

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

21 OCT 2021

DAY: Thursday

TABLED BY: LOMP.

CLERK-AT THE-TABLE: Maira Wanjiku

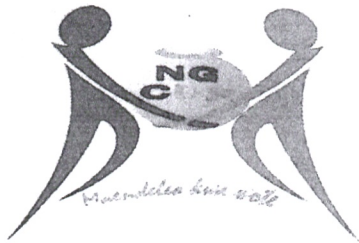
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THE AUDITOR-GENERAL

ON

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

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



**URIRI
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

URIRI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Moses Agolla
2.	Sub-County Accountant	Nicholas O. Onyango
3.	Chairman NGCDFC	Charles O. Okwach
4.	Member NGCDFC	Joyce M. Ngusare

(d) Fiduciary Oversight Arrangements

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

Uriri NGCDF Building,
Off Rapogi - Awendo Road
P.O. Box 8 – 40403
RAPOGI, KENYA

(f) NGCDF URIRI Constituency Contacts

Telephone: (254) 724 514 475
E-mail: cdfuriri@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF URIRI Constituency Bankers

Kenya Commercial Bank
A/C No. 1106553454
Migori Branch

(h) Independent Auditors

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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- (i) **Principal Legal Adviser**
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200

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

The financial year 2018/2019 has successfully come to an end. The chairman of Uriri Constituency Committee has the pleasure of presenting Financial Statements and Reports for the constituency based on the funding received and activities undertaken in the said period.

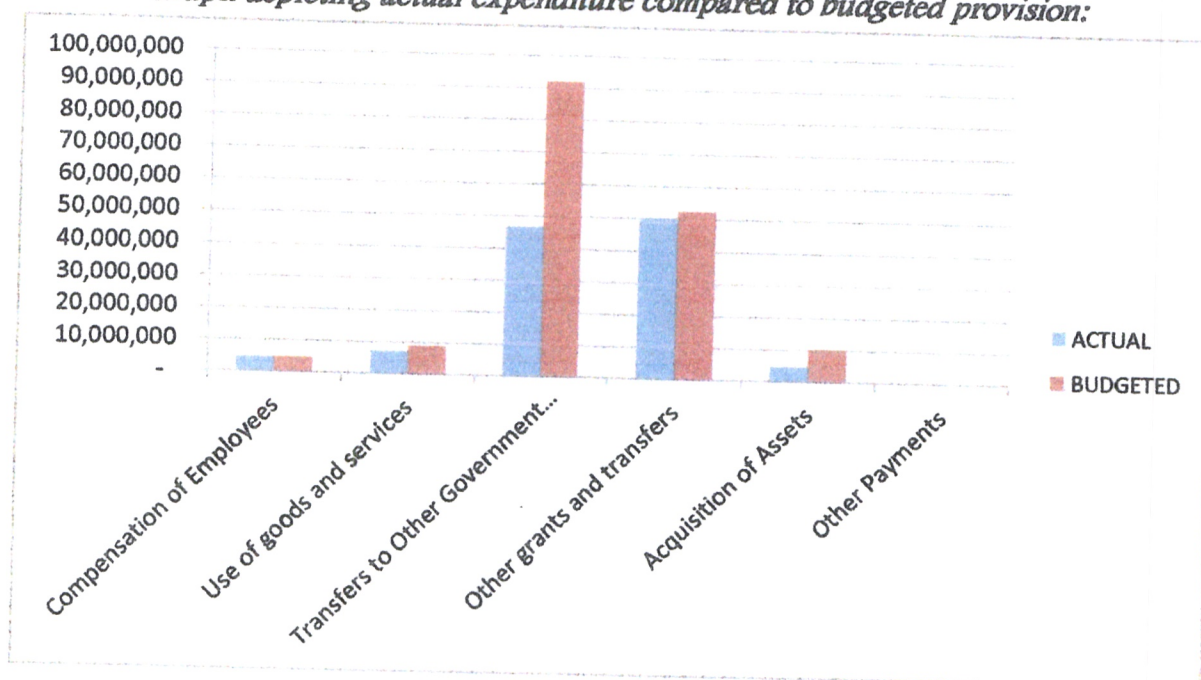
The committee gives assurance that the projects were aligned to the Constituency Strategic Plan which was drafted with input from the Constituents put across during public participation, hence reflects their views and aspirations and were executed during the year with this in mind.

The constituency committee prioritized cash received on various projects and activities based on the most pressing need. The funds allocated were utilized as presented in the table and graph below:

TABLE: Budget & Actual Expenditure Comparison

ITEM	Final Budget	Actual	% of Utilisation
PAYMENTS			
Compensation of Employees	5,213,092	4,597,695	88%
Use of goods and services	8,676,254	7,097,312	82%
Transfers to Other Government Units	91,761,361	46,613,085	51%
Other grants and transfers	60,503,056	52,453,533	87%
Acquisition of Assets	2,350,000	2,149,000	91%
Other Payments	4,677,027	-	0%
TOTALS	173,180,790	112,910,625	65%

Graph depicting actual expenditure compared to budgeted provision:



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Project Implementation

Monitoring and Evaluation activities were actively undertaken by the committee in order to oversee speedy implementation of prioritized projects as evidenced in the pictures that follow. One of such projects was renovation and furnishing of the NGCDF Constituency office at Rapogi. This is fully completed and now in use as depicted in the first picture.

The picture numbered 1 shows administration police staff house that was newly erected at Uriri Headquarters to house the Sub - County AP Commandant. This was prioritized under Security Vote.

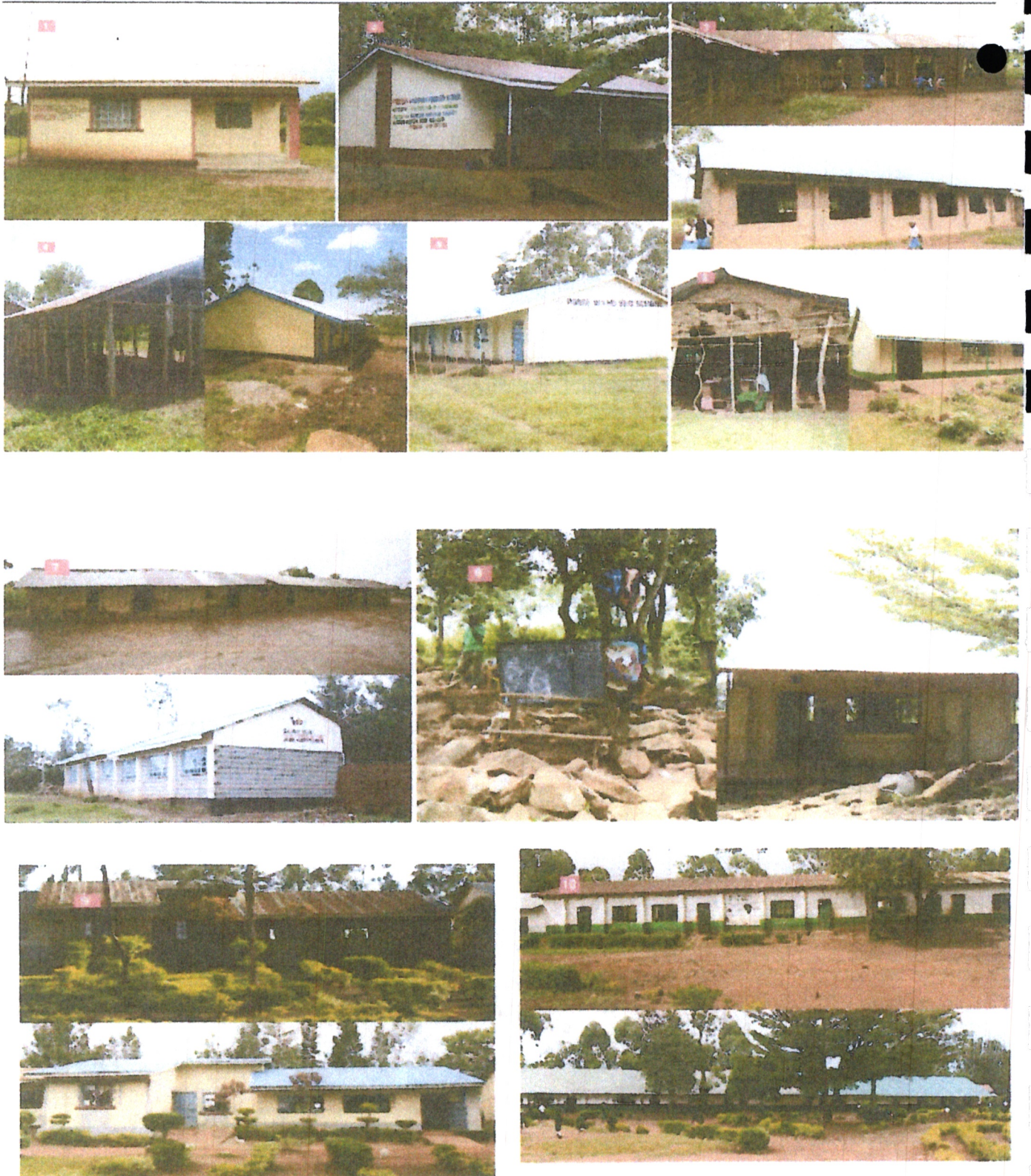
The pictures numbered 2 – 10 shows the previous sorry status of various infrastructures in primary and secondary schools within the constituency. This inhibited learning by pupils and students. Next to the pictures are newly completed buildings constructed by the various Project Management Committees constituted by the Constituency Committee to oversee the projects' implementation.

The second last picture shows the committee disbursing funds to PMC towards construction of a dormitory at Lwala Mixed Secondary School to help address accommodation challenges brought by the 100% transition from Primary to Secondary school education by students as directed by the National Government.

The last picture shows the Patron, area MP launching tree planting exercise to help protect the environment. Trees were planted in public institutions with schools getting the highest number of seedlings for planting in their schools.



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URIRI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**



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The most pressing challenge which the committee seeks the indulgence and advice from the NGCDF Board is the new government policy on security officer's staff housing. The committee had earlier proposed to construct decent houses for police officers in various posts to help house them for provision of security to the constituents. However, the government came up with policy changes affecting such projects by introducing house allowance to police officers. Implementing such project has become a challenge. The committee will consult the NGCDF Board on way forward on the issue.

Another challenge faced during the financial year was lack of transport for committee and sub-committees during monitoring and evaluation exercises. This resulted to high hiring costs for transportation services. To overcome this, the committee was in the advanced stage of acquiring a Seven Sitter off Road Utility Motor Vehicle and had even sent a team to inspect a newly assembled Ford Everest.

Finally, the slow nature of fund disbursements from the board has proved a challenge since some projects are left without funds at very critical and precarious stages making them vulnerable to adverse weather conditions. This has been increasing the cost of implementing such projects spirally. The committee seeks to positively engage the NGCDF Board on the matter to help alleviate the challenge.

I thank all the people who worked tirelessly to ensure that the committee executed its mandate during the year and urge them to continue dedicating their energies towards meeting the development expectations of the people of Uriri Constituency.

Sign: Okwach
MR. Charles Odhiambo Okwach
CHAIRMAN NGCDF COMMITTEE - URIRI



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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**Reports and Financial Statements
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III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

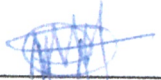
The Accounting Officer in charge of the NGCDF-URIRI Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019.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

The Accounting Officer in charge of the NGCDF-URIRI 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 NGCDF-URIRI financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-URIRI Constituency further confirms the completeness of the accounting records maintained for the NGCDF-URIRI, 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-URIRI 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.

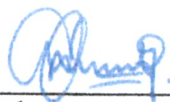
Approval of the financial statements

The NGCDF-URIRI Constituency financial statements were approved and signed by the Accounting Officer on 25/09/ 2019.



Fund Account Manager
Name: Moses O. Agolla





Sub-County Accountant
Name: CPA Nicholas O. Onyango
ICPAK Member Number: 13450



REPUBLIC OF KENYA

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Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - URIRI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Uriri Constituency set out on pages 10 to 36, which comprise the statement of financial assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Uriri Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Unsupported Compensation of Employees

The statement of receipts and payments reflects an expenditure of Kshs.4,597,695 in respect of compensation of employees and as shown under Note 4 to the financial statements. The expenditure includes amounts of Kshs.4,453,401 and Kshs.144,294 paid as basic wages for contractual employees and employer contribution to the National Social Security Fund (NSSF) respectively. However, out of the total payments made, an expenditure of Kshs.1,904,868 was not adequately supported by relevant documents including the monthly payrolls.

Consequently, the propriety and completeness of the expenditure of Kshs.1,904,868 could not be confirmed.

2. Unsupported Expenditure on Transfers to Other Government Units

The statement of receipts and payments reflects an expenditure of Kshs.46,613,085 under transfers to other government units. The expenditure includes an amount of

Kshs.12,700,000 allocated for transfer to secondary schools as disclosed under Note 6 to the financial statements. The transfer to secondary schools includes an expenditure of Kshs.2,000,000 incurred on roofing of a dining hall at Uriri High School. However, adequate relevant supporting documents including bank withdrawal slips, payment vouchers and certificates of work done were not provided for audit verification.

Consequently, the propriety and completeness of the expenditure of Kshs.2,000,000 could not be confirmed.

3. Acquisition of Assets

3.1 Unexplained Expenditure Difference

The statement of receipts and payments reflect an expenditure of Kshs.4,546,488 under acquisition of assets. However, this expenditure figure differs with an amount of Kshs.2,149,000 reflected under acquisition of assets in the summary statement of appropriation: recurrent and development combined for the year ended 30 June, 2019. The resulting difference of Kshs.2,397,488 was not explained or reconciled.

Consequently, the accuracy and completeness of Kshs.4,546,488 incurred on acquisition of assets could not be ascertained.

3.2 Unconfirmed Purchase of a Motor Vehicle and Motor Cycles

The acquisition of assets expenditure of Kshs.4,546,488 includes amounts of Kshs.2,097,488 and Kshs.533,879 incurred for purchase of a motor vehicle (Ford Everest) and two motor cycles, respectively. However, adequate relevant supporting documents including log books were not provided for audit review.

Further, travelling and accommodation expenses of Kshs.183,488 incurred by the officers during the purchase of the motor vehicle and motor cycles were included as part of the cost of the two fixed assets. Due to the misallocation, the regularity of the expenditure of Kshs.183,488 incurred on the acquisition of assets could not be confirmed.

In absence of the log books, the completeness and ownership of the assets purchased could not be ascertained.

3.3 Unsupported Refurbishment of NG-CDF – Uriri Constituency Office

The expenditure of Kshs.4,546,488 reflected under acquisition of assets also includes an amount of Kshs.1,000,000 incurred on refurbishment of NG-CDF - Uriri Constituency Office. However, Bill of Quantities for refurbishment of the office was not provided for audit review.

Consequently, the validity and propriety of the expenditure of Kshs.1,000,000 incurred on the refurbishment could not be confirmed.

4. Net Liabilities

The statement of financial assets and liabilities reflects net financial assets balance of Kshs.5,229,286 and nil total financial liabilities as at 30 June, 2019. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the

statement of financial assets and liabilities shows at the bottom net liabilities instead of net financial position of Kshs.5,229,286. No explanation was given for this anomaly.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregularities in Emergency Projects

The statement of receipts and payments reflects an expenditure of Kshs.50,056,045 under other grants and transfers. The expenditure includes an amount of Kshs.7,400,000 incurred on emergency projects. It was noted that an amount of Kshs.300,000 was transferred under emergency projects to Luoro Secondary School for construction of a new dormitory. However, physical verification done on 10 February, 2020 revealed that the project was incomplete.

Further, an amount of Kshs.500,000 was transferred to St. Augustine Andingo Mixed School Secondary for the purchase of laboratory materials and painting. However, physical verification carried out on 10 February, 2020 revealed that, although the purchase of laboratory materials and painting was treated as an emergency, the same did not meet the criteria of an emergency project.

In addition, an amount of Kshs.5,738,993 was budgeted for and allocated to emergency projects in 2018/2019 financial year but the actual expenditure was Kshs.7,400,000. Documentary evidence confirming approval for the excess expenditure of Kshs.1,661,007 was not provided for audit review.

In the circumstances, the regularity and value for money for the emergency projects expenditure of Kshs.7,400,000 could not be confirmed.

2. Weak Imprest Management

The audit revealed that the Constituency Fund Management did not maintain an imprest register. Further, the cash book showed that all imprest issued were surrendered on the same day at the year end. The Management therefore, contravened Section 93(5) of Public Finance Management (National Government) Regulations, 2015.

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 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

Inadequacies in the Constituency Development Fund Committee

The audit revealed that the Constituency Development Fund Committee did not meet the requirements of Sections 7, 11 and 34 of the National Government Constituencies Development Fund Regulations, 2016 in monitoring and evaluation, preparation of reports to the NG-CDF Board and receiving of returns from Projects` Management Committees (PMCs). Further, the PMC returns were incomplete and payment vouchers and bank statements were not filed, complaints register was not maintained, a schedule of CDFC meetings was not prepared and the oversight committee was not constituted.

In the circumstances, the Fund may face challenges in managing risks, governance and internal control issues.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

01 October, 2021


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

**Reports and Financial Statements
For the year ended June 30, 2019**

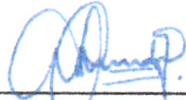
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019	2017-2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board	1	108,784,483	43,405,172
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		108,784,483	43,405,172
PAYMENTS			
Compensation of employees	4	4,597,695	1,621,761
Use of goods and services	5	7,097,312	9,511,747
Transfers to Other Government Units	6	46,613,085	500,000
Other grants and transfers	7	50,056,045	23,438,792
Acquisition of Assets	8	4,546,488	2,500,000
Other Payments	9	-	-
TOTAL PAYMENTS		112,910,625	37,572,300
SURPLUS/DEFICIT		(4,126,142)	5,832,872

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-URIRI Constituency financial statements were approved on 25/9 2019 and signed by:


Fund Account Manager
Name: Moses O. Agolla




Sub-County Accountant
Name: CPA Nicholas O. Onyango
ICPAK Member Number: 13450



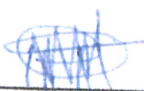
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
URIRI CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2019**

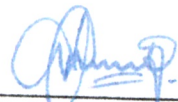
V. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	5,229,286	9,355,428
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		5,229,286	9,355,428
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		5,229,286	9,355,428
FINANCIAL LIABILITES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		5,229,286	9,355,428
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	9,355,428	753,830
Surplus/Defict for the year		(4,126,142)	5,832,872
Prior year adjustments	14	-	2,768,725
NET LIABILITIES		5,229,286	9,355,427

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-URIRI Constituency financial statements were approved on 25/9/19 2019 and signed by:


Fund Account Manager
Name: Moses O. Agolla




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


Reports and Financial Statements

For the year ended June 30, 2019

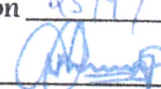
VI. STATEMENT OF CASHFLOW

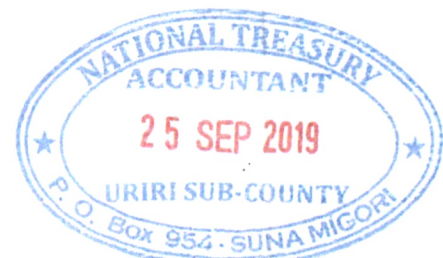
CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	108,784,483	43,405,172
Other Receipts	3	-	-
Total Receipts		108,784,483	43,405,172
Payments			
Compensation of Employees	4	4,597,695	1,621,761
Use of goods and services	5	7,097,312	9,511,747
Transfers to Other Government Units	6	46,613,085	500,000
Other grants and transfers	7	50,056,045	23,438,792
Other Payments	9	-	-
Total Payments		108,364,137	35,072,300
Total Receipts Less Total Payments		420,346	8,332,872
Adjusted for:			
Outstanding Imprest	11		
Retention	12A		
Gratuity Payable	12B		
Prior Year adjustment	14		2,768,725
Net Adjustments		-	-
Net cash flow from operating activities		420,346	11,101,597
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(4,546,488)	(2,500,000)
Net cash flows from Investing Activities		(4,546,488)	(2,500,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(4,126,142)	8,601,597
Cash and cash equivalent at BEGINNING of the year	13	9,355,428	753,830
Cash and cash equivalent at END of the year		5,229,286	9,355,427

The NGCDF-URIRI Constituency financial statements were approved on 25/9/ 2019 and signed by:


Fund Account Manager
Name: Moses O. Agolla




Sub-County Accountant
Name: Nicholas O. Onyango
ICPAK Member Number: 13450



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI CONSTITUENCY
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VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,879	64,139,911	173,180,790	118,139,911	55,040,879	68%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL RECEIPTS	109,040,879	64,139,911	173,180,790	118,139,911	55,040,879	68%
PAYMENTS						
Compensation of Employees	4,294,400	918,692	5,213,092	4,597,695	615,397	88%
Use of goods and services	5,519,279	3,156,975	8,676,254	7,097,312	1,578,942	82%
Transfers to Other Government Units	50,400,000	41,361,361	91,761,361	46,613,085	45,148,276	51%
Other grants and transfers	46,477,200	14,025,856	60,503,056	52,453,533	8,049,523	87%
Acquisition of Assets	2,350,000	-	2,350,000	2,149,000	201,000	91%
Other Payments	-	4,677,027	4,677,027	-	4,677,027	0%
TOTAL	109,040,879	64,139,911	173,180,790	112,910,625	60,270,165	65%


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

Reports and Financial Statements

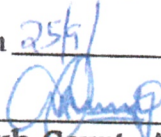
For the year ended June 30, 2019

- (a) The constituency relies on the funding from the NGCDF Board only to fund its activities. During the Financial Year Ending 30th June 2019, the committee did not collect any revenue in form of Appropriation-In-Aid (AIA) to report on.
- (b)
- i. **Transfer from NGCDF Board(68% Utilization)**
During the year under review, the constituency committee received Shs. 108,784,483 only out of the Budgeted amount of Shs.173, 174,787 resulting to underutilization by 32%. This was occasioned by late disbursement of equitable share by the NGCDF Board, Nairobi.
 - ii. **Compensation of Employees (88% Utilization)**
Due to late funding from the board, the constituency committee only managed to prioritize and pay 88% of the budget under this line item. This resulted to 12% underutilization.
 - iii. **Use of Goods And Services(82% Utilization)**
At the close of the financial year, the constituency committee was yet to fully pay for the strategic plan since the consultant submitted the final copies towards the tail end of the financial year. This resulted to the 18% underutilization as shown.
 - iv. **Transfers to Other Government Units(51% Utilization)**
These represented amounts earmarked for transfer to PMCs. Due to delayed funding; some PMCs were yet to be funded at the close of business on 30th June 2019 resulting to 49% underutilization.
 - v. **Other grants and transfers(87% Utilization)**
Due to late funding from the board, the constituency committee only managed to prioritize and pay 87% of the budget under this line item. This resulted to 13% underutilization.
 - vi. **Acquisition of Assets(91% Utilization)**
The constituency committee planned to acquire a Motor Vehicle and Six Motor Cycles. Additionally, it planned to refurbish its office and purchase new furniture to replace old ones. At the end of the financial year, the vehicle was paid partly to enable assembling as per the contract terms. This resulted to underutilization of budget by 9. % presented above

The NGCDF-URIRI Constituency financial statements were approved on 25/ 2019 and signed by:


Fund Account Manager
Name: Moses O. Agolla




Sub-County Accountant
Name: Nicholas O. Onyango
ICPAK Member Number: 13450



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Program me/Sub-program me	Original Budget 2018/2019 Kshs	Adjustment s Kshs	Final Budget 2018/2019 Kshs	Actual on comparable basis 30/06/2019 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	4,294,400	305,428	4,599,828	4,597,695	2,133
1.2 Committee allowances	1,248,000	216,379	1,464,379	1,251,700	212,679
1.3 Use of goods and services	1,000,053	216,379	1,216,432	1,243,300	(26,868)
2.0 Monitoring and evaluation					
2.1 Capacity building	1,500,000	170,690	1,670,690	1,950,312	(279,622)
2.2 Committee allowances	1,000,000	-	1,000,000	1,362,000	(362,000)
2.3 Use of goods and services	771,226	170,690	941,916	1,000,000	(58,084)
3.0 Emergency					
3.1 Primary Schools	5,738,993	4,568,966	10,307,959	7,700,000	2,607,959
3.2 Secondary schools			-	-	-
3.3 Tertiary institutions			-	-	-
3.4 Security projects			-	-	-
4.0 Bursary and Social Security					
4.1 Primary Schools	-		-	-	-
4.2 Secondary Schools	19,732,177	4,082,759	23,814,936	20,167,986	3,646,950
4.3 Tertiary Institutions	10,744,391	1,000,000	11,744,391	14,153,787	(2,409,396)
4.4 special schools	1,500,000	400,000	1,900,000	1,879,557	20,443
4.5 Social Security	1,500,000		1,500,000	-	1,500,000
5.0 Sports					
5.1 Uriri Constituency Sports PMC	2,180,818	1,963,793	4,144,611	3,563,793	580,818
6.0 Environment					
6.1 Uriri CDF Environment PMC	2,180,818	227,586	2,408,404	227,586	2,180,818
7.0 Primary Schools Projects					
(List all the Projects)					
Masoge Primary School	2,000,000	1,000,00	3,000,000	1,000,000	2,000,000
Nyaroya Konditi Primary School	1,800,000	800,000	2,600,000	800,000	1,800,000

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

Reports and Financial Statements

For the year ended June 30, 2019

Othoro Primary School	900,000		900,000	500,000	400,000
Amoso Primary School	800,000	500,000	1,300,000	500,000	800,000
Okumbo Primary School	800,000	500,000	1,300,000	500,000	800,000
Anding'o Primary School	1,800,000		1,800,000	1,800,000	-
Osogo Primary School	2,000,000	1,000,000	3,000,000	1,000,000	2,000,000
Oyani Primary School	800,000	500,000	1,300,000	500,000	800,000
Kodero Primary School	800,000	500,000	1,300,000	500,000	800,000
God Jaoko Primary School	3,000,000	-	3,000,000	3,000,000	-
Puche Primary School	300,000	-	300,000	300,000	-
Puche Primary School	800,000	-	800,000	-	800,000
God Sibuoche Primary School	300,000	600,000	900,000	600,000	300,000
God Sibuoche Primary School	800,000	-	800,000	-	800,000
Ongoro Primary School	300,000	-	300,000	-	300,000
Ongoro Primary School	800,000	-	800,000	-	800,000
Ong'eng'a Primary School	800,000	-	800,000	-	800,000
Lwanda Konyuna Primary School	800,000	500,000	1,300,000	500,000	800,000
Kalii Primary School	800,000	800,000	1,600,000	800,000	800,000
Ramuoma Primary School	1,800,000	-	1,800,000	-	1,800,000
Nduru Primary School	300,000	-	300,000	1,100,000	(800,000)
Nduru Primary School	900,000	500,000	1,400,000	-	1,400,000
Lwala Primary School	700,000	500,000	1,200,000	800,000	400,000
Sigira Primary School	1,000,000	-	1,000,000	-	1,000,000
Kisangura Primary school	2,000,000	800,000	2,800,000	2,500,000	300,000
Uriri Primary	1,600,000	-	1,600,000	1,600,000	-
Kambaga Primary School	1,000,000	600,000	1,600,000	1,100,000	500,000
St. Mary's Oyola Primary	1,000,000	-	1,000,000	500,000	500,000
Luoro Primary School	300,000	1,128,276	1,428,276	500,000	928,276
Pith Nyadundo Primary School	800,000	500,000	1,300,000	500,000	800,000
St. Thomas Wikongaro Primary	1,000,000	800,000	1,800,000	1,800,000	-
Gogo Primary School	600,000	-	600,000	-	600,000
Nyaobe Primary School	1,000,000	-	1,000,000	-	1,000,000
Wapongo Primary School	900,000	-	900,000	-	900,000
Nyabinga Primary School	500,000	-	500,000	-	500,000
Got Kawino primary school	900,000	-	900,000	-	900,000
Kolwal Primary School	500,000	-	500,000	-	500,000
Dago Primary School	900,000	800,000	1,700,000	800,000	900,000
koduogo primary school PMC	-	500,000	500,000	500,000	-

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

Reports and Financial Statements

For the year ended June 30, 2019

rae kondiala primary school PMC	-	500,000	500,000	500,000	-
andingo primary school	-	800,000	800,000	-	800,000
ombo primary school PMC.		500,000	500,000	500,000	-
piny owacho primary school PMC		500,000	500,000	500,000	-
ramwoma primary school PMC		800,000	800,000	800,000	-
nyamilu primary school PMC		500,000	500,000	500,000	-
kagito primary school PMC		500,000	500,000	500,000	-
milimani nyajuok primary school PMC		500,000	500,000	500,000	-
ongenga primary school PMC		500,000	500,000	500,000	-
midida primary school PMC		800,000	800,000	800,000	-
kamsaki primary school PMC		500,000	500,000	500,000	-
magongo primary school		500,000	500,000	500,000	-
mukuyu primary school PMC		500,000	500,000	500,000	-
sigiria primary school PMC		500,000	500,000	500,000	-
edemba primary school PMC		500,000	500,000	500,000	-
Kisugunwa primary school		500,000	500,000		500,000
kamuga primary school PMC		500,000	500,000	500,000	-
manyatta primary school PMC		500,000	500,000	500,000	-
furniture for schools		1,313,085	1,313,085	1,313,085	-
8.0 Secondary Schools Projects (List all the Projects)					
Rapogi girls' secondary school	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000
St pauls Ombo Secondary School	1,000,000	1,000,000	2,000,000	2,000,000	-
Siro girls Sec. School	400,000	-	400,000	-	400,000
Pinyowacho Sec.School	1,000,000	800,000	1,800,000	1,000,000	800,000
St linus oyieko Sec.School	1,000,000	-	1,000,000	-	1,000,000
Kamsaki girls Sec School	1,500,000	-	1,500,000	-	1,500,000
Uriri Secondary. School	1,000,000	1,000,000	2,000,000	2,000,000	-
koduogo Sec. School	900,000	-	900,000	-	900,000
thimjope secondary	1,000,000	-	1,000,000	-	1,000,000
lwala Sec School	1,000,000	-	1,000,000	1,000,000	-
Oruba girls Sec School	1,500,000	-	1,500,000	-	1,500,000
Manyonge Secondary School	1,000,000	-	1,000,000	-	1,000,000
rombe mixed sec sch PMC	-	800,000	800,000	800,000	-
konduru secondary school	-	500,000	500,000	500,000	-
bishop anyolo korwa school PMC	-	500,000	500,000	500,000	-
korondo mixed	-	800,000	800,000	800,000	-
bishop okinda achuth mixed	-	500,000	500,000	500,000	-
st joseph rapogi high school	-	1,000,000	1,000,000	1,000,000	-
st lwanga obervmixed sec	-	800,000	800,000	800,000	-

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

Reports and Financial Statements

For the year ended June 30, 2019

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

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

Reports and Financial Statements

For the year ended June 30, 2019

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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

**Reports and Financial Statements
For the year ended June 30, 2019**

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

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

Reports and Financial Statements

For the year ended June 30, 2019

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2019.

14. Errors

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

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

15. Related Party Transactions

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

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

Reports and Financial Statements

For the year ended June 30, 2019

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	DATE	AIE NO.	2018-2019	2017 - 2018
			Kshs	Kshs
			AMOUNT	AMOUNT
Normal Allocation	20/8/18	B005185	46,264,483	
	11/10/19	B005399	1,300,000.	
	11/04/19	B042681	7,220,000.	
	10/01/19	B030219	10,000,000.	
	02/04/19	B042855	13,000,000.	
	02/02/19	B006253	13,000,000.	
	11/03/19	A699002	7,000,000.	
	20/3/19	B042640	11,000,000.	
		A 892536		5,500,000
		.A 892865		20,000,000
		.A 892929		17,905,172
Conditional grants	AIE NO...		-	-
Receipt from other Constituency			-	-
TOTAL		-	108,784,483	43,405,172

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

3. OTHER RECEIPTS

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Sale of Tender Documents	-	-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI
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For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Basic wages of contractual employees	4,453,401	1,529,361
Basic wages of casual labour		-
Personal allowances paid as part of salary		
House allowance		-
Transport allowance		-
Leave allowance		-
Other personnel payments		-
Employer contribution to NSSF		39,600
Gratuity-Paid	144,294	52,800
Gratuity-Accrued		
TOTAL	4,597,695	1,621,761

5 USE OF GOODS AND SERVICES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services	2,243,300	2,041,178
Electricity		
Water & sewerage charges		
Office rent		384,872
Communication, supplies and services		
Domestic travel and subsistence		50,800
Printing, advertising and information supplies & services		157,200
Rentals of produced assets		480,000
Training expenses		
Hospitality supplies and services	1,950,312	700,000
Other committee expenses		458,000
Committee allowance		748,427
Insurance costs	2,613,700	1,514,523
Specialised materials and services		
Office and general supplies and services		480,000
Fuel , oil & lubricants		150,000
Other operating expenses		
Bank service commission and charges		200,000
Security operations		
Routine maintenance - vehicles and other transport equipment		66,747
Routine maintenance- other assets		380,000
Strategic Plan	290,000	1,700,000
TOTAL	7,097,312	9,511,747

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI
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6 TRANSFER TO OTHER GOVERNMENT ENTITIES		
Description	2018-2019	2017 - 2018
	Kshs	Kshs
Transfers to Primary schools	33,913,085	500,000
Transfers to Secondary schools	12,700,000	-
Transfers to Tertiary institutions		-
TIVET		-
Transfers to NGCDF Office PMC		
TOTAL	46,613,085	500,000

7 OTHER GRANTS AND OTHER PAYMENTS		
Description	2018-2019	2017 - 2018
	Kshs	Kshs
Bursary -Secondary	20,167,986	13,272,706
Bursary -Tertiary	14,153,787	6,300,000
Bursary-Special schools	1,879,557	2,129,879
Mocks & CAT		
Security	2,663,336	
Sports	3,563,793	
Environment	227,586	1,736,207
Emergency Projects	7,400,000	
TOTAL	50,056,045	23,438,792

8 ACQUISITION OF ASSETS		
Non Financial Assets	2018-2019	2017 - 2018
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	1,000,000	2,500,000.00
Purchase of Vehicles	2,097,488	-
Purchase of Bicycles & Motorcycles	649,000	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	800,000	
Purchase of computers ,printers and other IT equipments	-	
Purchase of photocopier	-	-
Purchase of other office equipments	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
TOTAL	4,546,488	2,500,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9 Other Payments	2018-2019	2017 - 2018
ICT HUB	-	-
specify	-	-
TOTAL	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Balances (cash book bank balance)			
Name of Bank, Account No. & currency	Account Number	2018-2019	2017 - 2018
		Kshs (30/6/2019)	Kshs (30/6/2018)
<i>Kenya Commercial Bank, migori Branch . Uriri NG-CDF</i>	<i>A/C no.1106553454</i>	5,229,286	9,355,428

10B: CASH IN HAND)		
	2018-2019	2017 - 2018
	Kshs (30/6/2019)	Kshs (30/6/2018)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-

11: OUTSTANDING IMPRESTS

Name of Officer	Date imprest taken	Amount Taken	Amount Surrendered	Balance (30/6/2019)
		Kshs	Kshs	Kshs
		-	-	-
		-	-	-
		-	-	-

12 Retention			
Supplier/Contractor	PV No.	2018-2019	2017 - 2018
		-	-
TOTAL		-	-

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	Kshs	Kshs
Name 1	-	-
Name 2	-	-
Total	-	-

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13. BALANCES BROUGHT FORWARD

	2018-2019 (1/7/2018)	2017 - 2018 (1/7/2017)
	Kshs	Kshs
Bank accounts	9,355,428	753,830
Cash in hand		-
Imprest		-
TOTAL	9,355,428	753,830

14 PRIOR YEAR ADJUSTMENTS

	2018-2019	2017 - 2018
	Kshs	Kshs
Bank accounts	-	2,768,725
Cash in hand	-	-
Imprest	-	-
TOTAL		2,768,725

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	-	-

15.3: UNUTILIZED FUND (See Annex 3)

	2018-2019	2017 - 2018
	Kshs	Kshs
Compensation of employees	615,397	918,692
Use of goods and services	1,578,942	3,156,975
Amounts due to other Government entities	45,148,276	41,361,361
Amounts due to other grants and other transfers	8,049,523	14,025,856
Acquisition of assets	201,000	-
Others (<i>ICT Hub</i>)	4,677,027	4,677,027
	60,270,165	64,139,911

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI
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15.4: PMC account balances (See Annex 5)

			2018-2019	2017-2018
PMC	BANK	A/C NO	Kshs	Kshs
PMC Account Balances			6394588	4,736,207
			6,394,588	4,736,207

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI CONSTITUENCY
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (specify)						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI CONSTITUENCY
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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		615,397	918,692	Good improvement
Use of goods & services		1,578,942	3,156,975	Good improvement
Amounts due to other Government entities		45,148,276	41,361,361	Good improvement
Sub-Total		47,342,615	45,437,028	
Amounts due to other grants and other transfers		8,049,523	14,025,856	Good improvement
Sub-Total		8,049,523	14,025,856	
Acquisition of assets		201,000		Good improvement
Others (<i>ict hub</i>)		4,677,027	4,677,027	Due to delayed reallocation
Sub-Total		4,878,027	4,677,027	
Grand Total		60,270,165	64,139,911	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – URIRI CONSTITUENCY
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	-	-	-	-
Buildings and structures	-	1,000,000	-	1,000,000
Transport equipment	3,581,270	2,746,488	-	6,327,758
Office equipment, furniture and fittings	2,915,000	800,000	-	3,715,000
ICT Equipment, Software and Other ICT Assets	-	-	-	-
Other Machinery and Equipment	800,000	-	-	800,000
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	7,296,270	4,546,488	-	11,842,758

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2019

	PMC	ACCOUNT NUMBER	BANK NAME	BANK BALANCE 2018/19	BANK BALANCE 2017/18
1.	Bishop Okinda Achuth Mixed	1160277740702	Equity	24,089	-
2.	Edemba Primary School PMC	1160277737197	Equity	249,820	-
3.	God Jaoko Primary School PMC	1160278543941	Equity	1,423,620	-
4.	God Sibuoche Primary School PMC	1160277737229	Equity	31,250	-
5.	Mukuyu Primary School PMC	1160277737211	Equity	26,332	-

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6.	Rombe Mixed Sec Sch PMC	1160277739374	Equity	980	-
7.	Arambe Mixed Secondary School PMC	1071213202800	Nation Bank	285	-
8.	Kalii Primary School PMC	1071212117400	Nation Bank	375	-
9.	Manyatta Primary School PMC	1071212116600	Nation Bank	31,775	-
10.	Nyaroya Konditi Primary School PMC	1071212118200	Nation Bank	43112	-
11.	Ombo Primary School PMC	1071212118800	Nation Bank	28,375	-
12.	St Thomas Wikongaro Primary School PMC	1071212116100	Nation Bank	2,225	-
13.	St Paul Ombo Secondary PMC	1242868259	KCB	510	-
14.	Kisangura Primary School PMC	1240003066	KCB	4,505	-
15.	St Pius Uriri High School PMC	1147239126	KCB	117,359	-
16.	Achuth Secondary School PMC	1240036981	KCB	4,815	-
17.	Amoso Primary School PMC	1240050364	KCB	75	-
18.	Andingo Primary School	1235994961	KCB	100,955	-
19.	Bishop Anyolo Korwa School PMC	1252862415	KCB	200,975	-
20.	Dago Primary School PMC	1239660839	KCB	49,736	-
21.	Got Korwa Primary School PMC	1252862415	KCB	200,975	-
22.	Kagito Primary School PMC	1240029721	KCB	1,575	-
23.	Kambaga Primary School	1240031904	KCB	301,641	-
24.	Kamsaki Primary School PMC	1240063369	KCB	495	-
25.	Kamuga Primary School PMC	1240033508	KCB	24,475	-
26.	Kanyawuor Primary School	1236010558	KCB	12,225	-
27.	Kisangura Primary School PMC	1240003056	KCB	(4,505)	-
28.	Kodero Primary School PMC	1239987609	KCB	1,475	-
29.	Koduogo Primary School PMC	1240038933	KCB	1,475	-

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30.	Konduru Secondary School	1240022166	KCB	1,395	-
31.	Korondo Mixed	1240011563	KCB	42,295	-
32.	Luoro Sec Sch PMC	1235999807	KCB	45,695	-
33.	Lwala Primary School PMC	1240117027	KCB	16,995	-
34.	Lwala Secondary School PMC	1257446576	KCB	1,000,000	-
35.	Lwanda Konyuna Primary School	1240481187	KCB	25,299	-
36.	Magongo Primary School	1236003683	KCB	300,333	-
37.	Masoge Mixed Sec School	1235997766	KCB	979	-
38.	Masoge Primary School PMC	1239654693	KCB	5,284	-
39.	Midida Primary School PMC	1239661029	KCB	95,115	-
40.	Milimani Nyajuok Primary School	1235991482	KCB	41,275	-
41.	Nduru Primary PMC	1240474040	KCB	365,035	-
42.	Nyamilu Primary School PMC	1236028171	KCB	755	-
43.	Okumbo Primary School PMC	1240051166	KCB	133	-
44.	Ondome Primary School	1236004671	KCB	218,700	-
45.	Ongenga Primary School PMC	1239988680	KCB	264	-
46.	Ongora Kakuru Pimary School PMC	1252911866	KCB	21,730	-
47.	Ongoro Primary School	1236036751	KCB	0	-
48.	Osogo Primary School	1240918720	KCB	25,417	-
49.	Othoro Primary School PMC	1137369930	KCB	5,803	-
50.	Oyani Primary School	1239660626	KCB	(5,425)	-
51.	Piny Owacho Primary School PMC	1239660626	KCB	(5,425)	-
52.	Pith Nyadundo Primary School	1236029437	KCB	45,495	-

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53.	Puche Primary School PMC	1259177610	KCB	298,975	500,000
54.	Rae Kondiala Primary School PMC	1240051492	KCB	1,713	-
55.	Ramwoma Primary School PMC	1240035896	KCB	42,775	-
56.	Rapogi Girls Secondary School PMC	1240088876	KCB	51,611	-
57.	Rapogi Secondary School	1236515684	KCB	62,220	-
58.	Sigiria Primary School PMC	1240018665	KCB	5	-
59.	St Augustin Andingo Mixed	1240586728	KCB	497,275	-
60.	St Lwanga Ober Mixed Sec	1240620241	KCB	200,195	-
61.	St Mary Oyola PMC	1253839212	KCB	2,075	-
62.	St Thomas Wikongaro Primary School PMC	1152632426	KCB	65,300	-
63.	Uriri Primary School PMC	1236002830	KCB	33,391	-
64.	Furniture For School PMC	1246281368	KCB	460	-
65.	Ngcdf Uriri Office PMC	1233775170	KCB	1820	2,500,000
66.	Nyaobe Assistant Chiefs Office	1240781652	KCB	6570	-
67.	Piny Owacho Chiefs Camp	1240616368	KCB	1395	-
68.	Uriri Cdf Environment PMC	1233801368	KCB	5870	1,736,207
69.	Uriri DCC Residence PMC	1246281406	KCB	75	-
	TOTAL			6,394,588	4,736,207

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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 person to resolve the issue and designation	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
KSM/URIRI/CDF/2016 /2017	VARIOUS	The management responded to Observations made and submitted the same	FUNDS ACCOUNTS MANAGER	RESOLVED	RESOLVED

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