment	Being funds to carry out environmental activities	4,850,584	3,598,034	Includes funds disbursed towards the end of financial year and funds not

100



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

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Bursary	Being funds to support needy students	5,053,716	2,266,682	yet received from the board.
Emergency	Being funds for un forseen activities	13,110,945	8,312,704	
<b>Sub-Total</b>		<b>34,531,661</b>	<b>21,669,982</b>	
<b>Acquisition of assets</b>				
Motor vehicle	Purchase of motor vehicle	54	7,000,000	
Furniture	Purchase of office furniture	106,635	400,000	
<b>Others (specify)</b>				
Construction of CDF office	Construction of store	500,000	-	
Strategic Plan	Strategic plan development and printing	291,000	291,000	
Audit fees		500,000	500,000	
Innovation Hub		-	4,677,027	
Un allocated (AIA)		5,000		
<b>Grand Total</b>		<b>91,783,359</b>	<b>78,881,558</b>	



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

**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/19
Land				
Buildings and structures	5,307,292	~	~	5,307,292
Transport equipment	4,711,876	9,638,460.00	~	14,350,336
Office equipment, furniture and fittings	689,965	293,365.00	~	983,330
ICT Equipment, Software and Other ICT Assets	320,000	~	~	320,000
Other Machinery and Equipment	~	~	~	~
Heritage and cultural assets	~	~	~	~
Intangible assets	~	~	~	~
<b>Total</b>	<b>11,029,133</b>	<b>9,931,825</b>		<b>20,960,958</b>

100



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

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

**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2020**

No.	PMC	Bank	Account no.	Bank balance 2019/2020	Bank balance 2018/2019
1.	Anin primary school	K.C.B	1111522863	1,451	573
2.	Berese Primary school	K.C.B	1172799776	26,667	268
3.	Bugar Primary	K.C.B	1125184744	57,728	268
4.	Cheberen Primary	K.C.B	1114429961	161,121	42,312
5.	Chebokokwa primary school	K.C.B	1265866228	1,379	-
6.	Chebonet primary school	K.C.B	1172254737	4,414	2,544
7.	Chegilet primary school	K.C.B	1168371260	449,989	500
8.	Chepkitony primary	K.C.B	1167595718	24,108	113,643
9.	Chepkogin Primary	K.C.B	1168103355	37,975	100,389.50
10.	Cheptarit primary school	K.C.B	1125416122	11,584	310,584.00
11.	Chesitek primary school	K.C.B	1158334443	452,765	400,865.35
12.	Emkong Primary	K.C.B	1159303770	91,244	607,159
13.	Irong chief's office	K.C.B	1229514031	1,400,000	1,400,000.00
14.	Iten Day Secondary	K.C.B	1111933162	151,878	3,014,804.85
15.	Iten Primary	K.C.B	1121647103	695	126
16.	Iten special School	K.C.B	1116936089	701,724	200,357.50
17.	Kabore primary school	K.C.B	1153859718	1,287	750,050.50
18.	Kabulwo primary	K.C.B	1203526636	1,209	23,899.65
19.	Kabulwo primary school	K.C.B	1203526636	1,209	23,899.65
20.	Kabulwo secondary	K.C.B	1119713129	40,581	26,827
21.	Kamariny primary Acc 2- secondary school	K.C.B	1205404112	2,812	603.50
22.	Kamariny primary school	K.C.B	1157488412	604	3,876.50
23.	Kameza Primary	K.C.B	1168351588	86,735	650,986
24.	Kamogich chiefs office	K.C.B	1172097054	151,871	12,936

12

13

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

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

25.	Kamoi chief's office	K.C.B	1225927250	1,028,261	1,028,260.90
26.	Kapchelal Primary	K.C.B	1178082709	500,773	321.35
27.	Kapchelal secondary	K.C.B	1112882448	600,279	576,007.50
28.	Kapkei primary school	K.C.B	1111733554	1,939	1,860.39
29.	Kapkessum Primary	K.C.B	1169435297	1,651	11,143.50
30.	Kapkessum Secondary	K.C.B	1116468085	105,617	1,001,673
31.	Kapkoii primary school	K.C.B	1150527285	136,209	136,209.00
32.	Kapkoii Secondary	K.C.B	1135421935	625	750.85
33.	Kapkongga secondary	K.C.B	1153809281	893	1,628
34.	Kaplamai primary school	K.C.B	1118350030	229	500,335.00
35.	Kapsinende primary school	K.C.B	1167826868	17,193	300,608.50
36.	Kapsio primary	K.C.B	1159576254	1,070,496	1,071,561.20
37.	Kapsisi primary school	K.C.B	1265532907	20,705	-
38.	Kapsoiyo Primary	K.C.B	1156897998	720	720.40
39.	Kapteren primary school	K.C.B	1114366080	192	1,809.50
40.	Kaptum primary	K.C.B	1160250766	25,755	101,615.50
41.	Katalel primary	K.C.B	1173925139	13,333	685,418.45
42.	Kayoi primary school	K.C.B	1163696544	719	200,499.00
43.	Kendur primary	K.C.B	1169287255	40,137	204,047.66
44.	Kermuk Primary	K.C.B	1109611943	43,786	408
45.	Kessup primary school	K.C.B	1155800001	670	669.50
46.	Kewapsos Primary	K.C.B	1167748530	1,297	997.65
47.	Kibargoiyet Primary	K.C.B	1174873485	67,438	3,682.95
48.	Kibendo Secondary	K.C.B	1158353634	115	458
49.	Kiboi primary	K.C.B	1168706157	31,156	600,290.50
50.	Kipchawat primary school	K.C.B	1159486778	300,155	281.00

10



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

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

51.	Kipka primary	K.C.B	1151275212	744	1,635
52.	Kipkenda Primary	K.C.B	1168749530	295	201,498.10
53.	Kipkulot Primary	K.C.B	1181178797	178,219	502,149.60
54.	Kipsabu Primary	K.C.B	1177510715	999	713,484.95
55.	Kiptabus primary school	K.C.B	1163485284	73	823,318.00
56.	Kiptingo primary	K.C.B	1124955275	1,954	103,874.50
57.	Kiptoit primary	K.C.B	1197594353	600,259	122,257
58.	Kipyegor primary	K.C.B	1167821025	131,285	1,224.50
59.	Kobil Primary	K.C.B	1135876770	47	600,523.50
60.	Kokwao primary school	K.C.B	1160505403	535	660.50
61.	Kolol Primary	K.C.B	1158318944	179	179
62.	Komotony Primary	K.C.B	1125185228	195	417,115
63.	Korkitony primary school	K.C.B	1125185228	521,229	417,115.00
64.	Korkitony Secondary	K.C.B	1111623392	56,486	875
65.	Lamaon primary	K.C.B	1134333617	7,720	100,520
66.	Matany Primary	K.C.B	1154478017	50,646	232,491.50
67.	Mindililwo primary school	K.C.B	1157255760	133,495	200,387.00
68.	Mindililwo Special primary school	K.C.B	1103199552	1,250,450	562,352.50
69.	Moi-Tambach primary school	K.C.B	1112743146	10,174	158,266.00
70.	Msekekwa Primary	K.C.B	1157219268	2,174	401,634
71.	Muno primary school	K.C.B	1157722784	457,553	7,552.95
72.	Muno Secondary	K.C.B	1183032455	625	299,611.00
73.	Mutei chief's office	K.C.B	1157716075	6,043	495.00
74.	Nyawa Primary	K.C.B	1112631054	550	618,591.50
75.	Rimoi primary	K.C.B	1160193061	13,117	33,938
76.	Salaba Primary	K.C.B	1164754866	60,699	64,031

17

18

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO  
NORTH CONSTITUENCY**

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

77.	Sergoit Chiefs office	K.C.B	1172097763	101,849	104,104.50
78.	Sergoit primary school	K.C.B	1133490964	73,107	600,743.00
79.	Sergoit Secondary	K.C.B	1124982752	1,255	802,420
80.	Siroch Mixed Day	K.C.B	1136477977	47,688	223,604
81.	Songeto chiefs office	K.C.B	1159172951	207	207
82.	Songeto primary	K.C.B	1160301085	9,675	2,502
83.	St.AlphonsusMutei	K.C.B	1122141890	818,293	1,006,880.00
84.	William Murgor Primary	K.C.B	1166506606	22,212	486,496.85
85.	Yokot primary school	K.C.B	1172698589	900,473	599.45
	<b>Total</b>			<b>13,331,877</b>	<b>23,932,067</b>



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

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2018-2019-1-01-0149-09-08	The National Government Constituencies Development Fund Committee (NGCDFC) allocated and disbursed Kshs. 870,000 for bursaries to cater for school fees of students in the institution. Funds were disbursed vide Payment Voucher number 97(Chq 10011). However, the following issues were noted during the verification of bursary disbursement records at the institution. It was not possible to generate student fees statements, which indicates billing (Invoices),	A follow up to confirm whether the college issued receipts to the students and records kept to verify that all the beneficiaries benefited was done and the college issued copies of the receipts of each student. The college further confirmed that records of students fee payment and balances were kept.	Fund Account Manager	Not resolved	



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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>payment (Receipts) entries and the outstanding balance for individual students at any time. Further, the institution does not issue official revenue receipts as an acknowledgement of receipt of CDF bursary cheques disbursed contrary with section 104(1) of the PFM Regulations 2015.</p> <p>Management does not make returns for any CDF bursary funds not utilized by students who completed their students. Consequently, it was not possible to confirm unutilized amounts refundable to the Fund.</p>				



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KEIYO NORTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Note 15.4 to the financial statements reflect FMC account balances of Kshs.16, 501,310 as at 30 June 2019. However, cash books and bank reconciliation statements were not made available for audit review.</p>	<p>Project management Committees are mandated to prepare and maintain book of accounts which include cash books and bank reconciliations.</p> <p>Due to low capacity of the head of the institutions whose responsibility is to prepare the book of accounts the NG-CDFC have trained them and most of them are yet to expedite</p>	<p>Fund Account Manager</p>	<p>Not resolved</p>	

