

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

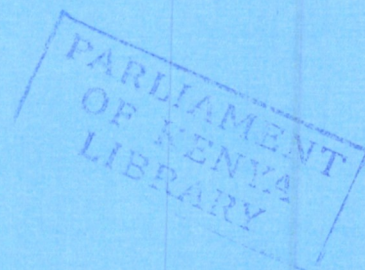
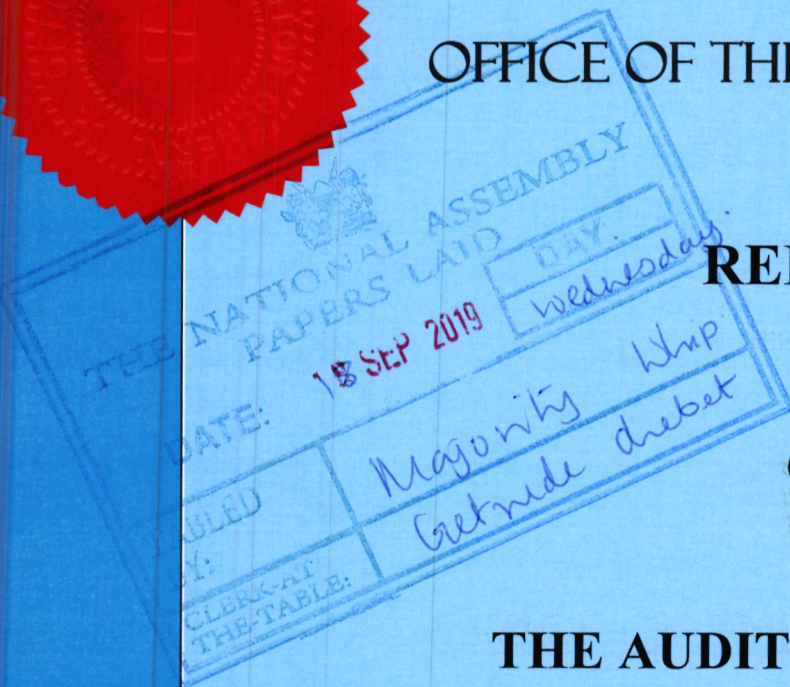
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
SIGOWET/SOIN CONSTITUENCY

FOR THE YEAR  
ENDED 30 JUNE 2018







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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND  
SIGOWET/SOIN CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2018

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

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

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
SIGOWET/SOIN CONSTITUENCY**

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

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**Mandate**

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

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

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
SIGOWET/SOIN CONSTITUENCY**

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**Core Values**

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

**(b) Key Management**

The NGCDF SIGOWET/SOIN day-to-day management is under the following key organs:

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

**(c) Fiduciary Management**

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

No	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Francis Lemuna
3.	Sub-County Accountant	Andrew Sang
4.	Chairman NG-CDFC	John Kipkorir Bii
5.	Member NGCDFC	Stella Chepkemioi

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 1872-20200  
Building/House/Plaza  
Along Kericho-Kisumu Highway  
Kericho, KENYA

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

**SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

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**(f) NGCDF SIGOWET/SOIN Constituency Contacts**

Telephone: (254) 720472066  
E-mail: [cdfsigowetsoin@go.ke](mailto:cdfsigowetsoin@go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) NGCDF SIGOWET/SOIN Constituency Bankers**

1. Cooperative Bank of Kenya  
P.O. Box 1742-20200  
Kericho i, Kenya

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
SIGOWET/SOIN CONSTITUENCY  
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For the year ended June 30, 2018**

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**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY  
DEVELOPMENT FUND COMMITTEE (NG-CDFC)**

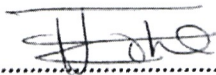
Sigowet/Soin NG-constituency development fund in the financial year 2017/2018 was allocated Kshs. 98,189,654.35 by the NG-CDF Board. During the financial year, only Kshs. 43,405,172 was disbursed to the constituency by end of June 2018. The funds were disbursed forthwith by the CDFC immediately upon receipt to Project Management Committees. The CDFC disbursed the funds received to Project Management Committees in the most efficient and effective manner.

The budget performance was impressive. The projects implemented by the PMCs are all at advance stages of completion. Some are complete and are being used already especially construction of classrooms.

The CDFC made a lot of impact to community through projects financed in education, and bursary to needy students among many others

The project management committee is the model used in the constituency for the implementation of projects. In the year under review most of the projects reported inadequacy of funds allocated for the completion of their projects which could be attributed by inadequate allocation of funds and/ or increasing costs for various projects material and labour.

However for the year under review many of the projects on budget had not received funds due to the delay by the CDF Board in releasing funds in time. This was attributed long electioneering period which followed by court rulings and a re-election thereafter. NG-CDFC regrets such delays. The NG-CDF Board should try to release funds in two instalments of 50% each before the financial year ends, we look forward to improved services so that funds is received before end of the financial year to enable the NG-CDFC implement its projects as budgeted within the financial year. We look forward to better performance in the next financial year 2018/2019. We appreciate all the work done by all the parties to ensure development is accomplished in our constituencies. Hope the financial year 2018/2019 will experience better performance.

Sign.....

**CHAIRMAN NG-CDF COMMITTEE  
KIPKORIR JOHN BII**

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

**SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

**III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES**

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

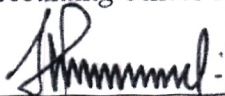
The Accounting Officer in charge of the NG-CDF-SIGOWET/SOIN Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30,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

The Accounting Officer in charge of the NG-CDF-SIGOWET/SOIN 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 NG-CDF-SIGOWET/SOIN Constituency financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NG-CDF-SIGOWET/SOIN Constituency further confirms the completeness of the accounting records maintained for the NG-CDF-SIGOWET/SOIN Constituency 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.

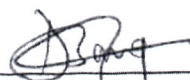
The Accounting Officer in charge of the NGCDF-SIGOWET/SOIN Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the 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-SIGOWET/SOIN Constituency financial statements were approved and signed by the Accounting Officer on 19/7/2018 2018.



Fund Account Manager  
Name: Francis Lemuna



Sub-County Accountant  
Name: Andrew Sang  
ICPAK Member Number: 20892



# REPUBLIC OF KENYA

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Website: www.kenao.go.ke



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SIGOWET/SOIN CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Sigowet/Soin Constituency set out on pages 6 to 23, which comprise the statement of assets as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Sigowet/Soin Constituency as at 30 June, 2018 and (of) its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act 2015.

#### Basis for Qualified Opinion

##### 1. Unconfirmed Expenditure from Supplementary Funding

The summary statement of appropriation (recurrent and development) reflects an adjustment of Kshs.13,266,581 in respect of transfers from NG-CDF Board which includes additional supplementary funding of Kshs.11,379,310. According to a circular from the Board, reference NG-CDFB/CIRCULARS VOL.II (02) of 23 May, 2018, the NG-CDFs were supposed to submit for approval, a list of projects to be financed by the supplementary funding. However, the summary statement of appropriation does not disclose the respective projects. Therefore, there is a possibility that the supplementary funding of Kshs.11,379,310 was not utilized in accordance with the guidelines of the circular.

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

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*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund  
– Sigowet/Soin Constituency for the year ended 30 June 2018*

Development Fund – Sigowet/Soin Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Qualified Opinion 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.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter(s) described in the Basis for Qualified Opinion 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.

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether 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 for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash

Basis) and for maintaining effective internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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

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

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

### **Auditor-General's Responsibilities for the Audit of the Financial Statements**

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 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.



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

**Nairobi**

**15 August 2019**

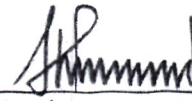


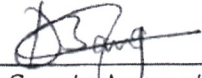
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
SIGOWET/SOIN CONSTITUENCY**  
Reports and Financial Statements  
For the year ended June 30, 2018

**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Not e	2017 - 2018 Kshs	2016 - 2017 Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF board	1	43,405,172.00	81,896,551.70
Proceeds from Sale of Assets	2	Xx	xx
Other Receipts	3	<u>Xx</u>	16,000.00
<b>TOTAL RECEIPTS</b>		<b>43,405,172.00</b>	<b>81,912,551.70</b>
<b>PAYMENTS</b>			
Compensation of employees	4	997,548	3,311,912.47
Use of goods and services	5	9,218,744.00	7,064,255.00
Transfers to Other Government Units	6	7,850,000.00	66,452,554.00
Other grants and transfers	7	26,234,124.00	26,521,798.00
Acquisition of Assets	8	xx	xx
Other Payments	9	<u>xx</u>	<u>xx</u>
<b>TOTAL PAYMENTS</b>		<b>44,300,416.00</b>	<b>103,350,519.00</b>
<b>SURPLUS/(DEFICIT)</b>		<b>(895,244.00)</b>	<b>(21,437,968.00)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SIGOWET/SOIN Constituency financial statements were approved on 19/9/ 2018 and signed by:

  
**FUND ACCOUNT MANAGER**  
**NG-CDF SIGOWET / SOIN**  
**P. O. BOX 1837-20200**  
**KERICHO**  
Fund Account Manager  
Name: Francis Lemuna

  
Sub-County Accountant  
Name: Andrew Sang  
ICPAK Member Number: 20892



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

**SIGOWET/SOIN CONSTITUENCY**

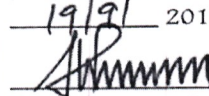
**Reports and Financial Statements**

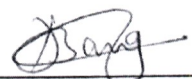
**For the year ended June 30, 2018**

**V. STATEMENT OF ASSETS**

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	992,027	1,887,271
Cash Balances (cash at hand)	10B	00	00
<b>Total Cash and Cash Equivalent</b>		<b>992,027</b>	<b>1,887,271</b>
Accounts Receivable Outstanding Imprests	11	00	00
<b>TOTAL FINANCIAL ASSETS</b>		<b>992,027</b>	<b>1,887,271</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables - Retention	12	(00)	(00)
<b>Net Financial Assets</b>		<b>992,027</b>	<b>1,887,271</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July... 2017	13	1,887,271	23,191,237
Surplus/Deficit for the year		(895,244)	(21,437,968)
Prior year adjustments	14	00	134,000
<b>NET LIABILITIES</b>		<b>992,027</b>	<b>1,887,270</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SIGOWET/SOIN Constituency financial statements were approved on 19/9/2018 2018 and signed by:

  
**FUND ACCOUNT MANAGER**  
**NGCDF SIGOWET / SOIN**  
**P.O. BOX 1837-20200**  
**KERICHO**  
 Fund Account Manager  
 Name: Francis Lemua

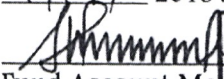
  
 Sub-County Accountant  
 Name: Andrew Sang  
 ICPAK Member Number: 20892

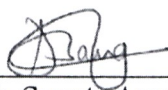
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
SIGOWET/SOIN CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

**VI. STATEMENT OF CASHFLOW**

		2017 - 2018	2016 - 2017
<b>Receipts for operating income</b>			
Transfers from NGCDF Board	1	43,405,172.00	81,896,552.00
Other Receipts	3	xx	16,000.00
		<b>43,405,172.00</b>	<b>81,912,552.00</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	997,548.00	3,311,912.00
Use of goods and services	5	9,218,744.00	7,064,255.00
Transfers to Other Government Units	6	7,850,000.00	66,452,554.00
Other grants and transfers	7	26,234,124.00	26,521,798.00
Other Payments	9	-	-
		<b>44,300,416.00</b>	<b>103,350,519.00</b>
<b>Adjusted for:</b>			
Adjustments during the year	14	xx	134,000.00
<b>Net cash flow from operating activities</b>		<b>(895,244.00)</b>	<b>(21,303,968.00)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	xx	xx
Acquisition of Assets	9	(xx)	(xx)
<b>Net cash flows from Investing Activities</b>		<b>xx</b>	<b>xx</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(895,244.00)</b>	<b>(21,303,968.00)</b>
Cash and cash equivalent at BEGINNING of the year	13	1,887,271.00	23,191,238.00
Cash and cash equivalent at END of the year		992,027.00	1,887,271.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SIGOWET/SOIN Constituency financial statements were approved on 19/9/ 2018 and signed by:

  
**FUND ACCOUNT MANAGER**  
**NG-CDF SIGOWET / SOIN**  
 Fund Account Manager, BOX 1837-20200  
 Name: Francis Lemuna, KERICHO

  
 Sub-County Accountant  
 Name: Andrew Sang  
 ICPAK Member Number: 20892

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SIGOWET/SOIN CONSTITUENCY**

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

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

Receipt/Expense Item	Original Budget 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 NGCDF Board	86,810,345.00	13,266,581.00	100,076,926.00	45,292,443.00	54,784,483.00	45.3%
Proceeds from Sale of Assets						
Other Receipts						
<b>PAYMENTS</b>						
Compensation of Employees	1,700,000.00	368,390.00	2,068,390.00	997,548.00	1,070,842.00	48.2%
Use of goods and services	9,512,931.00	818,881.00	10,331,812.00	9,218,744.00	1,113,068.00	83.9%
Transfers to Other Government Units	35,530,000.00		35,530,000.00	7,850,000.00	27,680,000.00	22.1%
Other grants and transfers	35,390,387.00	700,000.00	36,090,387.00	26,234,124.00	9,856,263.00	75.0%
Acquisition of Assets						
Other Payments	4,677,027.00		4,677,027.00		4,677,027.00	
Allocation awaiting Approval		11,379,310.00	11,379,310.00		11,379,310.00	
<b>TOTALS</b>	<b>86,810,345.00</b>	<b>13,266,581.00</b>	<b>100,076,926.00</b>	<b>44,300,416.00</b>	<b>55,776,510.00</b>	<b>44.3%</b>

*There was no any revenue recorded since there was no any sale of assets or tenders by the constituency within the financial 2017/2018.*

*The general budget performance of the constituency was not such impressive as it recorded below 90% utilization on some instances which was mainly due to delay of release of funds by the NG-CDF Board. This was as a result of long electioneering period of 2017 which culminated into the first presidential results declared null and void by the supreme court and a re-election thereafter. The election process took longer time than expected hence affected many government operations with Sigowet/Soin constituency being not exceptional.*

  
**FUND ACCOUNT MANAGER**  
 NG-CDF SIGOWET / SOIN  
 P. O. BOX 1837-20200  
 KERICHIO

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

However, with the half of the allocated funds received by the NG-CDF Committee, they were disbursed to the PMCs efficiently and in the shortest time. The Committee looks forward with lots of hope that the following years the utilization will rise up above 90% if they receive the fundings in good time.

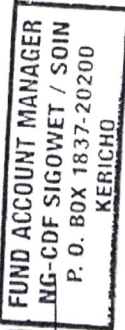
There's a difference of Kshs. 13,266,581.00 between the original budget and the final budget and this is the total of Ksh. 1,887,581 being the opening balance of 1<sup>st</sup> July 2018 and Kshs. 11,379,310 which is the amount allocated to the constituency from the supplementary budget.

The NGCDF-SIGOWET/SOIN Constituency financial statements were approved on 17/9/ 2018 and signed by:

~~13/07/2018~~ 34



Fund Account Manager  
Name: Francis Lemuna



Sub-County Accountant  
Name: Andrew Sang

ICPAK Member Number: 20892

**VIII. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

**2. Reporting Entity**

The financial statements are for the NG-CDF SIGOWET/SOIN 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) –  
SIGOWET/SOIN CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

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**SIGNIFICANT ACCOUNTING POLICIES**

**External Assistance**

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

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

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

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

**Other receipts**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

**SIGNIFICANT ACCOUNTING POLICIES**

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**5. In-kind contributions**

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

**6. Cash and Cash Equivalents**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Funds**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

**SIGNIFICANT ACCOUNTING POLICIES**

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**11. Budget**

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

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

**12. Comparative Figures**

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

**13. Subsequent Events**

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

**14. Errors**

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

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

**15. Related Party Transactions**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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


**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2017-2018	2016-2017
		Kshs	Kshs
NG-CDF Board			
AIE NO	A829997		4,094,827.60
AIE NO	A839628		36,853,449.00
AIE NO	A855554		40,948,275.10
AIE NO	A 992905	5,500,000.00	
AIE NO	A 892975	37,905,172.00	
<b>TOTAL</b>		<b>43,405,172.00</b>	<b>81,896,551.70</b>

**2. PROCEEDS FROM SALE OF ASSETS**

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

 **FUND ACCOUNT MANAGER  
NG-CDF SIGOWET / SOIN  
P. O. BOX 1837-20200  
KERICHO**

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


*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEPTS**

	2017- 2018 Kshs	2016-2017 Kshs
Interest Received	xxx	xxx
Rents	xxx	xxx
Receipts from Sale of tender documents	xxx	16,000.00
Other Receipts Not Classified Elsewhere	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>16,000.00</b>

**4. COMPENSATION OF EMPLOYEES**

	2017-2018 Kshs	2016-2017 Kshs
Basic wages of contractual employees	972,198.00	1,696,548.00
Basic wages of casual labour	xxx	xxx
<b>Personal allowances paid as part of salary</b>		
House allowance	xxx	230,000.00
Transport allowance	xxx	xxx
Leave allowance	xxx	xxx
Gratuity	xxx	1,366,964.47
Other personnel payments	xxx	xxx
Employer contribution to NSSF	25,350	18,400.00
<b>Total</b>	<b>997,548.00</b>	<b>3,311,912.47</b>

  
**FUND ACCOUNT MANAGER**  
**NGCDF SIGOWET / SOIN**  
**P. O. BOX 1837-20200**  
**KERICHO**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

5. USE OF GOODS AND SERVICES

	2017-2018	2016-2017
	Kshs	Kshs
Utilities, supplies and services	80,000	41,942
Office Rent	225,000	225,000
Communication, supplies and services	150,000	xxx
Domestic travel and subsistence	000	508,100
Printing, advertising and information supplies & services	130,400	xxx
Rentals of produced assets	000	xxx
Training expenses	583,000	740,000
Hospitality supplies and services	000	xxx
Committee Expenses	3,299,200	4,358,500
Insurance costs	000	xxx
Specialized materials and services	174,000	xxx
Office and general supplies and services	401,930	494,331
Other operating expenses	3,416,687.07	25,640
Routine maintenance – vehicles and other transport equipment	378,527	219,741.00
Routine maintenance – other assets	000	xxx
Fuel, Oil & Lubricants	380,000	451,000
<b>Total</b>	<b>9,218,744.00</b>	<b>7,064,255.00</b>

 **FUND ACCOUNT MANAGER  
NGCDF SIGOWET / SOIN  
P. O. BOX 1837-20200  
KERICHO**

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


*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018	2016-2017
	Kshs	Kshs
Transfers to National Government entities	0.00	0.00
Transfers to primary schools (see attached list)	4,050,000	36,173,873
Transfers to secondary schools (see attached list)	3,800,000	22,378,681.10
Transfers to tertiary institutions (see attached list)	0.00	7,900,000
Transfers to health institutions (see attached list)	0.00	0.00
<b>TOTAL</b>	<b>7,850,000</b>	<b>66,452,554.00</b>

7. OTHER GRANTS AND OTHER PAYMENTS

	2017-2018	2016- 2017
	Kshs	Kshs
Bursary – secondary schools (see attached list)	14,565,000	7,825,000
Bursary – tertiary institutions (see attached list)	9,799,124	4,622,500
Bursary – special schools (see attached list)	170,000	20,000
Mock & CAT (see attached list)	0.00	xx
Security projects (see attached list)	800,000	7,924,238.80
Sports projects (see attached list)	0.00	1,485,359.10
Environment projects (see attached list)	0.00	xx
Other Capital Grants & Transfers	0.00	300,000
Emergency projects (see attached list)	900,000	4,344,000
<b>Total</b>	<b>26,234,124</b>	<b>26,521,798.00</b>

  
**FUND ACCOUNT MANAGER  
 NGCDF SIGOWET / SOIN  
 P. O. BOX 1837-20200  
 KERICHO**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

**Non Financial Assets**

	2017-2018 Kshs	2016-2017 Kshs
Purchase of Buildings	XX	XX
Construction of Buildings	XX	XX
Refurbishment of Buildings	XX	XX
Purchase of Vehicles and Other Transport Equipment	XX	XX
Overhaul of Vehicles and Other Transport Equipment	XX	XX
Purchase of Household Furniture and Institutional Equipment	XX	XX
Purchase of Office Furniture and General Equipment	XX	XX
Purchase of ICT Equipment, Software and Other ICT Assets	XX	XX
Purchase of Specialised Plant, Equipment and Machinery	XX	XX
Rehabilitation and Renovation of Plant, Machinery and Equip.	XX	XX
Acquisition of Land	XX	XX
Acquisition of Intangible Assets	XX	XX
<b>Total</b>	XX	XX

**9. OTHER PAYMENTS**

	2017-2018 Kshs	2016-2017 Kshs
ICT Hub	XX	XX
	xxx	xxx

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**


**Reports and Financial Statements**

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017-2018	2016-2017
	Kshs	Kshs
<i>Name of Bank, Account No. 1141529703100</i>	992,027	1,887,271
<i>Name of Bank, Account No.</i>	-	-
<i>Name of Bank, Account No.</i>	-	-
<b>Total</b>	<b>992,027</b>	<b>1,887,271</b>
<b>10B: CASH IN HAND</b>		
Location 1	xxx	xxx
Location 2	xxx	xxx
Location 3	xxx	xxx
Other Locations ( <i>specify</i> )	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>xxx</b>
<i>[Provide cash count certificates for each]</i>		

 **FUND ACCOUNT MANAGER  
NGCDF SIGOWET / SOIN  
P.O. BOX 1837-20200  
KERICHO**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

*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	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Total</i>				<b>xxx</b>

*[Include an annex of the list is longer than 1 page.]*

**12 RETENTION**

	2017 - 2018 Kshs	2016-2017 Kshs
Supplier 1	xx	xx
Supplier 2	xx	xx
Supplier 3	xx	xx
<b>Total</b>	<b>xx</b>	<b>xx</b>

*[Provide short appropriate explanations as necessary]*

**13. BALANCES BROUGHT FORWARD**

	2017-2018 Kshs	2016-2017 Kshs
Bank accounts	1,887,271	23,191,238.00
Cash in hand	xx	xx
Imprest	xx	xx
<b>Total</b>	<b>1,887,271</b>	<b>23,191,238.00</b>

*[Provide short appropriate explanations as necessary]*

**FUND ACCOUNT MANAGER**  
**NG-CDF SIGOWET / SOIN**  
**P. O. BOX 1837-20200**  
**KERICHO**

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**14. PRIOR YEAR ADJUSTMENTS**

	2017- 2018 Kshs	2016-2017 Kshs
Bank accounts	xx	134,000
Cash in hand	xx	xx
Imprest	xx	xx
<b>Total</b>	<b>xx</b>	<b>134,000</b>

**15. OTHER IMPORTANT DISCLOSURES**

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

	2017- 2018 Kshs	2016-2017 Kshs
Construction of buildings	xx	xx
Construction of civil works	xx	xx
Supply of goods	xx	xx
Supply of services	xx	xx
	<b>xx</b>	<b>xx</b>

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

	Kshs	Kshs
Staff gratuity	xx	xxx
Staff salaries	xx	xxx
	<b>xx</b>	<b>xxx</b>

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

	Kshs	Kshs
Compensation of employees	1,070,842	xx
Use of goods and services	1,113,068	xx
Amounts due to other Government entities (see attached list)	27,680,000	xx
Amounts due to other grants and other transfers (see attached list)	9,856,263	xx
Acquisition of assets	000	xx
Others Payments (CII)	4,677,027	xx
Allocation Awaiting Approvals	11,379,310	xx
	<b>55,776,510</b>	<b>xxx</b>

**FUND ACCOUNT MANAGER  
NG-CDF SIGOWET / SOIN  
P. O. BOX 1837-20200  
KERICHO**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

15.4: PMC account balances (See Annex 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	xxx	xxx
	xxx	xxx

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SIGOWET/SOIN CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

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

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2016 d=a-c	Outstanding Balance 2014	Comments
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Construction of civil works</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
10.						
11.						
12.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SIGOWET/SOIN CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

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

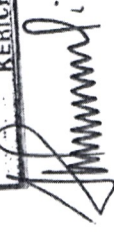
Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
<b>Senior Management</b>							
1.							
2.							
3.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
4.							
5.							
6.							
<b>Sub-Total</b>							
<b>Unionisable Employees</b>							
7.							
8.							
9.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
10.							
11.							
12.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SIGOWET/SOIN CONSTITUENCY**  
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**ANNEX 3 – UNUTILIZED FUNDS**

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		1,070,842		
Use of goods & services		1,113,068		
<b>Amounts due to other Government entities</b>				
Ainamoi Primary School		60,000		
Kamungasia Primary School		220,000		
Kapkatet Primary School		400,000		
Kapnyakitari Primary School		200,000		
Kimalal Primary School		150,000		
Kipsitet Primary School		200,000		
Nyaberi Primary School		200,000		
Simbi Primary School		200,000		
Simotwet Primary School		200,000		
Sumeck Primary School		300,000		
Nyalilbuch Primary School		100,000		
Soliat Primary School		500,000		
Singoromik Primary School		500,000		
Kapsegut Primary School		500,000		
Koirir Primary School		500,000		
Baregewet Primary School		500,000		
Tuiyobei Primary School		500,000		
Motero Primary School		500,000		
Sumbicho Primary School		500,000		
Kapndege Primary School		500,000		
Sertwet Primary School		250,000		
Kapigoro Primary School		300,000		
Kebimbir Primary School		500,000		
Chebete Primary School		300,000		
Kamolok Primary School		500,000		
Kapkochei Primary School		500,000		
Kimorogo Primary School		500,000		
Simbamoi Primary School		500,000		

**FUND ACCOUNT MANAGER**  
**NG-CDF SIGOWET / SOIN**  
**P. O. BOX 1837-20200**  
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Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Tumoyot Primary School		500,000		
Sisionuk Primary School		1,000,000		
Kapilieli Primary School		500,000		
Kaplelwa Primary School		500,000		
Kabaswet Primary School		500,000		
Chemegong Primary School		300,000		
Kapsewa Primary School		300,000		
Kongerren Primary School		400,000		
Kibirirgut Primary School		700,000		
Kapchebwai Secondary School		400,000		
Kaplelartet Secondary School		2,300,000		
Kipsamoi Secondary School		500,000		
Marumbasi Secondary School		300,000		
Tabaita Secondary School		500,000		
Iraa Girls High School		1,700,000		
Itibet Secondary School		500,000		
Kaptalamwa Secondary School		600,000		
Kejinet Secondary School		600,000		
Kileges Secondary School		600,000		
Simbi Secondary School		200,000		
Ng'eny Koiborot Secondary School		2,100,000		
Kapkeburu Secondary School		500,000		
KMTC-SIGOWET CAMPUS		2,100,000		
<b>Sub-Total</b>		<b>27,680,000</b>		
<b>Amounts due to other grants and other transfers</b>				
Bursary Secondary Schools		350,214		
Bursary Tertiary Institutions		200,876		
Tabaita Chief Office		400,000		
Ass Chief's Office Kejinet		200,000		
Kapsorok Ap Camp		400,000		
Ass Chief's Office Simbamoo		200,000		
Ass Chief's Office Kaplelartet		500,000		
Sports		1,736,207		
Environment Activities		1,500,000		
Emergency		4,368,966		

  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SIGOWET/SOIN CONSTITUENCY**  
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Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Sub-Total		9,856,263		
Sub-Total				
Acquisition of assets				
<b>Others (specify)</b>				
Constituency Innovation Hubs		4,677,027		
Sub-Total		4,677,027		
Allocation Awaiting Approval		11,379,310		
Sub-Total		11,379,310		
Grand Total		55,776,510		

  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018 (Kshs'000)**

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

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land				
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	179,300			179,300
ICT Equipment, Software and Other ICT Assets	534,900			534,900
Other Machinery and Equipment	4,970,315			4,970,315
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>5,684,515</b>			<b>5,684,515</b>

**NOTES**

- There were no additional nor disposal of fixed assets made during this financial year.

  
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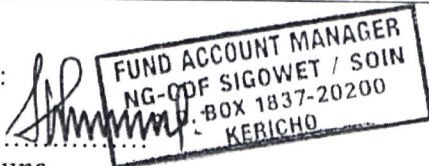
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018 (Kshs'000)**

TRIAL BALANCE AS AT 30TH JUNE 2018			
		DR	CR
<b>Cash and Cash equivalents</b>			
	Bank Balances	992,027	
	Cash Balances	0.00	
	Outstanding Imprest	0.00	
<b>Payments</b>			
	Compensation of Employees	997,548	
	Use of goods and services	5,818,744	
	Transfers to Other Government Units	7,850,000	
	Other grants and transfers	26,234,124	
	Acquisition of Assets	000	
	Other Payments	3,400,000.00	
<b>Receipts</b>			
	Transfers from the Board		43,405,172.00
	Proceeds from sale of assets		0.00
	Others receipts		0.00
<b>Fund Balance b/f</b>			1,887,271.00
<b>TOTAL</b>		<b>45,292,443.00</b>	<b>45,292,443.00</b>

Prepared by:



Francis Lemuna  
Fund Account Manager  
Sigowet/Soin NG-CDF

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018 (Kshs'000)**

**ANNEX 4 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2018**

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Kapkekoi Primary School	CO-OP	0113960343800	3,485.00	
Boito Primary School	CO-OP	01139752264900	5,200.00	
Chebiri Primary School	CO-OP	01139603740400	200.00	
Kiptenden Primary School	KCB	1168451213	1,000.00	
Sugutek Primary School	CO-OP	01139604790100	NIL,000.00	
Asenwet Primary School	CO-OP	01139604771800	450.00	
Motero Day Secondary Sch	KCB	1154160890	200.00	
Chepkochun Primary School	CO-OP	01139604126200	51,400.00	
Kalyongwet Secondary Sch	CO-OP	01139603694900	880	
Koyabei Primary School	CO-OP	01139054146100	7,600	
AIC Kakibei Secondary School	CO-OP	01139604970700	3,000.00	
Nyaberi Secondary School	KCB	1160871957	NIL	
Chief's Office Chepkemel	CO-OP		250.00	
Kakibei Secondary School	CO-OP		NIL	
Kalyongwet Primary School	CO-OP		NIL	
Cheptuiyet Girls Secondary School	CO-OP		NIL	
Kibirirgut Primary School	CO-OP	01109335627400	NIL	
<b>Total</b>			<b>73,665</b>	

  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
SIGOWET/SOIN CONSTITUENCY**

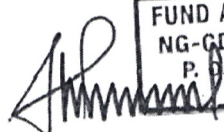
**Reports and Financial Statements**

**For the year ended June 30, 2018 (Kshs'000)**

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. Un-implemented Projects at Sosur Primary School - Kshs 800,000 Observations	Sigowet/Soin CDF remitted Kshs 800,000 to Sosur Primary School for part-purchase of 1 acre of land at Kshs. 150,000, construction of one classroom at Kshs. 500,000 and construction of toilets to completion at Kshs. 150,000. The amount was remitted vide payment voucher No. 888 of 24 February 2017. However, during an audit verification on 30 May 2018, it was noted that the projects had not started. Further, the PMC did not provide the bank statement showing that the cash is still held in the project bank account.	<i>We wish to confirm that after the NG-CDF Committee disbursed the said amount to the Primary School Account, the school management held a meeting and resolved to change the project activity from Construction of classroom to purchase of land as that being thier priority projects since the school owns a small peice of land. The management further forwarded the same request to NG-CDFC of which the Committee wrote a letter to the NG-CDF Board on the same. During the time of audit review, the Committee did yet received an approval from the Boad</i>	Fund Account Manager and PMCs	Resolved	2 Weeks

 **FUND ACCOUNT MANAGER  
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**For the year ended June 30, 2018 (Kshs'000)**

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><i>on the change of project activity. All the disbursed amount is still intact at the school account as per the attached bank statement.</i></p> <p><i>Attached herewith are the minutes of the school and a request letter to NG-CDF Committee, letter to NG-CDF Board and the bank Statement for further verification.</i></p> <p><i>The project's bank statements are hereby attached for verification on prudence use of the project funds.</i></p>			
2. Unconfirmed Expenditure on Projects at Koiyat	Sigowet/Soin NG-CDF remitted a total of Kshs 1,620,00 to Koiyat Primary School for purchase of one acre of land at Kshs. 1,120,000 and construction of one classroom at Kshs. 500,000. The amount was	<p><i>The management have noted the above anomaly with a lot of concern and we have taken serious measures to rectify the mess. The CDFC further had approved a sensitization program to all PMCs to rollout a civil education to all PMCs across the whole constituency on procurement procedures and</i></p>	Fund Account Manager and PMCs	Resolved	2 Weeks

 **FUND ACCOUNT MANAGER  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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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)
Primary School - Kshs 1,620,000	remitted vide cheques No. 2702 of 6 August 2016 of Kshs. 800,000 and 2966 of 22 December 2016 of Kshs. 820,000. During an audit verification on 30 May 2018, the PMC did not provide land ownership documents to confirm the purchase. The PMC did not adhere to the project specifications to construct one classroom, and instead constructed two, both of which were incomplete. Further the PMC did not provided the bank statement for the project account for verification of how the funds had been utilised.	<i>all other matters relating to project implementation to help them understand the process of project management and implementation. We have already requested another proposal to complete the two classrooms and attached. Additionally, the land ownership documents and the project bank statements are hereby attached to help you further verify the how the cash were spent.</i>			
3. Unproductive Boreholes at KMTC Soin/Sig	Soin/Sigowet budgeted to spend Kshs. 12,570,000.00 (5,570,000 in the FY 2015/2016 & 7,000,000 in the FY 2016/2017) for the construction of Kenya Medical Training College	Two boreholes were drilled at various land parcels at KMTC Sigowet after a proper geological survey was done as recommended. The major problem with the hydrological survey is that,	PMCS Fund Account Manager	Resolved	2 Weeks

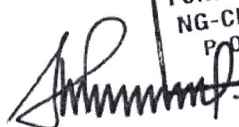
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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**For the year ended June 30, 2018 (Kshs'000)**

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)
owet- Kshs. 2,474,960	(KMTC) in the region. The funds were to be used for purchase of land, construction of administration block, 4 lecture rooms, purchase of chairs and drawers as well as water works as documented in their approved code lists for the financial years 2015/16 and 2016/17. A site verification revealed that most of the works were complete and ready for use. However, the water supply was not complete and not in use since two boreholes that were sunk a firm, Fountain Vent Ltd at a total cost of Kshs. 2,474,960 (1,186,700 for the 1 <sup>st</sup> borehole and 1,288,260 for the 2 <sup>nd</sup> borehole) were dry and without water for the new institution. The payments to	one cannot foretell the quantity or the exact amount of water in the borehole site but majority rely on predictions. The first borehole was drilled and has a little amount of water in it but not such sufficient to warrant further developments. The amount of water was 1.4 M3/HR for 1HR 50Mins, this therefore translates to 23.3Litres/Minute. The major challenge with this borehole was the recovery period. The borehole has poor recharge hence not economical to develop. The second borehole was later drilled after another geological survey was carried out, the amount of water found had an average of 1.4M3/HR for 6HRS. This			

  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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Reports and Financial Statements  
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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)
	Fountain Vent Ltd were made as follows:	<p>therefore translates to 50 Litres of water per Minute I.e (50 x 60 x 6 = 18,000 LTRS). The recovery period for this borehole was 5HRS.</p> <p>If the institution will develop this borehole which we hope so, it will have to pump the water for 6HRS and wait again for another 5HRS before the next pumping. This though largely depends on the institutions' population and the maximum water usage of 80 Ltrs per head per day as per the Public Health recommendations.</p> <p>We therefore wish to confirm that indeed the two boreholes have some amount of water and not such dry as per the attached TEST PUMPING REPORT.</p> <p>The contractor for borehole</p>			

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SIGOWET/SOIN CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018 (Kshs'000)**

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>drilling works (Fountain Vent Limited) was paid only for the services he rendered i.e drilling of the holes.</p> <p>The contractor drilled as per the geological survey report whereby he was to drill the hole and if sufficient water was found, he then develops the boreholes by equipping and piping. This therefore means, he was not contracted to drill a hole in anticipation of water and that's what he was paid for.</p> <p><b>Mitigation Measures</b></p> <p>The second borehole needs to be developed for the institutions' use since it has a reasonable amount of water from the aquifer.</p>			

*[Signature]*  
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