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REPORT

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OF

THE AUDITOR-GENERAL

ON

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

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



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

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NORTH HORN 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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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.

(b) Key Management

The NGCDF NORTH HERR 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	SULEIMAN GUYO ROBA
2.	Sub-County Accountant	SIMON KARANJA
3.	Chairman NGCDFC	DR. IBRAE HOSEA UMURO
4.	Secretary NGCDFC	DENGE BONAYA ROBA

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -NORTH HERR 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.

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NORTH HORR CONSTITUENCY
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(e) NGCDF NORTH HORR Constituency Headquarters

P.O. Box 165-60500
Annmaria House
Behind Deputy County Commissioners Office,
Marsabit, KENYA

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NORTH HORR CONSTITUENCY
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NGCDF NORTH HORR Constituency Contacts

Telephone: (254) 0723876000
Email: cdfnorthhorr@ngcdf.go.ke
Website: www.ngcdf.go.ke

NGCDF NORTH HORR Constituency Bankers

Kenya Commercial Bank Ltd,
Marsabit
P.O. Box, Marsabit, Kenya

Independent Auditors

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

Principal Legal Adviser

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HERR CONSTITUENCY
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For the year ended June 30, 2019**

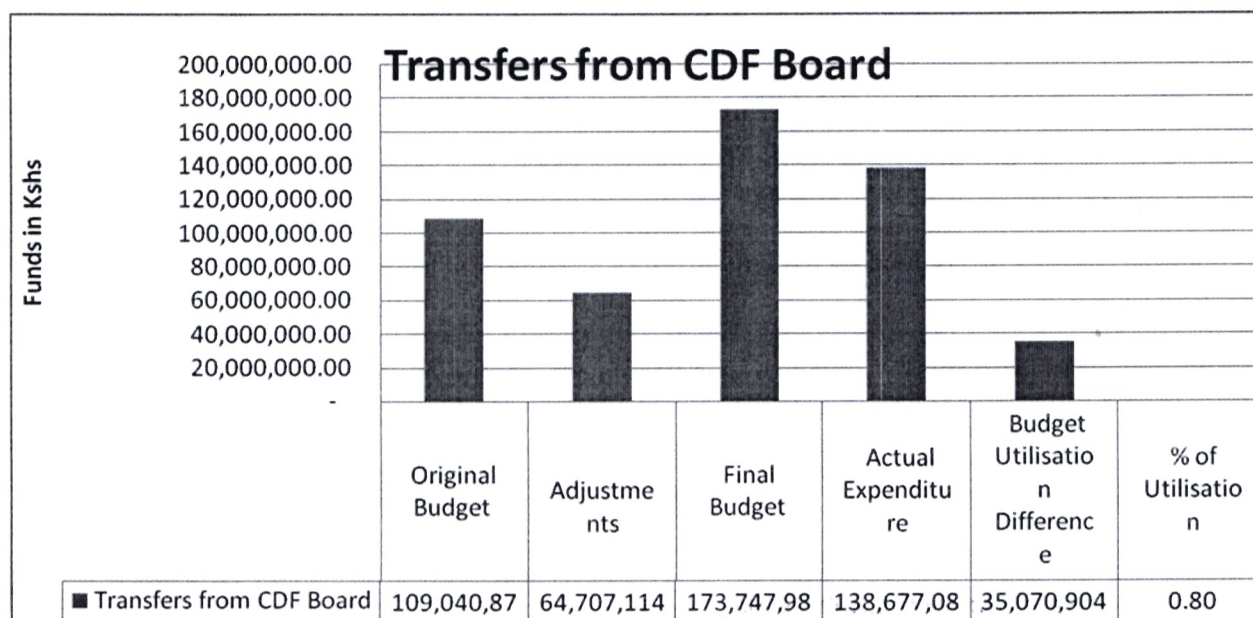
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Here is the close of another financial year 2018/19 in the history of NGCDF. Through the Initiative of the GOK, North Horr stands as one of the constituencies that had tremendous achievement in the implementation of public projects geared towards social-economic development of the region.

Since its inception NGCDF has stood with us as a unique government programme that had uplifted the living standards of our people. Through NGCDF we have had uncountable number of classrooms started in North Horr, Eight Secondary Schools initiated and thousands of students sponsored in Secondary Schools, Colleges and Universities. In Support of the Presidents Big 4 Agenda, North Horr NGCDF has supported students undertaking Medical and Teaching Courses.

NGCDF had helped this constituency realised some dreams which have been delayed or wouldn't have been possible to achieve in North Horr Constituency.

During the Fiscal year 2018/19, North Horr NGCDF received Kshs 171,631,011. The Constituency was able to utilise Kshs 138,602,017 of these funds which is an (81%) Utilization. Though the reports indicate the funds haven't been utilised, in actual sense all the annual budget have been committed and various projects have driven immense benefit from the funds. This in return was of immense value to the community.



NGCDF was able to implement various development projects in the constituency which have added value to the services and development programmes essential for the achievement of social-economic progress in the society. In Line with Government Vision to realise economic growth in the regions, it has spurred vibrant life among local communities. Among the successful public projects implemented through NGCDF include:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HARR CONSTITUENCY
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- **Wacha Girls High School;** The Girls School was financed from scratch and now has almost all structures completed. The School has an enrolment of over 120 pupils and is currently having the first lot admitted in Form Two.
 - **North Horr Technical Training Institute;** The Project was co-funded with the Ministry of Education and in the Financial Year 2018/19 alone NG-CDF had injected Kshs 11,100,000 for infrastructure development in the institution. Through NG-CDFC staff quarters and fencing works was implemented.
 - **Wolbi High School-Formerly Hon Dr Godana Memorial School** has seen a major facelift and infrastructure improvement which includes classroom and dormitory constructions. The School has a population of over 500 pupils who are benefiting from NGCDFC Bursary Scholarships.
- NGCDFC is making critical investments in public projects and the demands for NGCDF projects is rising by day. North Horr NGCDFC has paid over Kshs 30 Million in Bursary during the Financial year which was still inadequate.

Despite the minimal annual allocation, NGCDF had tried to balance the needs of the community and priority development activities at location and ward levels. Every Year North Horr NGCDFC convenes a public forum where members of the public gather to give their priority projects. Based on the needs raised funds are allocated to implement various projects.

However, much NGCDFC tries to balance the needs, still more challenges abound. These include increased needs due to awareness creations, minimal funding, competition over the scarce funds by various projects and communities, political influences from competitors and limited functions. Since NGCDFC is a National Government Fund, it is only allowed by Law to finance National Government functions.

Through proper planning, NGCDFC North Horr is able to balance the needs of the projects and ensure key priority projects that have maximum impact on the community are financed.

As North Horr NGCDFC Chair I wish to give the following recommendations to the Government and other stakeholders to help NGCDFC realise its development dreams:

- 1. That at least the NGCDFC funding be raised from the current 2.5% of the revenue to a higher percentage to ensure increased funding to support development projects at the grassroots.
- 2. That NGCDFC has since inception done wonderful grassroots development programmes.
- 3. That NGCDFC be allowed to fund projects that falls outside the national government functions to ensure an all inclusive development projects that covers all sectors.
- 4. That NGCDFC be given an opportunity to partner with Donors and other development partners such as World Bank and International Donor Agencies to promote development projects in the communities.


Moses Ibrae Umuro
North Horr NGCDFC Chairman



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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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 the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-NORTH HORR 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-NORTH HORR 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-NORTH HORR's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-NORTH HORR Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF-NORTH HORR 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.

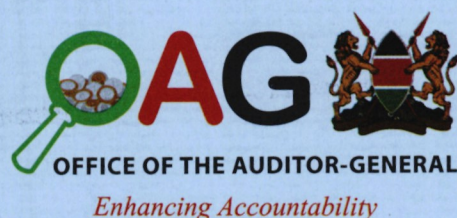
Approval of the financial statements

The NGCDF-NORTH HORR Constituency financial statements were approved and signed by the Accounting Officer on 5th August 2019.

 Fund Account Manager Name: Suleiman Guyo ICPAK M. No: 20979	 NORTH HORR NC FUND ACCOUNT MANAGER Date: P.O. BOX 162-60500, MARSABIT	 Sub-County Accountant Name: Simon Karanja ICPAK M. No: 17834
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REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NORTH HERR 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 - North Horr Constituency set out on pages 9 to 35, which comprise of the statement of assets and liabilities as at 30 June, 2019, 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 the National Government Constituencies Development Fund - North Horr Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Cash and Bank Balances

As disclosed in Note 10A to the financial statements, the statement of assets and liabilities reflects a cash and cash equivalents balance of Kshs.33,028,994. However, the bank reconciliation statement showed unpresented cheques totalling to Kshs.5,606,563 which further included stale cheques amounting to Kshs.147,987 that had not been written back into the cashbook, thereby understating the cashbook balance by the same amount.

Consequently, the accuracy, completeness and validity of cash and cash equivalents balance of Kshs.33,028,994 reflected in the statement of assets and liabilities as at 30 June, 2019 could not be confirmed.

2. Unsupported Transfers to Other Government Entities

As disclosed in Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other government entities totalling to Kshs.73,185,220. The balance includes an amount of Kshs.2,025,000 transferred to North Horr Girls Secondary School, under transfers to secondary schools, for the supply and delivery of fifty (50) double decker beds and two hundred (200) mattresses after a fire inferno that destroyed one of the dormitories. However, it was noted that the mattresses were double the number required for the fifty (50) double decker beds. No explanation was availed as to why an excess one hundred (100) mattresses costing Kshs.725,000 were supplied.

Further, the Management did not provide procurement documents including summaries of the proceedings of the opening of quotations, evaluation and comparison of the tenders, proposals or quotations, including the evaluation criteria used and completion certificates or goods received notes.

In addition, a physical verification and information from the school management revealed that the beds were not purchased but instead, the burnt beds were repaired but the cost remained the same.

In the circumstance, the accuracy, completeness and validity of the expenditure amounting to Kshs.2,025,000 for the year ended 30 June, 2019 could not be confirmed.

3. Unsupported Bursaries

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and other payments amount of Kshs.53,377,290. The balance includes bursaries totalling to Kshs.38,215,265. However, supporting documents including the selection criteria and Bursary Selection Committee minutes were not provided.

Further, the Management did not provide acknowledgements of bursaries amounting to Kshs.35,003,737 from the beneficiary institutions.

In the circumstances, the accuracy, completeness and validity of bursaries totalling to Kshs.35,003,737 for the year ended 30 June, 2019 could not be confirmed.

4. Inaccuracy in Committee Bank Balance

Note 15.4 to the financial statements reflect a nil Project Management Committees (PMC) accounts balance. However, Annex 5 to the financial statements reflects an amount of Kshs.2,716,826 in respect to PMC account balance resulting to an unexplained variance of the same amount.

Consequently, the accuracy of the nil PMC account balance as at 30 June, 2019 could not be confirmed.

5. Inaccuracy in Summary of Fixed Assets Register

Annex 4 to the financial statements reflects fixed assets opening balance of Kshs.8,885,096. However, the closing balance of fixed assets as per the audited

2017/2018 financial statements was Kshs.19,486,662 resulting to an unexplained variance of Kshs.10,601,566.

Consequently, the accuracy, completeness and validity of the fixed assets totalling to Kshs.8,885,096 as at 30 June, 2019 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.173,747,990 and Kshs.171,631,011 respectively, resulting to an under-funding of Kshs.2,116,979 or 1% of budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.173,747,990 and Kshs.138,602,017 respectively, resulting to an under expenditure of Kshs.35,145,973 or 20% of the budget.

The underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. In the report on follow up of progress on audit recommendations, Management has indicated all issues as resolved. However, the Management has not provided supporting documents on the how the issues were resolved or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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. Non-compliance with Public Sector Accounting Standards Board Requirements

The statement of receipts and payment, statement of cash flows and the summary statement appropriation do not indicate that they are for the “year ended 30 June, 2019” while the statement of assets and liabilities does not indicate that it is “as at 30 June, 2019” contrary to International Public Sector Accounting Standard Board (IPSAS) one (1). This is contrary to the template Public Sector Accounting Standards Board templates and The National Treasury’s Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

Consequently, the Management is in breach of the law.

2. Delay in Strategic Plan Preparation

Review of records indicated that the Management paid an amount of Kshs.2,310,000 for the Fund’s 2018 – 2022 strategic plan. The consultant was to complete the work by 30 June, 2019. However, as at the time of the audit in December, 2019 the strategic plan had not been submitted to the Fund.

In the circumstance, it was not possible to ascertain the propriety and value for money for the Kshs.2,310,000 expenditure for the year ended 30 June, 2019.

3. Lack of Project Implementation Status Report

As disclosed in Note 6 and 7 to the financial statements, the statement of receipts and payments reflect Kshs.73,185,220 and Kshs.53,377,290 in respect to transfers to other government entities and other grants and other payments respectively both totalling to Kshs.126,562,510. The balance includes unknown amounts dispatched to various institutions to implement projects during the year. However, the project implementation status report was not provided.

In the circumstances, it has not been possible to ascertain the implementation status of projects for the year ended 30 June, 2019.

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 I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the 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 Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi


08 October, 2021

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


STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019 Kshs	2017-2018 Kshs
RECEIPTS			
Transfer from CDF board	1	161,708,380	74,353,447
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
Total RECEIPTS		161,708,380	74,353,447
PAYMENTS			
Compensation of employees	4	2,372,218	2,335,916
Utilities and services	5	9,667,289	6,338,709
Transfer to Other Government Units	6	73,185,220	31,956,896
Capital grants and transfers	7	53,377,290	32,744,649
Acquisition of Assets	8	-	-
Contingents	9	-	-
Total PAYMENTS		138,602,017	73,376,170
Surplus/DEFICIT		23,106,363	977,277

The accompanying policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NORTH HERRING Constituency financial statements were approved on 5th August 2019 and signed by:


 Fund Account Manager
 Name: Simon Guyo
 ICN No: 20979




 Sub-County Accountant
 Name: Simon Karanja
 ICPAK M. No: 17834

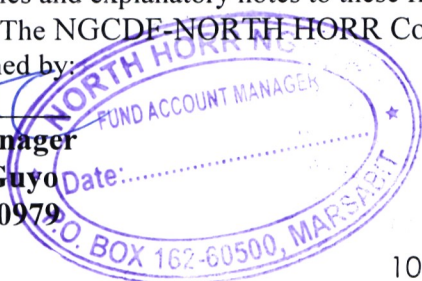
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF),
NORTH HORR CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019 Kshs	2017-2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	33,028,994	9,922,631
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		33,028,994	9,922,631
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		33,028,994	9,922,631
FINANCIAL LIABILITES			
Accounts Payable		-	-
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		33,028,994	9,922,631
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	9,922,631	8,945,354
Surplus/Defict for the year		23,106,363	977,277
Prior year adjustments	14	-	-
NET LIABILITIES		33,028,994	9,922,631

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NORTH HORR Constituency financial statements were approved on 5th August 2019 and signed by:

Fund Account Manager
Name: Suleiman Guyo
ICPAK M. No: 20979



Sub-County Accountant
Name: Simon Karanja
ICPAK M. No: 17834

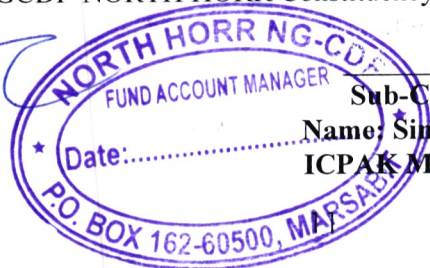
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HERR CONSTITUENCY
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For the year ended June 30, 2019

STATEMENT OF CASHFLOW

			2018 - 2019	2017 - 2018
			Kshs	Kshs
Receipts from CDF Board	1		161,708,380	74,353,447
Grants	3		-	-
Total Receipts			161,708,380	74,353,447
Payments for:				
Compensation of Employees	4		2,372,218	2,335,916
Utilities and services	5		9,667,289	6,338,709
Other Government Units	6		73,185,220	31,956,896
Grants and transfers	7		53,377,290	32,744,649
Other payments	9		-	-
Total Payments			138,602,017	73,376,170
Total Receipts Less Total Payments			23,106,363	977,277
Change in:				
Prepaid Imprest	11		-	-
Prepaid	12A		-	-
Accounts payable	12B		-	-
Investment	14		-	-
Total Payments			-	-
Total Cash flow from operating activities			23,106,363	977,277
CASH FROM INVESTING				
Proceeds from Sale of Assets	2		-	-
Acquisition of Assets	8		-	-
Total Cash from Investing Activities			-	-
NET INCREASE IN CASH AND CASH			23,106,363	977,277
Cash equivalent at BEGINNING of	13		9,922,631	8,945,354
Cash equivalent at END of the			33,028,994	9,922,631

The policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NORTH HERR Constituency financial statements were approved on 5th June 2019 and signed by:

Accountant
 Guyo
 20979



Sub-County Accountant
 Name: Simon Karanja
 ICPAK M. No: 17834

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HOKR CONSTITUENCY
Reports and Financial Statements
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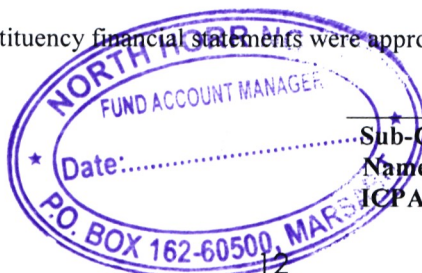
**VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT
 COMBINED**

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	109,040,876	64,707,114	173,747,990	171,631,011	2,116,979	99%
Proceeds from Sale of Assets	0	-	-	-	-	
Other Receipts	0	-	-	-	-	
TOTAL	109,040,876	64,707,114	173,747,990	171,631,011	2,116,979	99%
PAYMENTS						
Compensation of Employees	2,692,800	1,016,858	3,709,658	2,372,218	1,337,440	64%
Use of goods and services	7,120,879	3,812,491	10,933,370	9,667,289	1,266,081	88%
Transfers to Other Government Units	49,402,199	40,984,483	90,386,682	73,185,220	17,201,461	81%
Other grants and transfers	49,824,998	18,893,282	68,718,280	53,377,290	15,340,991	78%
TOTAL	109,040,876	64,707,114	173,747,990	138,602,017	35,145,973	80%

- (a) The revenue items exclude the AIA for the Year 2018/19. The Constituency did not realise any AIA. The adjustments comprise of funds for the Fiscal Year 2017/18 not received as at 30th June 2017/18 and the Balance of the funds received but not utilised (Cash Book Balance).
- (b) The Constituency had no over utilization during the year. The total utilization of the Annual budget stood at 80% which is a significant improvement over the other years.
- ✓ The Compensation of Employees scored a utilization percentage of 62% for the year. This results from a balance brought forward from previous years.
 - ✓ Use of goods and services had a utilization of 89% for the year. This is also as a result of balance brought forward and late receipt of funds that did not allow the Committee to disburse all the received funds.
 - ✓ Transfer to other Government Entities had a utilization of 81% and this emanated from the late receipt of the funds from the Board and inability of the NGCDFC to meet and disburse the available funds to the projects due to limited time. The Committee wished that before the disbursement proper due diligence be observed by ensuring all projects are thoroughly inspected.
 - ✓ Other Grants and Transfers stood at 78% and this resulted from the delay in receipt of funds from the Board.

The NGCDF-NORTH HOKR Constituency financial statements were approved on 5th August 2019 and signed by:

Fund Account Manager
 Name: Suleiman Guyo
 ICPAK M. No: 20979



Sub-County Accountant
 Name: Simon Karanja
 ICPAK M. No: 17834

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HOKUR CONSTITUENCY
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VI BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference	
	2018/2019		2018/2019	2018/2019	2018/2019	
	Kshs	Kshs	Kshs	Kshs	Kshs	
Education						
Salaries	2,692,800		2,692,800	2,372,218	320,582	
Grants	2,823,653		2,823,653	2,659,389	164,263	
Expenses	1,026,000	951	1,026,951	1,010,000	16,951	
Grants		343,350	343,350		343,350	
Expenses		703,529	703,529		703,529	
	6,542,453	1,047,829	7,590,282	6,041,607	1,548,675	
Health and Evaluation						
Salaries	396,226	37,291	433,518	234,800	198,718	
Expenses	570,000	14,458	584,458	545,800	38,658	
Grant of	2,305,000	429,770	2,734,770	2,727,300	7,470	
	3,271,226	481,520	3,752,746	3,507,900	244,846	
	5,738,993		5,738,993	6,045,000	-306,007	
		902,447	902,447		902,447	
	5,738,993	902,447	6,641,440	6,045,000	596,440	
Social Security Programme						
Salaries	25,000,000	6,433,777	31,433,777	25,813,301	5,620,476	
Grants	10,924,369	6,778,000	17,702,369	12,477,032	5,225,337	
Expenses	0	1,211,063	1,211,063	1,200,000	11,063	
	35,924,369	14,422,840	50,347,209	39,490,333	10,856,876	
Salaries	2,180,818		2,180,818	0	2,180,818	
Grants		130,789	130,789	0	130,789	
	2,180,818	130,789	2,311,606	1,079,000	2,311,606	
School	2,180,818		2,180,818		2,180,818	
		1,507,759	1,507,759	3,917,025	-2,409,266	
		228,448	228,448		228,448	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HARR CONSTITUENCY
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Sub-Total	2,180,818	1,736,207	3,917,025	3,917,025	0	
7.0 Primary School Projects						
Balesa Primary school	3,000,000		3,000,000	3,000,000	0	
Balesa Saru Primary		1,000,000	1,000,000	1,000,000	0	
Balesa Saru Primary		600,000	600,000	600,000	0	
Balesa Saru Primary		1,700,000	1,700,000	1,700,000	0	
Baqaqa primary school	1,000,000		1,000,000		1,000,000	
Barambate Primary school	1,700,000		1,700,000	1,700,000	0	
Barambate Primary school	300,000		300,000	300,000	0	
Barambate Primary school		1,400,000	1,400,000	1,400,000	0	
Bishop Cavallera Pry	916,979		916,979		916,979	
Bishop Cavallera Pry	900,000	1,000,000	1,900,000	1,000,000	900,000	
Bubisa Primary School		500,000	500,000	500,000	0	
Chalbi Muslim Pry Sch		1,200,000	1,200,000	1,200,000	0	
Dukana Primary school	2,500,000		2,500,000	2,500,000	0	
El-Isacko Mala primary school	1,500,000		1,500,000		1,500,000	
Forole Pry Sch		584,483	584,483		584,483	
Gas Primary School	1,600,000		1,600,000		1,600,000	
Illeret Primary school	1,500,000		1,500,000		1,500,000	
Malabot Primary school	1,500,000		1,500,000		1,500,000	
North Horr Pry Sch		1,500,000	1,500,000	1,500,000	0	
Qorqa Primary school	2,000,000		2,000,000		2,000,000	
Ririba Girls Boarding Pry	1,200,000	1,000,000	2,200,000	1,000,000	1,200,000	
Ruso Primary School		1,000,000	1,000,000	1,000,000	0	
Segel Primary school	1,685,220		1,685,220	1,685,220	0	
Turbi Nomadic Girls Primary School	2,800,000		2,800,000		2,800,000	
Sub-Total	24,102,199	6,784,483	35,586,682	20,085,220	15,501,462	
8.0 Secondary School Projects						
Kalacha Girls High	1,700,000		1,700,000	1,700,000	0	

FEDERAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HORN CONSTITUENCY
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High	5,900,000		5,900,000	5,900,000	0	
Pool	2,000,000		2,000,000	2,000,000	0	
Pool	3,500,000		3,500,000	3,500,000	0	
Pool	4,400,000		4,400,000	4,400,000	0	
Pool	1,600,000		1,600,000	1,600,000	0	
High		500,000	500,000	500,000	0	
High		1,500,000	1,500,000	1,500,000	0	
High		700,000	700,000	700,000	0	
High		1,000,000	1,000,000	1,000,000	0	
Sec		4,200,000	4,200,000	4,200,000	0	
Sec		1,300,000	1,300,000	1,300,000	0	
High		4,000,000	4,000,000	4,000,000	0	
High		2,500,000	2,500,000	2,500,000	0	
Sec		3,000,000	3,000,000	3,000,000	0	
Pool		2,000,000	2,000,000	2,000,000	0	
Pool		2,200,000	2,200,000	2,200,000	0	
Pool	1,400,000		1,400,000	1,400,000	0	
Pool	1,500,000		1,500,000	1,500,000	0	
High	900,000		900,000	900,000	0	
			0			
			0			
	22,900,000	22,900,000	44,900,000	45,800,000	0	
ts						
g	2,800,000		2,800,000	2,800,000	0	
g		8,300,000	8,300,000	8,300,000	0	
			0			
	2,800,000	8,300,000	11,100,000	11,100,000	0	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HERRING CONSTITUENCY
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10.0 Security Projects						
Shurr AP line	3,800,000	1,000	3,801,000	2,300,000	1,501,000	
Illeret D.O's Office		1,700,000	1,700,000	1,700,000	0	
Sub-Total	3,800,000	1,701,000	5,501,000	4,000,000	1,501,000	
11.0 Acquisitions of Assets						
12.0 Others						
Strategic Plan		3,300,000	3,300,000	2,310,000	990,000	
Sub-Total	0	3,300,000	3,300,000	2,310,000	990,000	
GRAND TOTAL	109,440,876	61,707,114	174,947,990	143,376,085	33,550,905	
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
0	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS	0	0	0	0	0	0%
Transfers from CDF Board	109,040,876	64,707,114	173,747,990	171,631,011	2,116,979	99%
Proceeds from Sale of Assets	0	0	0	0	0	
Other Receipts	0	0	0	0	0	
TOTAL	109,040,876	64,707,114	173,747,990	171,631,011	2,116,979	99%
PAYMENTS	0	0	0	0	0	
Compensation of Employees	2,692,800	1,016,858	3,709,658	2,372,218	1,337,440	64%
Use of goods and services	7,120,879	3,812,491	10,933,370	9,667,289	1,266,081	88%
Transfers to Other Government Units	49,402,199	40,984,483	90,386,682	73,185,220	17,201,461	81%
Other grants and transfers	49,824,998	18,893,282	68,718,280	53,377,290	15,340,991	78%
TOTAL	109,040,876	64,707,114	173,747,990	138,602,017	35,145,973	80%

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

SIGNIFICANT ACCOUNTING POLICIES

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

Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Accounting Standards (IPAS) as prescribed by the Public Sector Accounting Standards (PSAS) and set out in the accounting policy note below. This cash basis of accounting has been applied to the following items: a) receivables that include imprests and salary advances and b) liabilities that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards (PSAS) and the accounting policies adopted have been consistently applied to all the years presented.

Reporting Entity

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

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.

Accounting Policies

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

Recognition of Receipts

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

Receipts

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

Receipts from the Exchequer

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NORTH HERRING CONSTITUENCY
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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.

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

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

of consideration and the fair value of the asset can be reliably established, a contra-asset account is recorded as receipt and as a payment.

Each 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.

In-kind contributions

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services other than in money or cash terms. These donations may include vehicles, equipment or 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 payments in equal and opposite amounts; otherwise, the contribution is not recorded.

Investments and Cash Equivalentents

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

Imprests Receivable

At the end of these financial statements, imprests and advances to authorised public officers and employees which were not surrendered or accounted for at the end of the financial year are shown as imprests receivable. This is in recognition of the government practice where the imprest payments are accounted for when fully accounted for by the imprest or AIE holders. This is an exception to the cash accounting policy. Other accounts receivable are disclosed in the financial statements.

Accounts Payable

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

Provision for Pending Bills

Provision for pending bills consist of unpaid liabilities at the end of the financial year arising from contracted services during the year or in past years. As pending bills do not involve the payment of cash during the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of

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

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.

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.

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 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.

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

ASSETS

RECEIPTS FROM OTHER GOVERNMENT AGENCIES

Description	AIE No.	2018-2019	2017 - 2018
		Kshs	Kshs
Normal Allocation	B005177	42,284,483	
	B005219	6,000,000	
	B030038	6,500,000	
	B030110	10,000,000	
	B006490	6,000,000	
	B005443	15,000,000	
	B042821	12,000,000	
	B042601	11,000,000	
	B047577	52,923,897	
			37,905,172.00
			30,948,275.10
			5,500,000.00
Conditional grants			-
Receipt from other constituency			-
TOTAL		161,708,380	74,353,447.10

RECEIPTS FROM SALE OF NON-FINANCIAL ASSETS

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Receipts from the Sale of Buildings	0	-
Receipts from the Sale of Vehicles and Transport Equipment	0	-
Receipts from the Sale of Plant Machinery and Equipment	0	-
Receipts from the Sale of Office and General Equipment	0	-
TOTAL	0	

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

3. OTHER RECEIPTS

	Description	2018-2019	2017 - 2018
		Kshs	Kshs
1410107	Interest Received	0	-
1410405	Rents	0	-
1420601	Sale of Tender Documents	0	-
1450207	Other Receipts Not Classified Elsewhere (specify)	0	-
	TOTAL	0	-

4. COMPENSATION OF EMPLOYEES

	Description	2018-2019	2017 - 2018
		Kshs	Kshs
2110201	Basic wages of contractual employees	1,986,299	2,227,021.60
2110202	Basic wages of casual labour	251,219	
	Personal allowances paid as part of salary		
2110301	House allowance		
2110314	Transport allowance		
2110320	Leave allowance		
2110326	Other personnel payments	68,100	
2120101	Employer contribution to NSSF	66,600	108,894.00
2710120	Gratuity-Paid		
	Gratuity-Accrued		
	TOTAL	2,372,218	2,335,915.60

5. USE OF GOODS AND SERVICES

	Description	2018-2019	2017 - 2018
		Kshs	Kshs
2210100	Utilities, supplies and services		64,029.00

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	Electricity		
	Water & sewerage charges		
0	Office rent	350,000	350,000.0
0	Communication, supplies and services	19,550	
0	Domestic travel and subsistence		
0	Printing, advertising and information supplies & services		
0	Rentals of produced assets		
	Training expenses	2,727,300	1,416,000.0
	Hospitality supplies and services	34,800	
0	Other committee expenses	2,143,000	996,700.0
	Committee allowance	722,000	2,283,570.0
	Insurance costs		68,850.0
	Specialised materials and services		
	Office and general supplies and services	356,270	24,560.0
	Fuel, oil & lubricants	700,000	
0	Other operating expenses		
0	Bank service commission and charges	4,369	
	Security operations		
	Routine maintenance - vehicles and other transport equipment	300,000	1,135,000.0
	Routine maintenance- other assets		
	Strategic Plan	2,310,000	
	TOTAL	9,667,289	6,338,709.0

TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Transfers to Primary Schools	20,085,220	26,500,000.00
Transfers to Secondary Schools	42,000,000	5,456,896.00
Transfers to Tertiary Institutions	11,100,000	
NET		
TOTAL	73,185,220	31,956,896.00

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7. OTHER GRANTS AND OTHER PAYMENTS

	Description		2018-2019	2017 - 2018
			Kshs	Kshs
2640101	Bursary -Secondary		25,738,233	18,121,364.0
2640102	Bursary -Tertiary		12,477,032	1,072,000.0
2640104	Bursary-Special schools		0	
2640105	Mocks & CAT		1,200,000	
2640507	Security		4,000,000	3,591,379.1
2640509	Sports		0	3,777,000.0
2640510	Environment		3,917,025	1,637,931.0
2640200	Emergency Projects		6,045,000	4,544,975.0
	TOTAL		53,377,290	32,744,649.1

8. ACQUISITION OF ASSETS

	<u>Non Financial Assets</u>		2018-2019	2017 - 2018
			Kshs	Kshs
3110102	Purchase of Buildings		0	-
3110202	Construction of Buildings		0	-
3110302	Refurbishment of Buildings		0	-
3110701	Purchase of Vehicles		0	-
3110704	Purchase of Bicycles & Motorcycles		0	-
3110801	Overhaul of Vehicles		0	-
3111001	Purchase of office furniture and fittings		0	-
3111002	Purchase of computers ,printers and other IT equipments		0	-
3111005	Purchase of photocopier		0	-
3111009	Purchase of other office equipments		0	-

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purchase of soft ware		0	-
acquisition of Land		0	-
TOTAL		0	-

PAYMENTS

AT HUB		0	-
Specify		0	-
Specify		0	-
TOTAL		0	-

FINANCES

Name of Bank, Account No. & currency	Account Number	2018-2019	2017 - 2018
		Kshs (30/6/2019)	Kshs (30/6/2018)
Kenya Commercial Bank, Marsabit Branch , North Hokr NG-CDF	1102641855	33,028,994	9,922,631.00

CASH ON HAND

	2018-2019	2017 - 2018
	Kshs (30/6/2019)	Kshs (30/6/2018)
Location 1	0	
Location 2	0	
Location 3	0	

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	Other receipts (specify)		0
	TOTAL		0

11. OUTSTANDING IMPRESTS

	<i>Name of Officer</i>	Date imprest taken	<i>Amount Taken</i>	<i>Amount Surrendered</i>
			<i>Kshs</i>	<i>Kshs</i>
			0	-
			0	-
			0	-

12. RETENTION

	Supplier/Contractor	PV No.	2018-2019	2017 - 2018
	ABC Ltd		xx	
	XYZ Ltd			xx
	TOTAL		xx	xx

13. BALANCE BROUGHT FORWARD

			2018-2019	2017 - 2018
			(1/7/2018)	(1/7/2017)
			Kshs	Kshs
	Bank accounts		9,922,631	8,945,354.00
	Cash in hand			-
	Imprest			-
	TOTAL		9,922,631	8,945,354.00

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ASSETS

	2018-2019	2017 - 2018
	Kshs	Kshs
Bank accounts		
Cash in hand	0	-
Imprest	0	-
TOTAL	0	-

LIABILITIES

ACCOUNT PAYABLES (SEE ANNEX 1)

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)			
	2018-2019	2017 - 2018	
	Kshs	Kshs	
Construction of buildings	0	-	
Construction of civil works	0	-	
Supply of goods	0	-	
Supply of services	245,000	-	
TOTAL	245,000	-	

STAFF PAYABLES (SEE ANNEX 2)

	2018-2019	2017 - 2018
	Kshs	Kshs
NGCDFC Staff	0	-
Others (specify)	0	-
	0	-

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15.3 UNUTILIZED FUNDS (SEE ANNEX 3)

			2018-2019	2017 - 2018
			Kshs	Kshs
	Compensation of employees		0	-
	Use of goods and services		0	-
	Amounts due to other Government entities		0	-
	Amounts due to other grants and other transfers		0	-
	Acquisition of assets			
	Others (<i>specify</i>)			
			xx	xx

15.4 PMC ACCOUNT BALANCES (SEE ANNEX 5)

			2018-2019	2017-2018
PMC	BANK	A/C NO	Kshs	Kshs
			xxx	xx

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1				
2				
3				
Sub-Total				
Others (<i>specify</i>)				
1				
2				
3				
Sub-Total				
Grand Total				

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UNUTILIZED FUNDS

	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Other Government				
	School Projects	0	3,000,000.00	
	School Projects	15,084,483	1,000,000.00	
	Institution Projects	0	-	
		15,084,483	4,000,000.00	
Other grants and				
		596,440	320,550.07	
		10,920,881	3,525,570.22	
		11,063	1,211,062.75	
		0	228,448.28	
		2,311,606	130,788.59	
		1,501,000	1,000.00	
		990,000	-	
		16,330,991	5,417,419.91	
Employees				
	Salaries	670,582	332,899.60	
		52,200	1,200.00	
		68,100	9,250.00	
		790,882	343,349.60	
Services				
	Office Expenses	16,951		

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			950.69	
15. M&E -Committee Expenses		38,658	14,458.35	
16. Admin -goods and services		558,084	20,770.45	
17. M&E-Goods and Services		198,718	37,291.35	
18. M&E -Capacity Building		7,470	88,390.70	
19. Admin-Office Equipment		2,759	-	
Sub-total		822,639	161,861.54	
Grand Total		33,028,994	9,922,631.05	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost
	(Kshs)			(Kshs)
	2017/18			2018/19
Land	~	0	~	~
Buildings and structures		0	~	
Motor Vehicles	8,700,000.00	0	~	8,700,000.00
Office equipment, furniture and fittings	185,096.00	0	~	185,096.00
ICT Equipment, Software and Other ICT Assets	~	0	~	~
Other Machinery and Equipment	~	0	~	~
Heritage and cultural assets	~	0	~	~
Intangible assets	~	0	~	~
Total	8,885,096.00	0	~	8,885,096.00

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

PMC	Bank	Account number	Bank Balance	Bank Balance
			2018/19	2017/18
Ruso Primary School	KCB Bank Marsabit	1215847092	-	(1,390.00)
Bubisa Primary School	KCB Bank Marsabit	1227068204	170.00	170.00
Balesa Saru Primary School pmc a/c	KCB Bank Marsabit	1232733571	4,785.00	50.00
Bishop Cavallera Primary Sch.	KCB Bank Marsabit	1178006557	-	(5,449.25)
North Horr Primary School	KCB Bank Marsabit	1182458343	2,740.00	1,740.00
Barambate Primary School	KCB Bank Marsabit	1172123780	6,806.00	36.00
Chalbi Muslim Primary School	KCB Bank Marsabit	1246357534	640.00	-
Segel Primary Sch Pmc A/C	KCB Bank Marsabit	1178209210	12,148.00	1,960
Ririba Girls Boarding Sch PMC/AC	KCB Bank Marsabit	1114357790	2,918.00	918.00
Balesa Primary School	KCB Bank Marsabit	1199368466	1,005.00	145.00
Dukana Primary School pmc a/c	KCB Bank Marsabit	1182623255	2,501,215.00	1,215.00
Kalacha Girls High School	KCB Bank Marsabit	1183204167	5,148.00	2,068.00
North Horr Girls Sec Sch	KCB Bank Marsabit	1246378418	760.00	-
Maikona Girls Sec School	KCB Bank Marsabit	1171781423	855.00	355.00
Russo Mixed Sec Sch PMC A/C	KCB Bank Marsabit	1155397215	1,112.00	32.00
Chalbi High school PMC A/C	KCB Bank Marsabit	1172726744	135,986.00	603,516.00
Turbi High School PMC A/C	KCB Bank Marsabit	1259387046	645.00	-
North Horr Technical Training Institute	KCB Bank Marsabit	1237654378	1,325.00	-
Illeret D.O's Office	KCB Bank Marsabit	1233255614	1,018.95	-
Shurr Administration Police line	KCB Bank Marsabit	1257078208	280.00	-
Qorqa Primary School PMC A/C	KCB Bank Marsabit	1237952123	37,269.50	-
			2,716,826.45	

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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 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)
	ALL AUDIT ISSUES RAISED HAVE BEEN RESOLVED	NO OUTSTANDING AUDIT ISSUES			