

REPUBLIC OF KENYA



## REPORT

OF

**THE AUDITOR-GENERAL**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 02 DEC 2021

DAY:

Thurs PM.

ON

TABLED  
BY:

LOMP.

CLERK-AT  
THE-TABLE:

B. Inzofu.

### NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – BARINGO SOUTH CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE, 2019







**NG-CDF**



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –BARINGO  
SOUTH CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

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

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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)**  
**BARINGO SOUTH CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

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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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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:

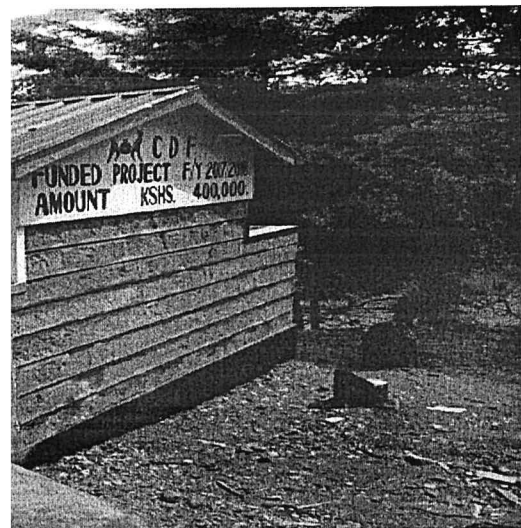
- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide 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**

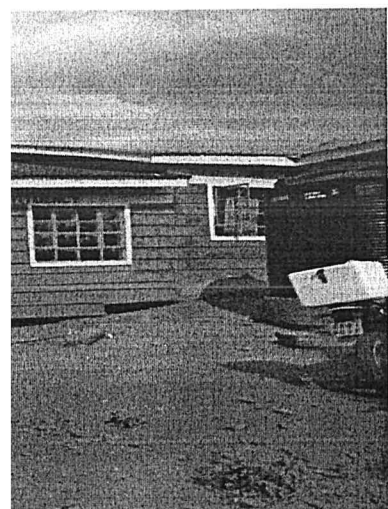
Equitable Socio-economic development countrywide

**Mission**

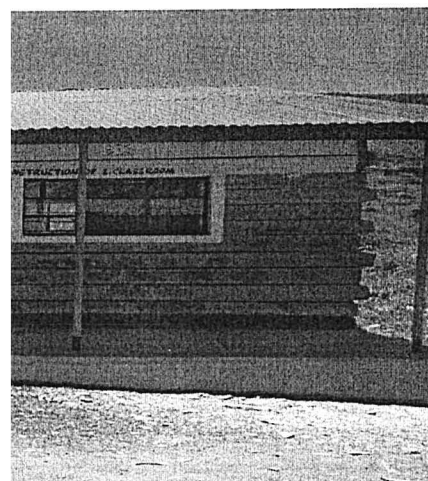
To provide leadership and policy direction for effective and efficient management of the Fund



toilets



rooms



room

Kenyans through our work  
s in making decisions about programmes we fund  
ervice  
of transparency, accountability, equity, inclusiveness  
ypment activities that meet the needs of the present  
rations to meet their own needs.

ay-to-day management is under the following key

velopment Fund Board (NGCDFB)  
elopment Fund Committee (NGCDFC)

uring the financial year ended 30<sup>th</sup> June  
were:

Name

Bungale Masudi

Festo K . Saina

Haron K Kipkochoi

Rosaline Kibet

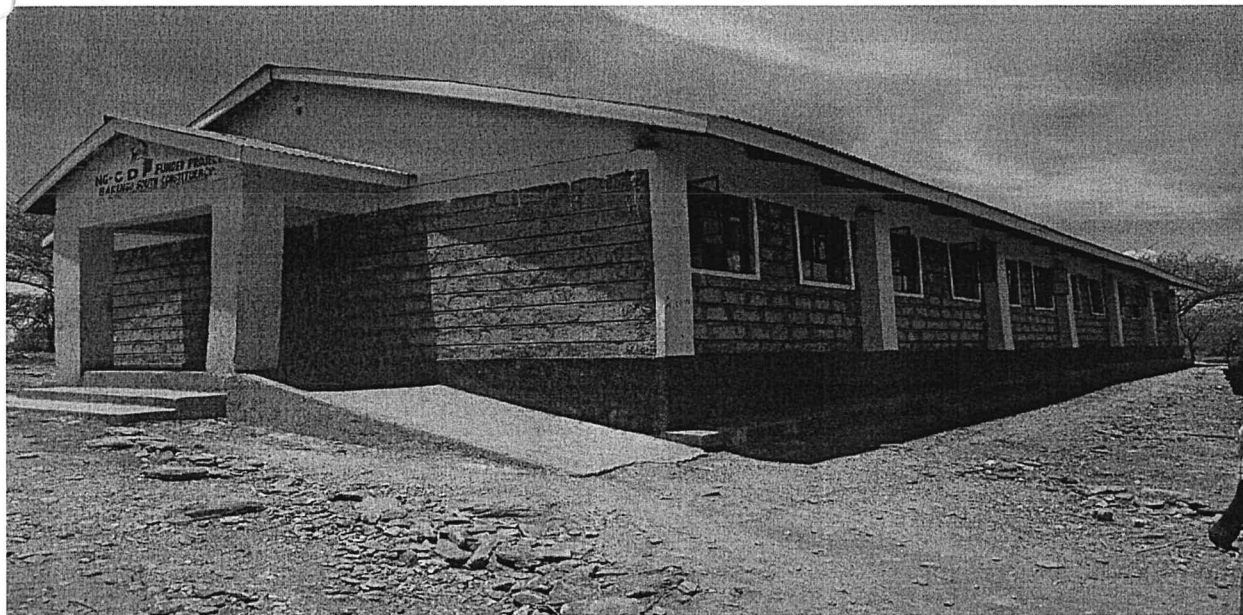


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GCDF Board provide overall fiduciary oversight  
cy. The reports and recommendation of ARMC  
Constituency Committee for action. Any matters  
o the Cabinet Secretary and National Assembly

arters





Maoi primary school- construction of boys dormitory



Mwenge secondary school – Construction of laboratory and equipping



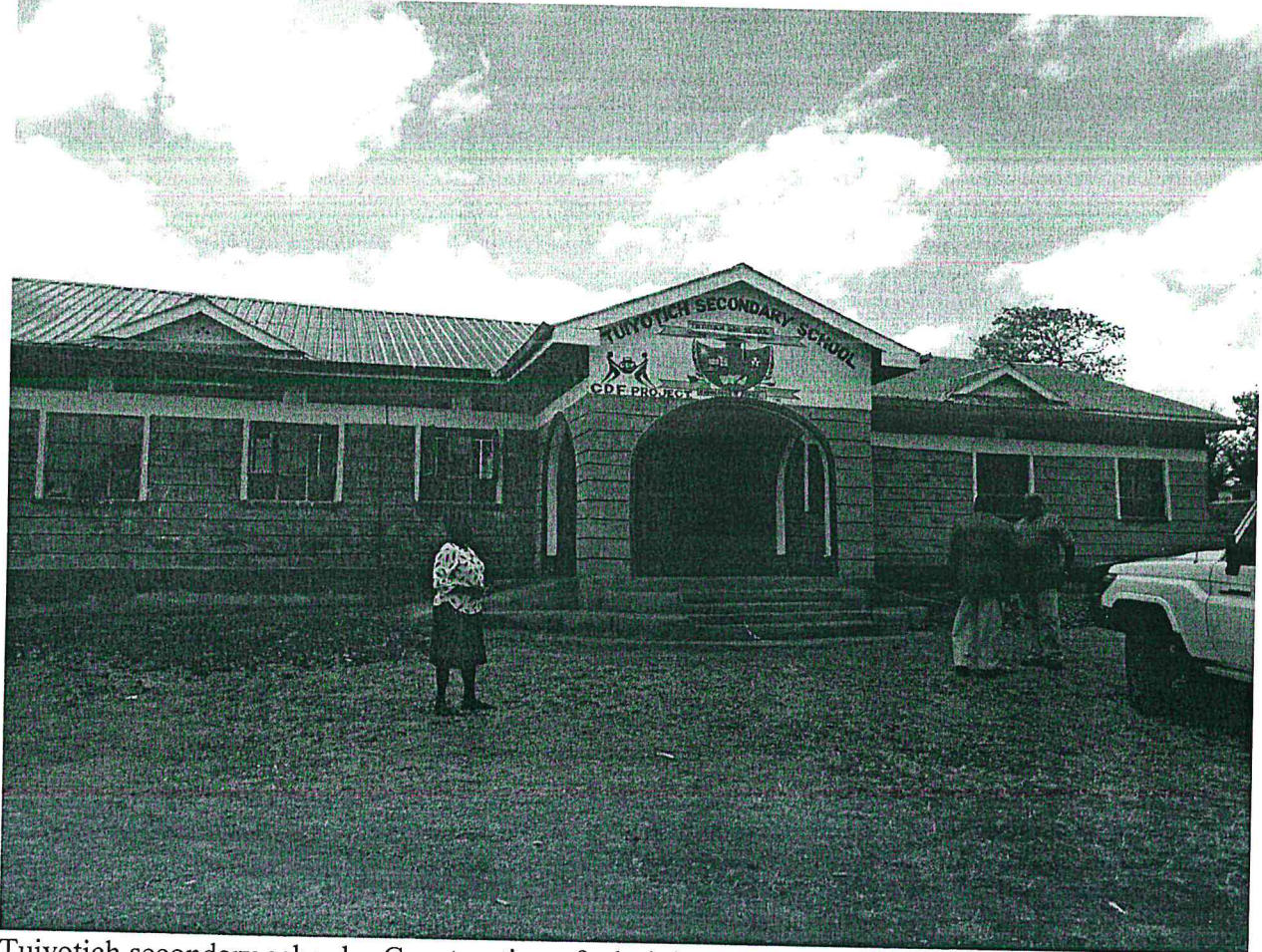
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
BARINGO SOUTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**



Mwenge secondary school – purchase of school Bus



Tuiyotich secondary school – Construction of administration Block.



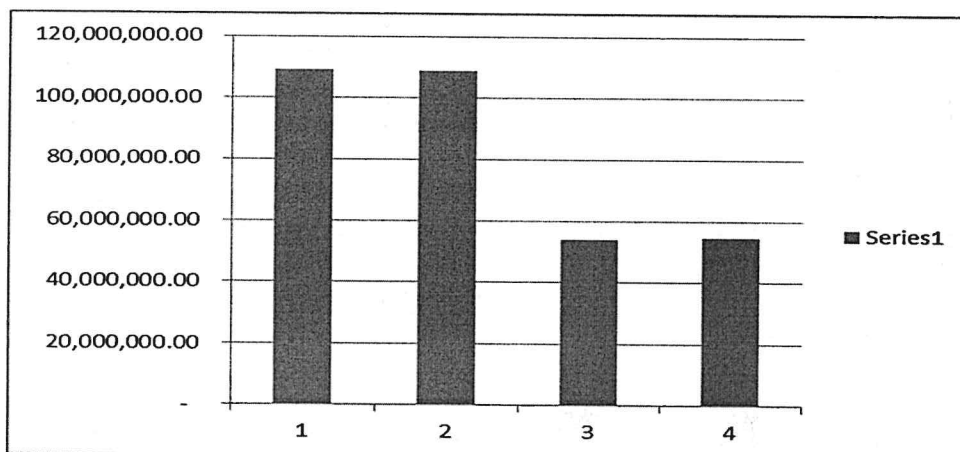
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
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**For the year ended June 30, 2019**

**Budgetary Appropriations**

During the financial year 2018/2019, the overall budget utilization was based on the funds received. This was achieved due to expeditious disbursement of funds received to earmarked projects by the NGCDF Committee. During the period Kshs 108,784,484 which represent kshs 54,000,000 for financial year 2018/2019 and 54,784,484 for financial year 2017/2018 which had not been disbursed by the board at the close of financial year 2017/2018 hence received in the year under review.



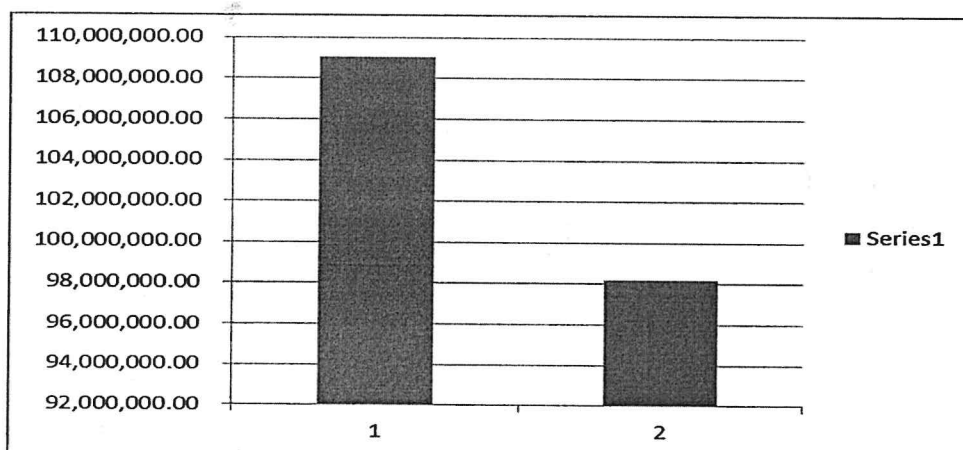
This is the comparison of the amount allocated against the amount received from board.

Bar 1 represent total Amount allocated under the review year kshs 109,040,876

Bar 2 represent the amount disbursed by the Board equivalent 108,784,484

Bar 3 represent the amount received from the allocation of 2018/2019 which is equivalent to 54,000,000

Bar 4 represent the amount received from allocation of 2017/2018 which was disbursed after the close of financial year 2017/2018 hence received 2018/2019 equivalent to 54,784,484



This is the comparison allocations for 2018/2019 and 2017/2018.

Bar 1 represent total Amount allocated 2018/2019

Bar 2 represent the total Amount Allocated 2017/2018

**Development Planning**

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities spanning various sectors. To ensure focus and expedite Constituency development, the Committee is reviewing its strategic plan which is a formalized road map that spells out where the Constituency is going over the next five

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
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years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.

**Challenges**

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2018/2019. These encompass, inadequate record keeping by project management committees, failure by some project management committees to comply with the public procurement procedures and regulations as well as delayed submission of the required returns for funds disbursed.

Also among the 4 wards (Ilchamus, Mukutani, Marigat and Mochongoi) two wards (Mukutani and Mochongoi) were affected by insecurity which have led to death of people, loss of livestock to bandits and closure of most primary school. This has made it difficult to implement most of the projects in the area. This has been overcome by the deployment of RDU by the national government.

Another notable challenge is the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management. To mitigate the above, the committee during the year 2018/2019 scaled up its capacity building programmes for NGCDF Committee, Project Management Committees and staff on various aspects of NGCDF projects management. These programmes contributed to minimizing the challenges and improving overall performance by Project Management Committees. The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the FY 2019/2020.

I wish to sincerely thank the NGCDF Committee, NG-CDFC staff, Project Management Committees and other stakeholders for the cooperation and support that saw the achievement of the above milestones. Going forward, the Committee envisions to even perform better and attain better assessments in its performance targets for FY 2018/2019.



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**HARON KIPKOCHOI**  
**CHAIRMAN NGCDF COMMITTEE**



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

**BARINGO SOUTH CONSTITUENCY**

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**For the year ended June 30, 2019**

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

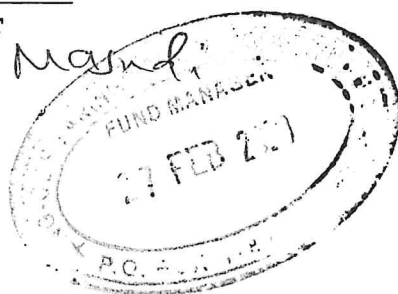
The Accounting Officer in charge of the NGCDF- BARINGO SOUTH Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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- BARINGO SOUTH Constituency financial statements were approved and signed by the Accounting Officer on 27-02- 2020.

  
Fund Account Manager

Name: Bungale Mandi



  
Sub-County Accountant

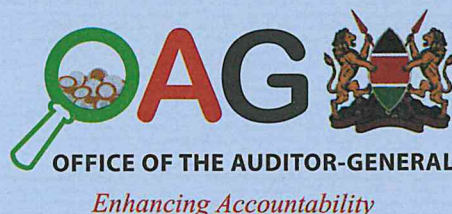
Name: Festo K. Samu  
ICPAK Member Number: 5627





# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: [info@oagkenya.go.ke](mailto:info@oagkenya.go.ke)  
Website: [www.oagkenya.go.ke](http://www.oagkenya.go.ke)



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – BARINGO SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019**

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### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Baringo South Constituency set out on pages 14 to 56, 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 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 the National Government Constituencies Development Fund – Baringo South Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

#### **Basis for Qualified Opinion**

##### **1. Use of Goods and Services**

As disclosed in Note 5 to the financial statements, the statement of receipts and payments reflects use of goods and services amount of Kshs.7,242,160. However, expenditure on office and general supplies, hospitality services and communication, airtime amount of Kshs.172,230, Kshs.199,340 and Kshs.142,000 respectively, all totalling to Kshs.513,570 were not adequately supported by ledgers or registers.



Under the circumstances, the accuracy, completeness and validity of expenditure on use of goods and services totalling to Kshs.513,570 for the year ended 30 June, 2019 could not be confirmed.

## **2. Unsupported Bursary**

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers totalling to Kshs.34,273,753. However, included in this amount are bursaries totalling to Kshs.27,643,753 which were not supported by a detailed listing of the beneficiary students.

Under the circumstances, the accuracy, validity and completeness of other grants and transfers totalling to Kshs.27,643,753 for the year ended 30 June, 2019 could not be confirmed.

## **3. Inaccuracies in Cash and Cash Equivalents**

As disclosed in Note 10A to the financial statements, the statement of assets and liabilities reflects bank balance amount of Kshs.21,563,327. However, bank reconciliation statement reflected unpresented cheques amounting to Kshs.7,700,318 out of which stale cheques amounted to Kshs.3,117,697. However, the cheques had not been written back into the cash book.

Under the circumstances, the accuracy and completeness of cash and cash equivalent balance of Kshs.21,563,327 as at 30 June, 2019 could not be confirmed.

## **4. Unsupported Committees Bank Balance**

Note 15.4 to the financial statements discloses Project Management Committee (PMC) bank accounts balance totaling to Kshs.14,621,779 as at 30 June, 2019. However, supporting documents such as; cash books, bank reconciliations and statements were not provided.

Consequently, the accuracy and completeness of PMC bank accounts balance of Kshs.14,621,779 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 – Baringo South 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 reflects final receipts budget and actual on comparable basis of Kshs.169,856,471 and Kshs.114,326,597 respectively, resulting to underfunding of Kshs.55,529,874 or 33% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.169,856,471 and Kshs.92,752,270 respectively, resulting to an under expenditure of Kshs.77,104,201 or 45% of the budget.

The underfunding and 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. Management has indicated the issues as resolved, however Parliament has not discussed the 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 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. Delay in Project Implementation**

The Project Status Report as at 30 June, 2019 indicated that one hundred and seventy-one (171) projects with budget allocation totalling to Kshs.395,010,344 at different implementation statuses as detailed out below: -

<b>Project Status</b>	<b>Count</b>	<b>Amount (Kshs)</b>
Ongoing	31	78,610,690
Not started due to non-release of funds	33	64,600,000
Prior years ongoing projects – Not prioritized	107	251,799,654
<b>Total</b>	<b>171</b>	<b>395,010,344</b>

Prior year incomplete projects but not prioritized in the current year were one hundred and seven (107) with funding allocation amount of Kshs.251,799,654. This is contrary to Section 46(2) of NGCDF Act, 2015 which requires ongoing projects to be prioritized and NGCDF Regulations 2016 Sec 11(1)(j) which requires the Constituency Committee to ensure that projects receive adequate funding and are completed within three (3) years.

In the circumstances, I am unable to confirm whether the public will obtain value for money for the delayed projects.

## **2. Unsatisfactory Implementation of Projects**

Eight (8) projects with funding allocation of Kshs.8,900,000 were sampled for physical verification during the month of January, 2020 and unsatisfactory observations made as shown in **Appendix I**.

Further, there was no evidence of the 10% retention money being withheld from the contractors to during the defect liability period.

No satisfactory explanation has been rendered for delays in completing the projects.

Consequently, I am unable to confirm whether the public will get value for money on the projects unsatisfactory implemented.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion



on Effectiveness of Internal Controls, Risk Management and Overall Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

### **1. Lack of Rental Receipts Records**

The Fund building is being occupied by other institutions who should be paying rent and reported as other receipts in the financial statements. However, during the year under review no rent receipts have been reported. Tenancy agreements were also not provided.

Under the circumstances, the effectiveness of controls over renting of the extra office space could not be confirmed.

### **2. Lack of Risk Management Policy**

The Fund does not have a risk management policy in place which include risk management strategies, fraud prevention mechanism; and (b) a system of risk management and internal control that builds robust business operations.

In the circumstances, the Fund is exposed to the risk of business disruptions should the unmitigated risks crystallize.

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 Funds' 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

01 October, 2021

## Appendix I: Unsatisfactory Implementation of Projects

Project Name	Details	Cost (Kshs)	Observations
Salabani Primary School	Construction of an administration Block	800,000	Contractual agreement and certificate of progress were not availed; project was on the fourth course with expenditure amount of Kshs.1,714,410 having been incurred.
Kamungei Primary School	Completion of two (2) classrooms	600,000	Bills of quantities were not provided, one class had been built. There was no evidence of bank balances to build the second class.
Kapkoibai Primary School	Construction of a classroom	800,000	There was no certificate for works done while floor and walls of the class had cracks.
Kamuga Primary School	Construction of one classroom	1,000,000	The class was in use but the floor and walls had cracks.
Kimoigut Primary School	Construction of one classroom	700,000	The class was complete and in use but the floor and walls had cracks. Quotations were not provided to evidence competitive sourcing of the contractor.
Kimalel Primary School	Completion of administration block	1,000,000	The project had been constructed up to the lintel level and roofing, fixing of doors and windows, plastering, keying and painting were pending.  Bills of quantities and certificate of works done were not provided.
Rorobai Primary School	Construction of one class room	700,000	The class was complete and in use but the floor and walls had cracks. The certificate of works done was not provided.
Ilchamus Chief's Office	Completion of Ilchamus Chief's Office	800,000	Incomplete works: rain water harvesting system was not done and there was evidence of roof leakages.
<b>Total</b>		<b>6,400,000</b>	





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)****BARINGO SOUTH CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2019****IV. STATEMENT OF RECEIPTS AND PAYMENTS**

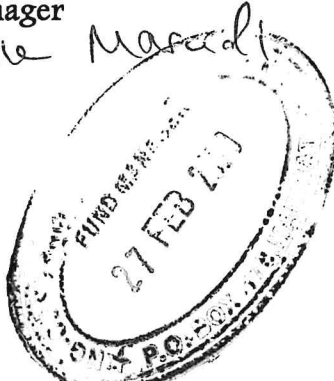
	Note	2018- 2019	2017 -2018
<b>RECEIPTS</b>		Kshs	Kshs
Transfers from CDF board-AIEs' Received	1	108,784,484	43,405,172
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	11,000	-
<b>TOTAL RECEIPTS</b>		108,795,484	43,405,172
<b>PAYMENTS</b>			
Compensation of employees	4	1,568,133	1,699,573
Use of goods and services	5	7,187,471	5,165,506
Transfers to Other Government Units	6	48,350,000	14,800,000
Other grants and transfers	7	34,273,753	24,288,910
Acquisition of Assets	8	-	559,020
Other Payments	9	1,318,224	-
<b>TOTAL PAYMENTS</b>		92,697,581	46,513,009
<b>SURPLUS/DEFICIT</b>		16,097,903	(3,107,837)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- BARINGO SOUTH Constituency financial statements were approved on 27-02-2020 and signed by:

Fund Account Manager

Name:

Bungu Masadi



Sub-County Accountant

Name:

Festo K. Saina

ICPAK Member Number:

5627





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)****BARINGO SOUTH CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2019****V. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2018 -2019	2017 – 2018
<b>FINANCIAL ASSETS</b>		KSHS	KSHS
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	21,618,016	5,520,113
Cash Balances (cash at hand)	10B	-	
<b>Total Cash and Cash Equivalents</b>		21,618,016	5,520,113
<b>Current Receivables</b>			
Outstanding imprests	11	-	
<b>TOTAL FINANCIAL ASSETS</b>		21,618,016	5,520,113
<b>FINANCIAL LIABILITIES</b>			
Account Payables			
Retention	12A	-	-
Gratuity	12B	-	-
<b>Total Financial Liabilities</b>		-	-
<b>NET FINANCIAL ASSETS</b>		21,618,016	5,520,113
<b>REPRESENTED BY</b>			
Retention	12		
Fund balance b/fwd 1st July...	13	5,520,113	8,627,949
Surplus/Defict for the year		16,097,903	(3,107,837)
Prior year adjustments	14	-	
<b>NET FINANCIAL ASSETS</b>		21,618,016	5,520,113

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- BARINGO SOUTH Constituency financial statements were approved on 28-02-2020 and signed by:

Fund Account Manager

Name:

Bunga Mwangi

Sub-County Accountant

Name:

Festo K. Saina

ICPAK Member Number:

5627

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

**BARINGO SOUTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

**VI. STATEMENT OF CASHFLOW**

<b>Receipts for operating income</b>		<b>2018-2019 KSHS</b>	<b>2017-2018 KSHS</b>
Transfers from CDF Board	1	108,784,484	43,405,172
Other Receipts	3	11,000	
<b>Total receipt</b>		<b>108,795,484</b>	<b>43,405,172</b>
<b>Payments</b>			
Compensation of Employees	4	1,568,133	1,699,573
Use of goods and services	5	7,187,471	5,165,506
Transfers to Other Government Units	6	48,350,000	14,800,000
Other grants and transfers	7	34,273,753	24,288,910
Other Payments	9	1,318,224	
<b>Total Payment</b>		<b>92,697,581</b>	<b>45,953,989</b>
Total Receipts Less Total Payments		16,097,903	(2,548,817)
<b>Adjusted for:</b>			
Outstanding imprest	11		
Retention Payable	12A		
Gratuity Payable	12B		
Prior year Adjustments during the year		-	-
<b>Net Adjustments</b>			
<b>Net cash flow from operating activities</b>		<b>16,097,903</b>	<b>(2,548,817)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2		
Acquisition of Assets	9		559,020
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>559,020</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>16,097,903.00</b>	<b>(3,107,837)</b>
Cash and cash equivalent at BEGINNING of the year	13	5,520,113	8,627,949
Cash and cash equivalent at END of the year		21,618,016	5,520,113

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

**BARINGO SOUTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- BARINGO SOUTH Constituency financial statements were approved on 27-02 2020 and signed by:



**Fund Account Manager**

Name: Bungale Malindi



**Sub-County Accountant**

Name: Festus K. Saini

ICPAK Member Number: 5627



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

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

Receipt/Expense Item	Original Budget KSHS	Adjustments KSHS	Final Budget KSHS	Actual on Comparable Basis KSHS	Budget Utilisation Difference KSHS	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Balance B/fw		60,804,595				
Transfers from CDF Board	109,040,876		169,845,471	114,315,597	55,529,874	56.7
Proceeds from Sale of Assets				-	-	
Other Receipts	11,000		11,000	11,000	11,000	
<b>Totals Receipt</b>	<b>109,051,876</b>	<b>60,804,595</b>	<b>169,856,471</b>	<b>114,326,597</b>	<b>55,540,874</b>	<b>57</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,279,200	888,187	3,167,387	1,568,133	1,599,254	50
Use of goods and services	7,034,948	1,840,166	8,875,114	7,187,471	1,687,643	80.98
Transfers to Other Government Units	39,650,000	31,550,000	71,200,000	48,350,000	22,850,000	68
Other grants and transfers	60,087,727	15,914,861	76,002,590	34,273,753	41,728,837	45
Acquisition of Assets		1,504,990	1,504,990	-	1,504,990	0.00
Other Payments		9,106,390	9,106,390	1,318,224.00	7,788,166	14
<b>TOTALS</b>	<b>109,051,876</b>	<b>60,804,595</b>	<b>169,856,471</b>	<b>92,697,581</b>	<b>77,158,890</b>	<b>54.6</b>

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

**BARINGO SOUTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

**EXPLANATION OF ITEMS**

The allocation for 2018/2019 was kshs 109,040,876 and adjustment was made in column b on the balance brought forward in the financial year 2017/2018 and undisbursed fund from the board totalling to 60,804,595 totalling to kshs 169,856,471 being the fund utilized within the financial year under Review.

On the receipts, the total receipt from NGCDF Board is 49% which is due 51%

On the compensation of employees 61% the employee budget was for the 5 staff on contract basis and 2 casual hence leads to our fund expenses at 61%

On the use of goods and services 80.98% this due to adjustment for the original budget making the total budget to be high against the expenses.

On the transfer to other government units, 68% this is due to adjustment for original budget making budget to be high against the expense.

The funds for financial year 2017/2018 which was received after the close of financial was disbursed in the financial year under review.

On other grant and transfers, 45% due to the fund not disbursed from the NGCDFB hence leads to the less expense

On Acquisition of assets, 0% as we had no allocated funds to this vote

On other payment 14% this is due strategic plan which is about to be launched.

The NGCDF- BARINGO SOUTH Constituency financial statements were approved on 27-02 2020 and signed by:



Fund Account Manager

Name: Bugale Ngadi



Sub-County Accountant

Name: Peto K. Sanga

ICPAK Member Number: 3627

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**BARINGO SOUTH CONSTITUENCY**  
**Reports and Financial Statements**  
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**VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES**

Programme/Sub-programme	Original Budget 2018/2019 Kshs	Adjustments Kshs	Final Budget 2018/2019 Kshs	Actual on comparable basis 30/06/2019 Kshs	Budget utilization difference Kshs
<b>1.0 Administration and Recurrent</b>					
1.1 Compensation of employees	2,279,200	888,188	3,167,188	1,568,133	1,599,055
1.2 Committee allowances	1,248,000	503,000	1,751,000	1,450,970	300,030
1.3 Use of goods and services	2,687,891	574,939	3,262,830	2,229,572	924,191
<b>2.0 Monitoring and evaluation</b>					
2.1 Capacity building	1,000,000	53,900	1,053,900	1,414,028	-360,128
2.2 Committee allowances	1,000,000	453,900	1,453,900	1,492,900	39,000
2.3 Use of goods and services	1,099,056	254,427	1,353,484	600,000	725,171
<b>3.0 Emergency</b>					
3.1 Primary Schools					
3.2 Secondary schools					
3.3 Tertiary institutions					
3.4 Security projects					
<b>4.0 Bursary and Social Security</b>					
4.1 Primary Schools					
4.2 Secondary Schools	22,155,659	4,431,035	26,597,893	21,243,203	5,054,690
4.3 Tertiary Institutions	5,000,000	3,440,724	8,440,724	5,092,000	3,148,724
4.4 Universities	3,000,000		3,000,000	2,308,550	691,450
4.5 Social Security	-				
<b>5.0 Sports</b>					
5.1 Sports Activities	2,066,038	1,505,172	3,571,210	400,000	3,171,210
Emergency	5,738,994	3,537,930	9,276,924	1,630,000	7,646,924



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

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
<b>6.0 Environment</b>	KSHS	KSHS	KSHS	KSHS	KSHS
6.1 Environment Activities	1,416,038	1,000,000	2,416,038	-	2,416,038
6.2					
6.3					
<b>7.0 Primary Schools Projects (List all the Projects)</b>	29,350,000	22,850,000	52,200,000	36,850,000	15,350,000
7.1 Sintaan primary school	800,000		800,000	800,000	-
7.2 Kailer Primary School	800,000		800,000	800,000	-
7.3 Ntepes primary school	800,000		800,000		800,000
7.4 Loldama primary school	800,000		800,000		800,000
7.5 Salabani Primary school	800,000		800,000	800,000	
7.6 Noosukuro Primary school	1000,000		1000,000		1000,000
7.7 Chemorogion primary school	1,000,000		1,000,000	1,000,000	
7.8 Ngelecha primary school	1000,000		1000,000		1000,000
7.9 Kiserian primary school	800,000		800,000	800,000	
7.10 Mbechot primary school	800,000		800,000		800,000
7.11 Lake bogoria primary school	800,000		800,000		800,000
7.12 Sukutek primary school	800,000		800,000		800,000
7.13 Poi primary school	800,000		800,000		800,000
7.14 Kaptombes primary school	800,000		800,000		800,000
7.15. Keon primary school	1000,000		1000,000	1000,000	
7.16 Ngarie primary school	1000,000		1000,000		1000,000
7.17 Kabel primary school	1000,000		1000,000	1000,000	
7.18 Sandai primary school	800,000		800,000		800,000

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

**BARINGO SOUTH CONSTITUENCY**

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

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
	KSHS	KSHS	KSHS	KSHS	KSHS
7.19 Barkipi Primary school	800,000		800,000		800,000
7.20 Kapchumo Primary school	800,000		800,000		800,000
7.21 Ngolbelon primary school	800,000		800,000	800,000	
7.22 Kamuga primary school	1,000,000		1,000,000	1,000,000	
7.23 Kapkoibai primary school	800,000.00		800,000	800,000	
7.24 Katkamumo primary school	800,000.00		800,000		800,000
	800,000.00		800,000		800,000
7.25 Kimalael boarding primary school					
7.26 Labos primary school	800,000.00		800,000	800,000	
7.27 Kamungei Primary school	600,000.00		600,000	600,000	
7.28 Kapkun primary school	200,000.00		200,000	200,000	
7.29 Kaburwa primary school	100,000.00		100,000		100,000
7.30 Chebinviny primary school	300,000.00		300,000	300,000	
7.31 Kirim Primary school	800,000.00		800,000		800,000
7.32 Samburi Primary school	700,000.00		700,000	700,000	
7.33 Emarech Primary school	700,000.00		700,000		700,000
7.34 Lakarkar Primary school	500,000.00		500,000		500,000
7.35 KapKuikui Primary school	500,000.00		500,000		500,000
7.36 Marigat Primary school	800,000.00		800,000		800,000
7.37 Kapkatit primary school	500,000.00		500,000	500,000	
7.38 Maoi primary school	500,000.00		500,000	500,000	
	300,000.00		300,000	300,000	
7.39 Parkarin Primary school					
7.40 Endao Primary school	650,000.00		650,000	650,000	
7.41 Tebei primary school		800,000	800,000	800,000	
7.42 Parkarin primary school		300,000	300,000	300,000	

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

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
	KSHS	KSHS	KSHS	KSHS	KSHS
7.43 Barangelech primary school		700,000	700,000	700,000	
7.44 Chemorongion primary school		800,000	800,000	800,000	
7.45 Siginwo primary school		200,000	200,000	200,000	
7.46 Labos primary school		600,000	600,000	600,000	
7.47 Ngolbelon primary school		700,000	700,000	700,000	
7.48 Loberer primary school		700,000	700,000	700,000	
7.49 Kailer primary school		700,000	700,000	700,000	
7.50 Tulwopsoo primary school		700,000	700,000	700,000	
7.51 Iti primary school		700,000	700,000	700,000	
7.52 Ilchurai primary school		900,000	900,000	900,000	
7.53 Sitewonin primary school		700,000	700,000	700,000	
7.54 Arabal primary school		750,000	750,000	750,000	
7.55 Sinoni primary school		600,000	600,000	600,000	
7.56 Kimoigut primary school		700,000	700,000	700,000	
7.57 Sinendet primary school		1,000,000	1,000,000	1,000,000	
7.58 Kasiela primary school		450,000	450,000	900,000	
7.59 Kibonjos primary school		700,000	700,000	700,000	
7.60 Patkawanin primary school		1,000,000	1,000,000	1,000,000	
7.61 Mbechot primary school		400,000	400,000	400,000	
7.62 Oldepe osinya primary school		700,000	700,000	700,000	
7.63 Kongasis primary school		700,000	700,000	700,000	
7.64 Endao primary school		1,000,000	1,000,000	1,000,000	
7.65 Tembererwe primary school		700,000	700,000	700,000	
7.66 Ntepes primary school		700,000	700,000	700,000	
7.67 Sabor primary school		700,000	700,000	700,000	



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

**BARINGO SOUTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
	KSHS	KSHS	KSHS	KSHS	KSHS
7.68 Kimorok primary school		500,000	500,000	500,000	
7.69 Chepkotoyan primary school		300,000	300,000	300,000	
7.70 Sukutek primary school		700,000	700,000	700,000	
7.71 Rorobai primary school		700,000	700,000	700,000	
7.72 Kibagenge primary school		50,000	50,000	50,000	
7.73 Rabai primary school		400,000	400,000	400,000	
7.74 Ngambo primary school		700,000	700,000	700,000	
7.75 Losampumpur primary school		700,000	700,000	700,000	
7.76 Tendebei primary school		200,000	200,000	200,000	
<b>8.0 Secondary Schools Projects (List all the Projects)</b>	<b>10,300,000</b>	<b>8,700,000.00</b>	<b>19,000,000</b>	<b>11,500,000</b>	<b>7,500,000</b>
8.1 Ngambo Secondary school	800,000		800,000		800,000
8.2 Meisori Day Secondary School	800,000		800,000		800,000
8.3 Loitip Girls secondary school	800,000		800,000		800,000
8.4 Kibingor secondary school	800,000		800,000		800,000
8.5 Kamailel secondary school	1,000,000		1,000,000		1,000,000
8.6 Marigat integrated secondary school	800,000		800,000		800,000
8.7 Barsemoi day Secondary School	800,000		800,000	800,000	800,000
8.8 Tuluongoi Secondary School	800,000		800,000		
8.9 Koriema secondary school	700,000		700,000		700,000
8.10 Lake Bogoria secondary school	1,500,000		1,500,000	1,500,000	
8.11 Senetwo day Secondary school	800,000		800,000		800,000
8.12 Embosos Day secondary school	500,000		500,000	500,000	
8.13Tuluongoi Day secondary school	200,000		200,000	200,000	
8.14 Marigat integrated day secondary school		1,000,000	1,000,000	1,000,000	

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

**BARINGO SOUTH CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
	KSHS	KSHS	KSHS	KSHS	KSHS
8.15 Sandai secondary school		700,000	700,000	700,000	
8.16 Kimalel secondary school		1,000,000	1,000,000	1,000,000	
8.17 Tuyotich secondary school		500,000	500,000	500,000	
8.18 Salabani secondary school		600,000	600,000	600,000	
8.19 Cheboruswo primary school		400,000	400,000	400,000	
8.20 Ngambo secondary school		500,000	500,000	500,000	
8.21 Ngarie secondary school		500,000	500,000	500,000	
8.22 Loberer secondary school		600,000	600,000	600,000	
8.23 Kibingor secondary school		600,000	600,000	600,000	
8.24 Mwenge secondary school		500,000	500,000	500,000	
8.25 Ngenyilel secondary school		1,000,000	1,000,000	1,000,000	
8.26 Marugat day secondary		800,000	800,000	800,000	
9.0 Tertiary institutions Projects (List all the Projects)					
9.1					
9.2					
9.3					
9.4					
10.0 Security Projects	20,700,000	2,000,000	22,700,000	4,600,000	18,100,000
Ilchamus chiefs office					
Salabani chiefs office	800,000		800,000	800,000	
	200,000		200,000		200,000
Chebinyiny chiefs office	800,000		800,000		800,000
Kimoriot chiefs office	1,000,000		1,000,000		1,000,000
Sossion chiefs office	800,000		800,000	800,000	

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

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
	KSHS	KSHS	KSHS	KSHS	KSHS
Kapich chiefs office	800,000		800,000		800,000
Kasiela chiefs office	800,000		800,000		800,000
Sirwet chiefs office	800,000		800,000		800,000
Tinomoi chiefs office	800,000		800,000		800,000
Sogon chiefs office	800,000		800,000		800,000
Sokta chiefs office	800,000		800,000		800,000
Bekibon chiefs office	800,000		800,000		800,000
Mukutani ACC & AP offices	1,000,000		1,000,000		1,000,000
Mukutani police station	500,000		500,000	500,000	
Ngelecha Training Camp	10,000,000		10,000,000		10,000,000
Salabani chiefs office		600,000	600,000	600,000	
Kamaliel chiefs office		500,000	500,000	500,000	
Kibingor chiefs office		400,000	400,000	400,000	
Rugus Ap Camp		500,000	500,000		500,000
<b>11.0 Acquisition of assets</b>					
11.1 Motor Vehicles (including motorbikes)					
11.2 Construction of CDF office					
11.3 Purchase of furniture and equipment		1,504,990	1,504,990		1,504,990
11.4 Purchase of computers					
11.5 Purchase of land					
<b>12.0 Others</b>					
12.1 Strategic Plan & innovation hub	-	9,106,390	9,106,390	1,318,224	7,788,166
<b>Total</b>	<b>109,040,876</b>	<b>60,804,595</b>	<b>169,856,471</b>	<b>92,697,581</b>	<b>77,158,890</b>



## **IX. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

### **2. Reporting Entity**

The financial statements are for the NGCDF- BARINGO SOUTH 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.

**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 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**Other receipts**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

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**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 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.



## **SIGNIFICANT ACCOUNTING POLICIES**

### **11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

### **12. Comparative Figures**

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

### **13. Subsequent Events**

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

### **14. Errors**

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

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

### **15. Related Party Transactions**

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

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**X. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description	2018 -2019	2017 - 2018
	KSHS	KSHS
NG-CDF BOARD		
AIE NO...A855762		5,500,000
AIE NO...A892817		37,905,172
AIE NO... B005197	53,784,484	
AIE NO... B030026	1,000,000	
AIE NO... B030166	10,000,000	
AIE NO... B030352	10,000,000	
AIE NO... B006292	6,000,000	
AIE NO... B042713	14,000,000	
AIE NO...B042983	14,000,000	
AIE NO...		
AIE NO...		
	108,784,484	43,405,172

**2. PROCEEDS FROM SALE OF ASSETS**

Description	2018 2019	2017 - 2018
	Kshs	Kshs
Receipts from the Sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from the Sale Plant Machinery and Equipment		
Receipts from the Sale of office and general equipment		
<b>Total</b>		

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEPTS**

<b>Description</b>	<b>2018 - 2019</b>	<b>2017-2018</b>
		<b>Kshs</b>
Interest Received		
Rents		
Sale of tender documents	11,000	
Other Receipts Not Classified Elsewhere (specify)		
<b>Total</b>	<b>11,000</b>	

**4. COMPENSATION OF EMPLOYEES**

<b>Description</b>	<b>2018 -2019</b>	<b>2017-2018</b>
	<b>KSHS</b>	<b>Kshs</b>
Basic wages of contractual employees	1,274,309	882,733
Basic wages of casual labour	281,224	279,000
<b>Personal allowances paid as part of salary</b>		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments		
Employer contribution to NSSf	12,600	9,600
gratuity	-	528,240
<b>Total</b>	<b>1,568,133</b>	<b>1,699,573</b>



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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

<b>Description</b>	<b>2018 -2019</b>	<b>2017 - 2018</b>
	<b>KSHS</b>	<b>Kshs</b>
Utilities, supplies and services	63,000	72,617
electricity	23,882	
Communication, supplies and services	156,010	185,460
Domestic travel and subsistence	973,600	795,800
Printing, advertising and information supplies & services	224,053	46,000
Rentals of produced assets	-	
Training expenses	814,100	698,500
Hospitality supplies and services	338,840	297,280
Other committee expenses	1,292,900	521,500
Committee allowances	1,250,970	1,144,000
Insurance costs	-	
Specialised materials and services	-	
Office and general supplies and services	117,541	174,144
Fuel ,oil & lubricants	1,174,085	615,000
Other operating expenses	1,100	
Bank service commission and charges	30,420	69,380
Security operations	-	
Routine maintenance – vehicles and other transport equipment	638,670	339,065
Routine maintenance – other assets	88,300	206,760
<b>Total</b>	<b>7,187,471</b>	<b>5,165,506</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2018 -2019	2017 - 2018
	KSHS	Kshs
Transfers to primary schools	36,850,000	8,650,000
Transfers to secondary schools	11,500,000	6,150,000
Transfers to Tertiary institutions		
Transfers to Health institutions		
<b>TOTAL</b>	<b>48,350,000</b>	<b>14,800,000</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

Description	2018 - 2019	2017 - 2018
	KSHS	Kshs
Bursary -Secondary	20,243,203	13,536,206
Bursary -Tertiary	7,400,550	6,653,804
Bursary-Special schools	-	
Mocks & CAT	-	
water	-	
Agriculture (food security)	-	
Electricity projects	-	
Security	4,600,000	950,000
Roads	-	
Sports	400,000	298,400
Environment	-	1,457,000
Emergency Projects	1,630,000	1,393,500
<b>Total</b>	<b>34,273,753</b>	<b>24,288,910</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

<b>Non Financial Assets</b>	<b>2018 - 2019</b>	<b>2017-2018</b>
	KSHS	Kshs
Purchase of Buildings		559,020
Construction of Buildings		
Refurbishment of Buildings		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment		
Purchase of ICT Equipment, Software and Other ICT Assets		
Purchase of Specialised Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
<b>Total</b>		<b>559,020</b>

**9. OTHER PAYMENTS**

Strategic plan	1,318,224	-
ICT Hub		-
TIVET		
<b>TOTAL</b>	<b>1,318,224</b>	<b>-</b>



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**10A: Bank Accounts (cash book bank balance)**

Name of Bank, Account No. & currency	Account Number	2018 - 2019	2017-2018
		Kshs(30/06/2019)	Kshs(30/6/2018)
kenya commercial bank marigat branch	1146690452	21,618,016	5,520,113
<b>Total</b>		21,618,016	5,520,113
<b>10B: CASH IN HAND)</b>			
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	
		-	
<b>Total</b>		-	-

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**11: OUTSTANDING IMPRESTS**

Name of Officer	Date imprest taken	Amount Surrendered	Balance (30/6/2018)
n		Kshs	Kshs
			-

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

**12A. RETENTION**

12 Retention			
Supplier/Contractor	PV no		

**12B. STAFF GRATUITY OUTSTANDING**

		2018/2019	2017/2018
		Kshs	Kshs
Gratuity			
TOTAL			

**13. BALANCES BROUGHT FORWARD**

		2018 - 2019	2017-2018
		Kshs (1/7/2018)	Kshs (1/7/2017)
Bank accounts		5,520,113	8,078,249
Cash in hand			
Imprest		-	549,700
<b>Total</b>		<b>5,520,113</b>	<b>8,627,949</b>

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**14. PRIOR YEAR ADJUSTMENTS**

	2018 - 2019	2017 - 2018
Bank accounts		
Cash in hand		
Imprest		
	-	
<b>Total</b>		



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**15. OTHER IMPORTANT DISCLOSURES**

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

		2018 - 2019	2017-2018
		Kshs	Kshs
Construction of buildings			
Construction of civil works			
Supply of goods			
Supply of services			
<b>TOTAL</b>			

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

Senior management			
Middle management			
Unionisable employees			
Others (specify) staff salaries			

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

		2018 - 2019	2017-2018
Compensation of employees		828,667	888,187
Use of goods and services		2,935,481	1,840,162
Amounts due to other Government entities (see attached list)		20,100,000	32,400,000
Amounts due to other grants and other transfers (see attached list)		31,176,727	9,479,105
Others (strategic plan, motor vehicle, ICT Hub & morobike)			10,177,028
		55,040,875	54,784,482

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

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

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	14,621,779	3,730,521
	14,621,779	3,730,521

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**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 2019 d=a-c	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>					

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

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
<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)-  
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**ANNEX 3 – UNUTILIZED FUNDS**

Name	Brief Transaction Description	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
		a	c	d=a-c	b	
Compensation of employees				828,667	888,187	
Use of goods & services				2,935,481	1,840,162	
Amounts due to other Government entities						
Ioldama Primary School	construction of 1 classroom			800,000		
Noosukuro primary school	construction of 1 classroom			1,000,000		
Ngelecha primary school	construction of 1 classroom			1,000,000		
Mbechot primary school	construction of 1 classroom			800,000		
Lake bogoria primary school	construction of 1 classroom			800,000		
Sukutek primary school	construction of 1 classroom			800,000		

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Kaptombes primary school	completion of 2 classroom			800,000		
Ngarie primary school	construction of 1 classroom			1,000,000		
Sandai primary school	construction of 1 classroom			800,000		
Barkipi Primary school	construction of 1 classroom			800,000		
Katkamumo Primary School	construction of 1 classroom			800,000		
Kimalel primary school	Renovation of classrooms			800,000		
Kaburwo primary school	completion of classroom			100,000		
Kirim primary School	construction of 1 classroom			800,000		
Emarech primary school	construction of 1 classroom			700,000		
Lakarkar primary school	completion of classroom			500,000		
Kapkuikui Primary school	completion of classroom			500,000		
Marigat primary school	construction of 1 classroom			800,000		
Ngambo Secondary school	Completion of Admin block			800,000		
Loitip Girls Secondary school	construction of dormitory			800,000		
Kibingor secondary school	construction of administration block			800,000		
Kamalel secondary school	construction of 1 classroom			1,000,000		
Marigat inter. Sec school	construction of 1 classroom			800,000		

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Barsemoi secondary school	completion of 2 classroom				
Koriema secondary school	completion of laboratory			800,000	
senetwo secondary school	construction of laboratory			700,000	
Kailer Primary School	completion of dining hall			800,000	
Ntepes primary school	construction of 1 classroom				700,000
Ngambo primary school	completion of fencing				700,000
Ilchurai Primary school	construction of 1 classroom				900,000
Endao primary school	completion of dormitory				1,000,000
Sitewonin primary school	completion of classroom				700,000
Parkarin primary school	completion of classroom				300,000
Kimorok primary school	completion of dormitory				500,000
Ngolbelon primary school	construction of 1 classroom				700,000
Loberer primary school	construction of 1 classroom				700,000
Tebei primary school	construction of 1 classroom				800,000
Sabor primary school	construction of 1 classroom				700,000
Patkawanin primary school	renovation of classes				1,000,000
Kimao primary school	completion of classroom				400,000

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Bargelech primary school	construction of 1 classroom				700,000	
Tuiyotich primary school	completion of toilets				200,000	
Mbechot Primary school	completion of 1 classroom				400,000	
Sinoni primary school	construction of 1 classroom				600,000	
Tembererwe primary school	construction of 1 classroom				700,000	
Sinendet primary school	construction of 1 classroom				1,000,000	
Chepkotoyan primary school	completion of classroom				300,000	
Kasiela primary school	completion of classroom				500,000	
Kibagenge primary school	painting of classroom				50,000	
Losampurpur Primary school	construction of 1 classroom				700,000	
Chemorogion primary school	construction of 1 classroom				800,000	
Arabal primary school	fencing of school compound				500,000	
Kongasis Primary school	construction of 1 classroom				700,000	
Tulwopsoo Primary school	construction of 1 classroom				700,000	
Labos Primary school	construction of 1 classroom				600,000	
Sukutek primary school	construction of 1 classroom				700,000	
Tendenbei primary school	completion of classroom				200,000	
Signinwo Primary school	completion of classroom				200,000	



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Kimoiyut Primary School	construction of 1 classroom				700,000	
Rorobai primary school	construction of 1 classroom				700,000	
Iti primary school	construction of 1 classroom				700,000	
Sambaka Primary school	construction of 1 classroom				700,000	
Arabal primary school	completion of fencing				250,000	
Oldepe osinya primary school	construction of 1 classroom				700,000	
Rabai primary school	renovation of classes				400,000	
Kibonjos primary school	construction of 1 classroom				700,000	
Ngambo Secondary school	completion of admin block				500,000	
Salabani Secondary School	completion of library				600,000	
Kibingor secondary school	completion of 2 classrooms				600,000	
Kimalel secondary school	completion of admin block				1,000,000	
Marigat integrated secondary school	completion of lab				1,000,000	
Tuiyotich secondary school	equipping of admin block				500,000	
Sandai secondary school	completion of lab				700,000	
Mwenge Secondary School	completion of lab				200,000	
Ngenyilel secondary school	construction of 1 classroom				1,000,000	
Ngarie secondary school	completion of admin block				500,000	
Loberer Secondary school	construction of 1 classroom				600,000	

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Cheboruswo secondary school	completion of admin block				400,000	
Nyimbei secondary school	completion of 2 classrooms				600,000	
<b>Sub-Total</b>				<b>20,100,000</b>	<b>32,400,000</b>	
<b>Amounts due to other grants and other transfers</b>						
Salabani chiefs office	completion of chiefs office			200,000		
chebinyiny chiefs office	construction of chiefs office			800,000		
Kimoriot chiefs office	construction of chiefs office			1,000,000		
Kaptich chiefs office	construction of chiefs office			800,000		
Kasiela Chiefs office	Construction of chiefs office			800,000		
Sirwet Chiefs office	construction of chiefs office			800,000		
Tinomoi Chiefs Office	construction of chiefs office			800,000		
Sogon Chiefs office	construction of chiefs office			800,000		
Sokta Chiefs office	construction of chiefs office			800,000		
Mukutani AP offices	construction of chiefs office			1,000,000		
Ramacha Training Camp	construction of training camp			10,000,000		
Bursary	needy students			4,155,659		
Sports	Funding Sports Activities			2,066,038		

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Environment	Environment Activities			1,416,038		
Emergency	Emergency Activities			5,738,994		
Ngelecha AP camp					500,000	
environment	environment activities				1,000,000	
Sports	Funding sports activities				1,105,17	
emergency	emergency projects				3,137,930	
salabani chiefs office	completion				600,000	
kamaillel chiefs office	completion				500,000	
kibingor chiefs office	completion				400,000	
bursary	needy students				2,736,003	
Sub-Total				31,176,727	9,479,105	
Sub-Total				51,276,728	41,879,105	
Others (strategic plan, motor vehicle, ICT Hub & morobike)					10,177,028	
Sub-Total						
Grand total				55,040,876	54,784,482	

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Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees				
Use of goods & services				
Amounts due to other Government entities				
Sub-Total				
Amounts due to other grants and other transfers				
Sub-Total				
Sub-Total				
Acquisition of assets				
Others ( <i>specify</i> )				
Sub-Total				
Grand Total				



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

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land				
Buildings and structures	21,945,621			21,945,621
Transport equipment				
Office equipment, furniture and fittings	4,185,450			4,185,450
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment	5,123,891			5,123,891
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>31,254,962</b>			<b>31,254,962</b>

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**ANNEX 4 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2019**

PMC	BANK	ACCOUNT NUMBER	BANK BALANCE 2018/2019	BANK BALANCE 2017/2018
PARKARIN PRY SCHOOL	KCB	1176293710	2,874	
TEBEI PRY SCHOOL	KCB	1178868230	527	
BARGELECH PRY SCHOOL	KCB	1240277881	3,599	
CHEMORONGION PRY SCHOOL	KCB	1173423133	1,160,850	
SIGINWO PRY SCHOOL	KCB	1134466587	522	
LABOS PRY SCHOOL	KCB	1201347947	802,839	
NGOLBELON PRY SCHOOL	KCB	1240679785	79,649	
LOBERER PRY SCHOOL	KCB	1240314655	403	
KAILER PRY SCHOOL	KCB	1169951953	801,160	
TULWOPSOO PRY SCHOOL	KCB	1205585060	843	
ITI PRY SCHOOL	KCB	1171118813	1,955	
ILCHURAI PRY SCHOOL	KCB	1170590667	1,725	
SITEWONIN PRY SCHOOL	KCB	1157894305	916	
ARABAL PRY SCHOOL	KCB	1240766343	47,575	
SINONI PRY SCHOOL	KCB	1119547962	3,495	
KIMOIGUT PRY SCHOOL	KCB	1168322782	1,715	
SINEDET PRY SCHOOL	KCB	1226540015	361,044	
KASIELA PRY SCHOOL	KCB	1177343134	575,510	
KIBONJOS PRY SCHOOL	KCB	1112394028	241,776	
PATKAWANIN SEC SCHOOL	KCB	1240123892	6,745	
MBECHOT PRY SCHOOL	KCB	1146433425	668	
OLDEPE OSINYA PRY SCHOOL	KCB	1115994352	616	
KONGASIS PRY SCHOOL	KCB	1205761136	1,200	
ENDAO PRY SCHOOL	KCB	1200546377	651,390	
TEMBERERWE PRY SCHOOL	KCB	1240111398	1,335	
NTEPES PRY SCHOOL	KCB	1209952904		

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			24,290	
SABOR PRY SCHOOL	KCB	1178528464	54,775	
KIMOROK PRY SCHOOL	KCB	1134544774	4,604	
CHEPKOTOYAN PRY SCHOOL	KCB	1119558654	753	
SUKUTEK PRY SCHOOL	KCB	1198588292	10,569	
ROROBAI SEC SCHOOL	KCB	1136951768	784	
KIBAGENGE PRY SCHOOL	KCB	1182020933	809	
RABAI PRY SCHOOL	KCB	1137633247	584.	
NGAMBO PRY SCHOOL	KCB	1135641110	3,975	
LOSAMPURMPUR PRY SCHOOL	KCB	1242811419	157,355	
TENDENBEI PRI SCHOOL	KCB	1205569391	6,580	
KAMUNGEI PRIMARY SCHOOL	KCB	1134616325	88,785	435
KISERIAN PRIMARY SCHOOL	KCB	1137586125	5,377	
KAPKOIBAI PRIMARY SCHOOL	KCB	1138003778	54,481	699,000
KAMUGA PRIMARY SCHOOL	KCB	1252425317	42,143	
SINTAAN PRIMARY SCHOOL	KCB	1135334323	799,810	
SAMBURI PRIMARY SCHOOL	KCB	1204282293	702,710	
CHEBINYINY PRIMARY SCHOOL	KCB	1132644968	400,141	
KAPKATIT PRIMARY SCHOOL	KCB	1114719943	500,222.00	574
KAPKUN PRIMARY SCHOOL	KCB	1176911503	213,583	
KABEL PRIMARY SCHOOL	KCB	1207060666	1,000,765	
SALABANI PRIMARY SCHOOL	KCB	1156803535	800,160	
KEON PRIMARY SCHOOL	KCB	1183071647	1,000,785	
TUIYOTICH PRIMARY SCHOOL	KCB	1203524021	201,065	
NOOSUKURO PRIMARY SCHOOL	KCB	1135037787	500,850	
MARIGAT INTER SEC SCHOOL	KCB	1114392138	11,143	
SANDAI SECONDARY SCHOOL	KCB	1115940554	926	
KIMALEL SECONDARY SCHOOL	KCB	1116814056	564	
TUIYOTICH SECONDARY SCHOOL	KCB	1118491343	3,029	

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SALABANI SECONDARY SCHOOL	KCB	1137717092	4,575	
CHEBORUSWO SEC SCHOOL	KCB	1161158596	89,598	
NGARIE SECONDARY SCHOOL	KCB	1146400187	1,730	
LOBERER SECONDARY SCHOOL	KCB	1177362546	2,690	
KIBINGOR SECONDARY SCHOOL	KCB	1171558821	1,284	
MWENGE SEC SCHOOL	KCB	1134819234	3,286	1,886
NGENYILEL SEC SCHOOL	KCB	1182477070	67,256	
TULUONGOI SEC SCHOOL	KCB	1202192289	521,470	
LAKE BOGORIA SEC SCHOOL	KCB	1130583384	1,080	1,080
EMBOSOS DAY SEC SCHOOL	KCB	1135075689	809,120	2,249,679
NYIMBEI SECONDARY SCHOOL	KCB	1128569574	454,993	
SALABANI CHIEFS OFFICES	KCB	1136035850	265	
MUKUTANI POLICE STATION	KCB	1241269203	502,845	
KIBINGOR CHIEFS OFFICE	KCB	1199878677	2,796	
ILCHAMUS CHIEFS OFFICE	KCB	1138857785	2,045	
SOSSION CHIEFS OFFICE	KCB	1253454345	800,000	
RUGUS CHIEFS OFFICE	KCB	1206382031	14,205	
Kiserian secondary school	KCB	1111335036		303,462
Ngambo secondary school	KCB	1111765049		2,159
Sabor secondary school	KCB	1109813155		129
Sangarau secondary school	KCB	1111926271		1,704
Kaptombes primary school	KCB	1115775189		140,942
Maoi Day and boarding primary school	KCB	1182855091		1,914
Sogon primary school	KCB	1109630425		210,522
Meisori primary school	KCB	1201188431		116,644
Illiagat primary school	KCB	1121441033		391
<b>TOTAL</b>			<b>14,621,779</b>	<b>3,730,521</b>



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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)
26/3/2019	<b>Unpresented cheques.</b> Bank reconciliation statement as at 30 June 2018 indicates a figure of Kshs 3,692,967 in respect of unpresented cheques. All these cheques according to the records are stale and have not been reversed in the cash book. The stale cheques and no efforts has been taken by the management to reverse the cheques.	The un presented cheques were due to late receipt of funds from NG-CDF board and the funds were allocated to bursaries which were in process of dispatch to various beneficiaries. The stale cheques were reversed back to the cash book and re-issued to new needy students. Minutes for the NG-CDF is provided for verification	Bungale Masudi- Fund Account Manager	Resolved	29/03 /2019
26/3/2019	<b>Wrong Comparative Balance</b> Note 5 of the financial statements under use of goods and services, indicates a comparative figure of Kshs 1,530,772.80 in respect of office and general supplies and services, while the balance for 2016/2017 shows a figure of Kshs 1,585,461.80 resulting into a variance of Kshs 54689. The error affects the overall total balance of the use of goods	The variance have since been corrected and the correct schedule is provided for verification. In future we shall ensure such error does not occur	Bungale Masudi- Fund Account Manager	Resolved	29/03 /2019
26/3/2019	Marigat sub district hospital project management committee awarded the contract to M/s Rojati contractors at a contract sum of Kshs 4,200,589 on 22 July 2015 for the construction of Two (2) bedroom staff houses. Information available indicates that the contract was to take twenty four (24) weeks which ended on 10 February 2016. A site visit on 7 March 2019 revealed that the project had stalled with one	Handed over to county Government	Bungale Masudi- Fund Account Manager	Resolved	29/03 /2019

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put date when you expect the issue to be resolved)
	unit not complete and Kshs 4,482,759 had already been paid to the contractor. The board failed to allocate funds for the completion of the project 2017/2018 financial year. Management also has not explained the reason the project has taken so long to be completed yet even after paying more than the contract sum to the contractor hence value for money may not be achieved.				
26/3/2019	<b>Deficit Balance</b> The statements of receipts and payments of National Government Constituency Development fund Baringo south constituency for the year ended 30 June 2018, shows an expenditure incurred of Kshs 46,513,008.60 against a receipt of Kshs 43,405,172, resulting into a deficit of Kshs 3,107,836.60. The deficit shows that the management of the fund incurred more than what was received without seeking authority and approval of the Board. In addition, under matching concept, the expenditure should be matched with the revenue received for prudence reporting of government accounting.	The allocation for 2017/2018 was kshs 98,189,655.16 and adjustment was made in column b on the balance brought forward in the financial year 2016/2017 and declined project from the board totalling to 9,127,948.44 totalling to kshs 107,317,603.60 being the fund utilized within the financial year under Review	Bungale Masudi- Fund Account Manager	Resolved	29/0/201

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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)
	Management should explain how the excess expenditure was financed.				
26/3/2019	<p><b>Misstatement of cash and cash equivalent</b></p> <p>The statement of assets of baringo south constituency development fund as at 30 june 2018 includes cash and cash equivalent balance of Kshs 5,520,112.64 as disclosed under note 10(a). however, the bank reconciliation statement as at 30<sup>th</sup> june 2018 and the board of survey report revealed a balance of Kshs5,439,112.64 as bank balance as per cash book. The difference between the two sets of records of Kshs 81,000.00 has not been explained or analysed. In the circumstance, the reported cash and cash equivalents balance of kshs 5,520,112.64 could not be confirmed as fairly stated</p>	This was a casting and has since been corrected	Bungale Masudi- Fund Account Manager	Resolved	29/03/2019

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**TRIAL BALANCE AS AT 30TH JUNE 2019**

		DR	CR
<b>Cash and Cash equivalents</b>			
	Bank Balances	21,618,016	
	Cash Balances	-	
	Outstanding Imprest	-	
<b>Payments</b>			
	Compensation of Employees	1,568,133	
	Use of goods and services	7,187,471	
	Transfers to Other Government Units	48,350,000	
	Other grants and transfers	34,273,753	
	Acquisition of Assets	-	
	Other Payments	1,318,224	
<b>Receipts</b>			
	Transfers from the Board		108,784,484
	Proceeds from sale of assets		-
	Others receipts		11,000
<b>Fund Balance b/f</b>			5,520,113
<b>TOTAL</b>		<b>114,315,597</b>	<b>114,315,597</b>