

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*



**REPORT**

THE NATIONAL ASSEMBLY  
OF

DATE: 15 FEB 2022

DAY: Tuesday

**THE AUDITOR-GENERAL**

BY:

*hdk*

CLERK-AT  
THE-TABLE:

*G. Chebet*

**ON**

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

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







NG-CDF



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -BARINGO NORTH DEVELOPMENT  
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 NORTH CONSTITUENCY**  
**Amended Reports and Financial Statements**  
**For the year ended June 30, 2019**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)  
BARINGO NORTH CONSTITUENCY**

**Reports and Financial Statements  
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**Core Values**

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

**(b) Key Management**

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

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

**(c) Fiduciary Management**

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

No.	Designation	Name
1.	A.I.E holder	David M. Okoma
2.	Sub-County Accountant	Kipkirui Sigei
3.	Chairman NG-CDFC	Stanley K C Amdany
4.	Member NG-CDFC	Kennedy Chebon

**(d) Fiduciary Oversight Arrangements**

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

**(e) NG-CDF BARINGO NORTH Constituency Headquarters**

P.O. Box 63  
CDF Complex  
Kabartonjo



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)  
BARINGO NORTH CONSTITUENCY**

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

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**(f) NG-CDF BARINGO NORTH Constituency Contacts**

Telephone: (254) 722 402 480  
E-mail: [cdfbaringonorth@ngcdf.go.ke](mailto:cdfbaringonorth@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) NG-CDF BARINGO NORTH Constituency Bankers**

Kenya Commercial Bank  
Kabarnet Branch

**(h) Independent Auditors**

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

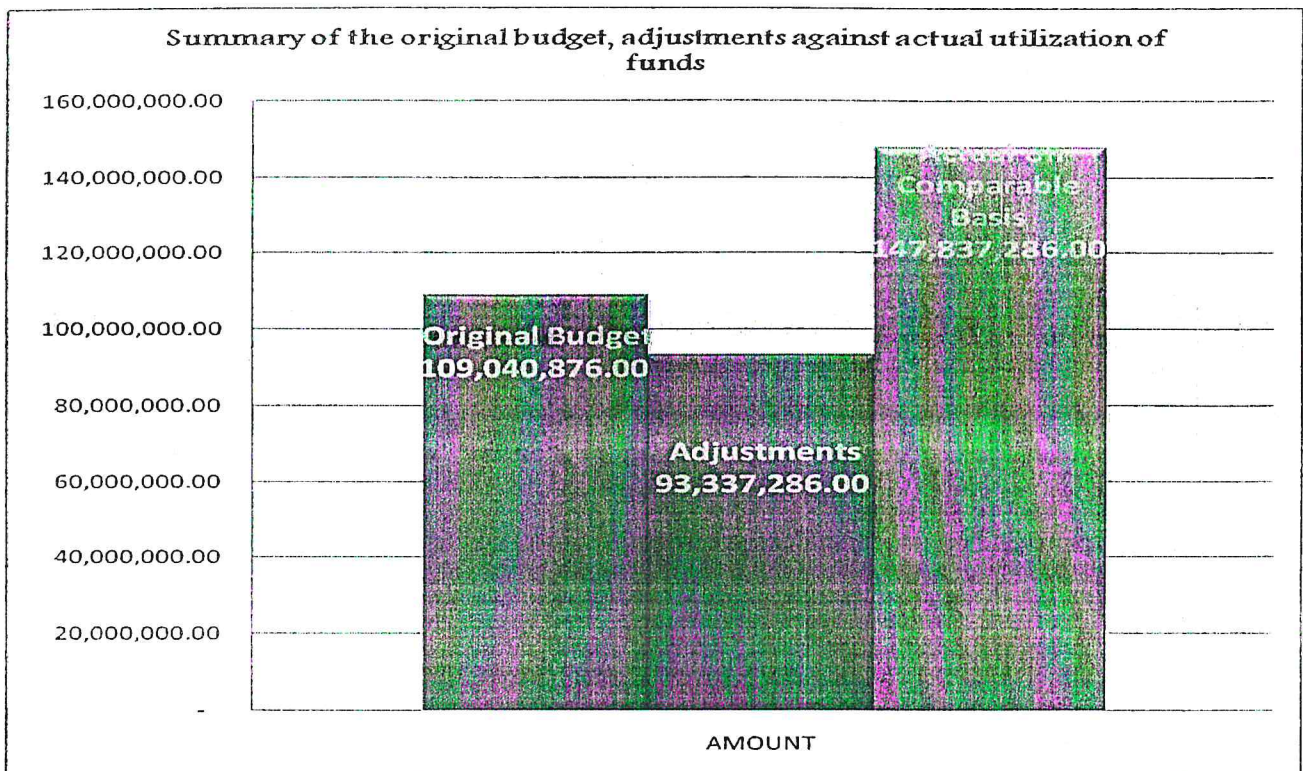
**(i) Principal Legal Adviser**

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

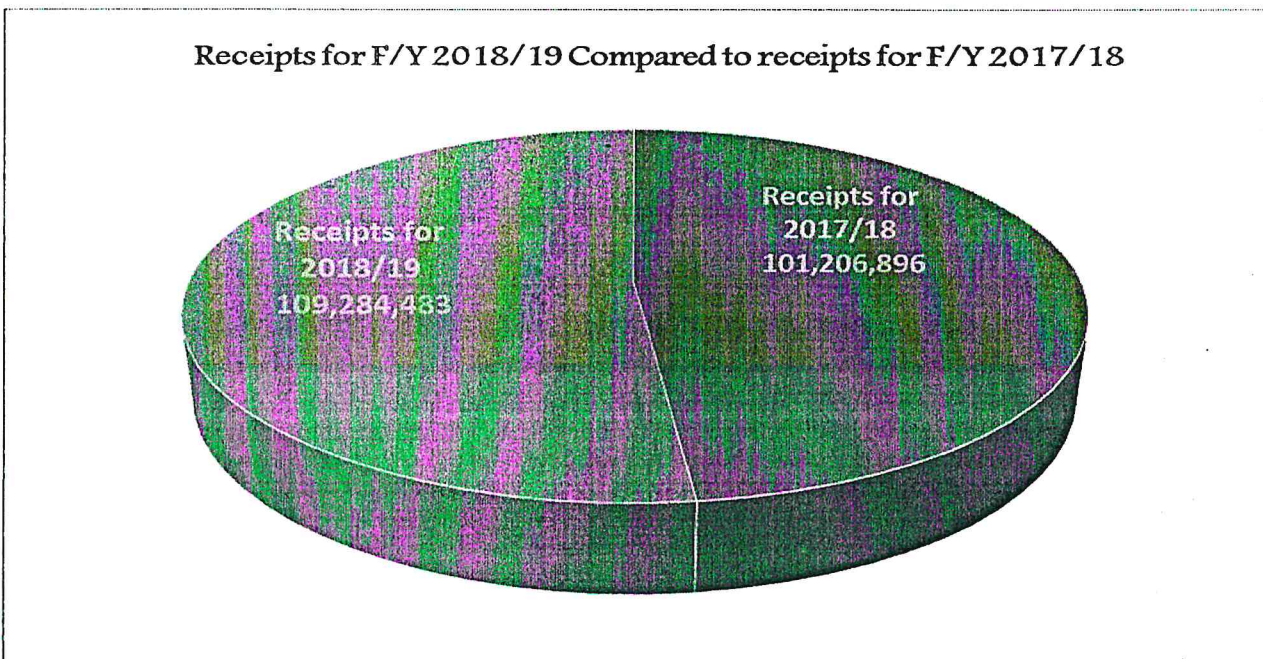
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)  
 BARINGO NORTH CONSTITUENCY  
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 For the year ended June 30, 2019**

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

**Below:** Summary of the budget performance against actual amounts for current year based on economic classification and programmes.



**Below:** Summary of the total receipts for financial year 2018/2019 compared to financial year 2017/2018

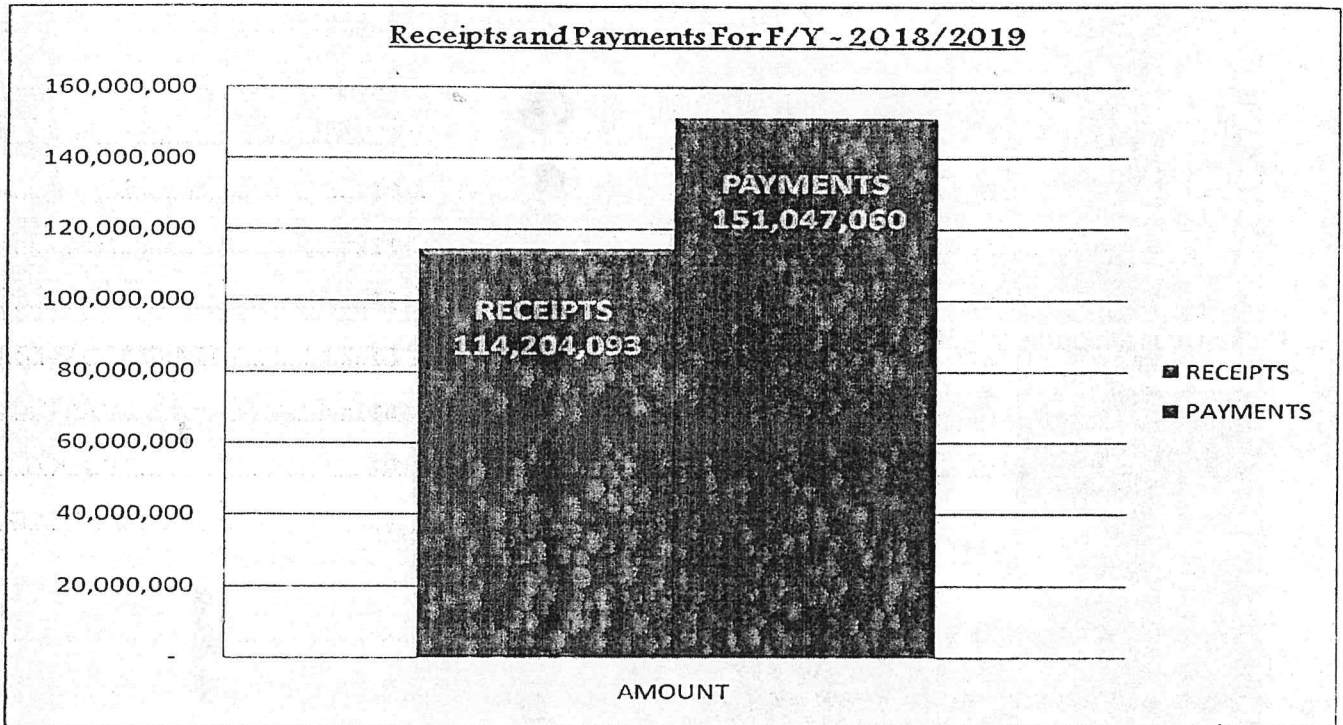




**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)  
BARINGO NORTH CONSTITUENCY**

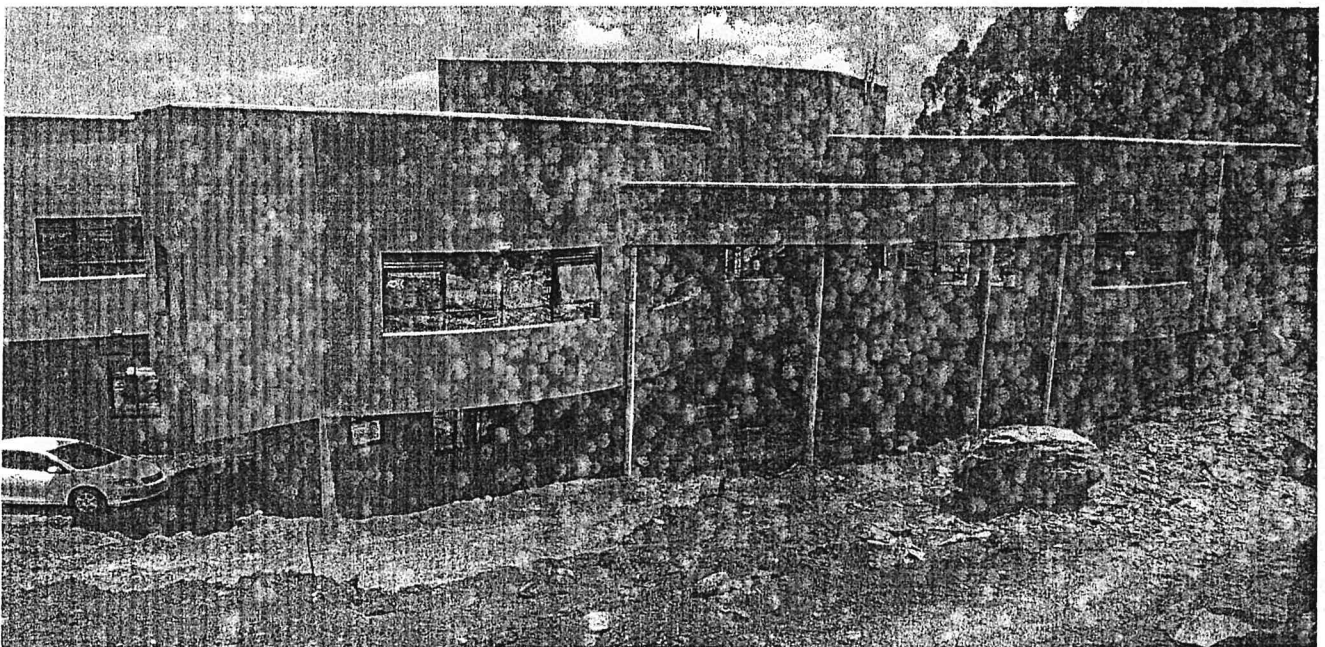
**Reports and Financial Statements  
For the year ended June 30, 2019**

Below: Summary of the total receipts compared to total payments for the financial year 2018/2019



**KEY ACHIEVEMENTS IN THE FINANCIAL YEAR 2018/2019**

- ❖ During the financial year the committee disbursed Kshs. 30,842,770 as bursary to needy students in secondary schools and tertiary institution and this benefited a total of 2,478 students.
- ❖ During the financial year the committee managed to partially complete construction of the NG-CDF office and other physical structures including classrooms as shown below.



**NG-CDF OFFICES- At its Completion Stage**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)**  
**BARINGO NORTH CONSTITUENCY**  
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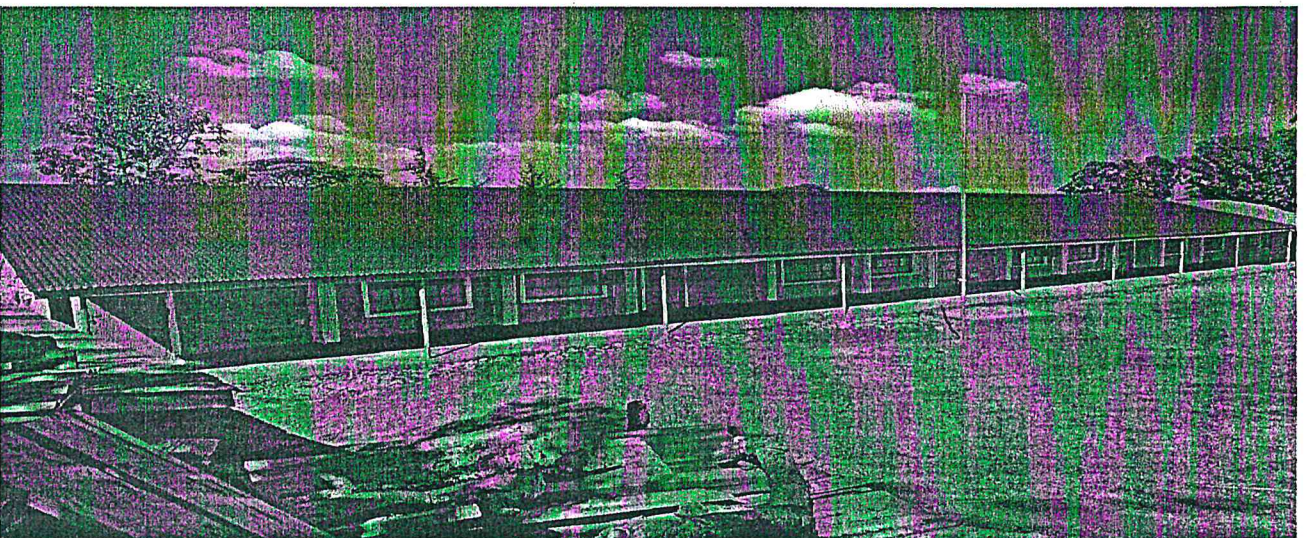
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**Barwessa Secondary School – Construction of Administration Block**



**Kiptaiwa Primary School – Construction of Two Classrooms**

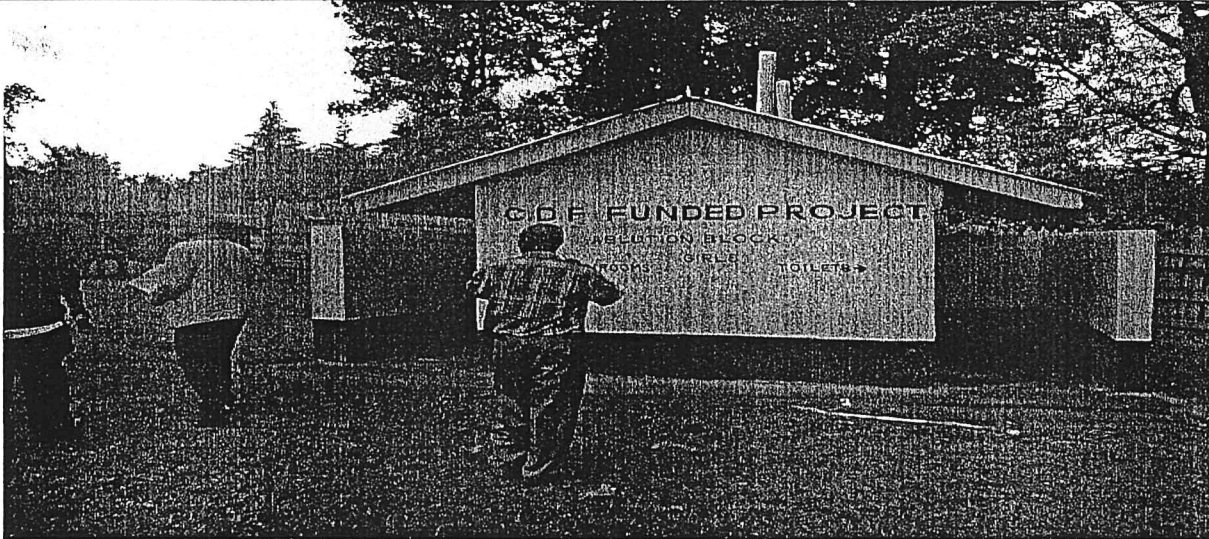


**Kasesia Primary School – Construction of Four Classrooms**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)  
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**Reports and Financial Statements  
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**Ossien Primary School – Construction of Ablution Block**



**Kipsaraman D. O's Office – Construction of Offices**

**IMPLEMENTATION CHALLENGES**

Despite of the above impressive performance the NG-CDFC noted the following challenges: -

- Poor accessible roads; hence leading to slow implementation of projects in the affected areas.
- Insecurity in some parts of the constituency
- The terrain of the constituency is also a challenge where contractors shy away to apply for CDF contracts because of difficult terrain.

In the financial year 2018/2019 the NG-CDFC scaled up by constructing security administrative structures in the affected areas hence improving security.

Also the county and national government have funded some roads hence improving accessibility to project sites.

Sign

**CHAIRMAN NG-CDF COMMITTEE**

**Reports and Financial Statements**

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

**III. STATEMENT OF BARINGO NORTH 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 NGCDF Baringo North shall prepare financial statements in respect of that Baringo north constituency. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-BARINGO NORTH Constituency is responsible for the preparation and presentation of the NGCDF Baringo North's financial statements, which give a true and fair view of the state of affairs of the NGCDF Baringo North for and as at the end of the financial year 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 NGCDF Baringo North; (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 NGCDF Baringo North; (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 NORTH Constituency accepts responsibility for the 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 *Baringo North's* financial statements give a true and fair view of the state of NGCDF Baringo North's transactions during the financial year ended June 30, 2019, and of the NGCDF Baringo North's financial position as at that date. The Accounting Officer in charge of the NGCDF *Baringo North* Constituency further confirms the completeness of the accounting records maintained for the NGCDF *Baringo North*, which have been relied upon in the preparation of the NGCDF Baringo North's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Baringo North Constituency confirms that the NGCDF Baringo North has complied fully with applicable Government Regulations and that the NGCDF Baringo North'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 NGCDF Baringo North'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 NORTH Constituency financial statements were amended and signed by the Accounting Officer on 11<sup>TH</sup> MARCH, 2020.



**Fund Account Manager  
David M Okoma**

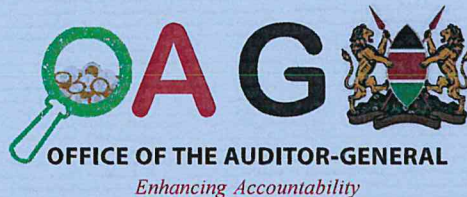


**Sub-County Accountant  
Kipkirui Sigei  
ICPAK Member Number: 11884**



# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BARINGO NORTH 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 North Constituency set out on pages 10 to 40, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

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

##### **1. Cash and Cash Equivalents**

The statement of assets and liabilities reflects bank balances of Kshs.362,138;(2018-Kshs.33,631,193). However, bank reconciliation statement in support of the balance reflected payment of Kshs.417,401 in the bank but not recorded in the cash book.

Further, and as previously reported, the comparative bank balance of Kshs.33,631,193 included stale cheques amounting to Kshs.218,256 which had not been written back into the cash book. Similarly, withdrawals amounting to Kshs.1,748,100 during the 2017/18 financial year lacked the supporting documentation.



In addition, the statement of cash flows reflects comparative cash and cash equivalent as at the end of the year of Kshs.33,631,193 while the beginning for the current year reflects balance of Kshs.32,395,555 resulting to a variance of Kshs.1,235,638 which has not been reconciled.

Consequently, the accuracy and completeness of bank balance of Kshs.362,138 as at 30 June, 2019 could not be confirmed.

## 2. Irregular Bursary Payments

The statement of receipts and payments reflects other grants and transfer payments of Kshs.38,142,770;(2018-Kshs.22,327,600) and as disclosed under Note 7 to the financial statements. However, the bursary listing provided indicated that some beneficiary students from the same institution shared registration numbers for amounts totaling to Kshs.114,000 as detailed below.

No.	Institution	Name	Reg. No.	Year	Amount (Kshs.)
1	Yatia Secondary School	Collins K. Koros	70	IV	8,000
2	Yatia Secondary School	Cherop J. Tracy	70	IV	15,000
3	Kuikui Secondary School	Isabella Toroitich	391	II	15,000
4	Kuikui Secondary School	Duncan C. Kokwon	391	IV	8,000
5	Moigutwo Secondary School	Nicholas C. Chesang	463	IV	10,000
6	Moigutwo Secondary School	Gladwel J. Kimosop	463	II	8,000
7	Moi High School, Kabartonjo	Henry K. Chelimo	4263	III	15,000
8	Moi High School, Kabartonjo	Sherry J. Chebon	4263	IV	15,000
9	Kapkiamo Secondary School	Kisa Desmond	1030974		10,000
10	Kapkiamo Secondary School	Edmond K. Cheptirim	1030974	III	10,000
<b>Total</b>					<b>114,000</b>

Further, the bursary schedules indicated that, thirty-five (35) beneficiaries received multiple bursaries totaling to Kshs.881,900.

In addition, out of the total bursary disbursements of Kshs.30,842,770, only bursaries amounting to Kshs.8,705,785 were acknowledged by the receiving institutions leaving Kshs.22,136,985 as unconfirmed.

Consequently, the regularity and validity of other grants and transfer payments of Kshs.38,142,770 for the year ended 30 June, 2019 could not be confirmed.

## 3. Irregular Payment of Allowances

The statement of receipts and payments reflects use of goods and services amount of Kshs.9,559,234, which includes other committee expenses of Kshs.3,266,500 as disclosed under Note 5 to the financial statements. Included in other committee expenses is an amount of Kshs.485,000 paid to national government officers for office construction site meetings as detailed out below:-



<b>PV No.</b>	<b>Date</b>	<b>Voucher Amount (Kshs.)</b>	<b>Amount Paid to National Government Officers (Kshs.)</b>
131	17.01.2019	67,000	45,000
8274	28.06.2019	62,000	40,000
251	24.05.2019	57,000	40,000
223	24.05.2019	62,000	40,000
194	13.08.2019	54,000	35,000
94	23.11.2018	57,000	45,000
281	29.06.2019	62,000	40,000
35	29.08.2019	62,000	45,000
161	14.02.2019	62,000	50,000
142	28.09.2018	52,000	45,000
286	29.06.2019	60,000	10,000
47	11.09.2018	52,000	35,000
52	28.09.2018	52,000	15,000
57	28.09.2018	62,000	10,000
69	17.10.2018	57,000	45,000
<b>Total</b>		<b>880,000</b>	<b>485,000</b>

The Management has not rendered a satisfactory explanation as to why the officers were paid allowances they were not entitled to.

Under the circumstances, the validity and regularity of other committee expenses of Kshs.485,000 for the year ended 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 National Government Constituencies Development Fund - Baringo North Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

### **Budget Control and Performance**

The summary statement of appropriation: recurrent and development reflects final receipts budget and actual on comparable basis of Kshs.201,578,162 and

Kshs.147,837,286 resulting to underfunding of Kshs.53,740,876 or 26.9% of the budget. The underfunding affected the execution of planned activities and projects which may have negatively impacted on service delivery to the constituents of Baringo North.

## 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. Project Management Committee Bank Accounts

Eleven (11) PMC bank accounts for projects indicated as complete in the implementation status report of 30 June, 2019 continue to remain active and had balances totaling to Kshs.4,195,332 as detailed out below: -

Project	PMC Account	Balance (Kshs.)
Kalabata Primary School	1111222185	198,883
Kapkirwok Secondary School	1109780230	772,882
Kapluk Primary School	1139117130	3,721
Koroto Primary School	1110726953	300,749
Kosile Primary School	1113738448	793
Lekepchun Primary School	1252054521	14,825
Loruk Primary School	1168270049	399,944
Ossen Secondary School	1114525731	77,777
Poi Secondary School	1116021072	17,968
Sibilo Primary School	1110870248	804,051
Siboo Primary School	1110651120	1,603,740
<b>Total</b>		<b>4,195,332</b>

This is contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires all unutilized funds of the Project Management Committee to be returned to the constituency account.

The PMC bank account balances are not supported by bank statements, certificate of bank balances, cash books and bank reconciliation statements.

Consequently, the accuracy and completeness of PMC bank balance of Kshs.47,552,307 as at 30 June, 2019 could not be confirmed.



## 2. Unapproved Variation for Office Construction Contract

The statement of receipts and payments also reflects acquisition of assets cost of Kshs.33,094,153;(13,083,013) and as disclosed under Note 8 to the financial statements. During the year under review, the Fund continued to implement the contract for the construction of Fund offices which was contracted at a cost of Kshs.37,801,268 through open tender process. However, the project which was to be completed on 30 April, 2018 was incomplete as at February, 2020, ninety-three (93) weeks behind schedule.

Further, during the 14th site meeting between officers of Baringo County works office, architectural section, the Management and the contractors, it was reported that pending works would be undertaken at an incremental cost of Kshs.11,394,806 raising the contract sum to Kshs.49,196,074. Thus, translating to variation 30.14% contrary to the provisions of Section 139 (4) of Public Procurement and Disposal Act 2015 .

In addition, as reported previously, and contrary to the provisions of Section 96(2) of the Public Procurement and Asset Disposal Act 2015, the tender had only been advertised in one daily newspaper instead of at least two daily newspapers of nationwide circulation.

### 3.0 Projects Implementation

Annex 4-Project Management Committee (PMC) bank balances as at 30 June, 2019 discloses project bank balances of Kshs.47,553,307;(2018 - Kshs.6,058,202) for fifty-six (56) projects funded during the year. The following unsatisfactory observations were made;

#### 3.1 Projects not Started or Delayed

The project implementation status report as of 30 June, 2019 reflected 105 projects with funds allocation of Kshs.166,174,410 at various stages of completion as detailed below;-

Project Status	Count	Funds Allocation (Kshs.)
Complete and in use	6	2,600,000
Ongoing	19	29,900,000
Funds released to PMCs but not started and were at tendering stage	7	9,600,000
Not been started due to delay in release of Funds	15	22,700,000
Prior years ongoing projects – Not prioritized	58	101,374,410
<b>Total</b>	<b>105</b>	<b>166,174,410</b>

Contrary to Section 46(2) of National Government Constituencies Development Fund Act, 2015 which requires ongoing projects to be prioritized, 58 projects with cumulative

funding allocation of Kshs.101,374,410 have been ongoing for periods exceeding three (3) years but were not prioritized. Further, fifteen (15) other projects with a funding of Kshs.22,700,000 have not been started due to delay in release of funds.

### **3.2 Incomplete Projects**

Fifteen (15) projects with a funding allocation of Kshs.49,281,908 were sampled for verification during the month of January, 2020. The projects were at various stages of completion as detailed in Appendix 1. No satisfactory explanation has been rendered for delays in completing the projects.

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 services, disclosing, as applicable, matters related



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



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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

11 January, 2022





## Appendix 1 – Incomplete Projects

Project Name	Details	Cost (Kshs)	Observations
1. Killingot primary school	Construction of 8 classrooms to completion	6,400,000	Project received funding on 28 February, 2019 but the project is incomplete, 11 months after the disbursement. Labour based contracting was adopted contrary to section 27 of NGCDF regulations 2016 which requires Project Management Committee to apply Public Procurement and Assets Disposal Act 2015 in the procurement.
2. Kalel Primary School	Construction of 7 classrooms to completion and installation of electricity on 8 classrooms	5,600,000	The project is incomplete and was at roofing level; Kshs.700,000 allocation for the electrification remained unutilized.
3. Kasisit Primary school	Construction of 4 classrooms and an administration block to completion	5,474,138	Administration block was at lintel level; Four (4) classrooms were at finishing level; there were no materials on site nor the contractor.
4. Katibel Primary School	Construction of 6 classrooms to completion	4,800,000	Three (3) classrooms were at lintel level while the other three (3) were at foundation level eleven (11) months after disbursement;  Labour based contracting was used contrary to section 27 of NGCDF regulations 2016 which requires project management committee to apply Public Procurement and Assets Disposal Act 2015.
5. Embo-Ruto Primary School	Construction of 6 classrooms to completion	4,800,000	Not started despite receiving funds on 28 February, 2019
6. Terik Primary School	Construction of 6 classrooms to completion	4,800,000	Not started despite receiving funds on 28 February, 2019
7. Ngaratuko Primary School	Construction of 4 classrooms and 10 doors pits latrines to completion	4,107,770	Not started despite receiving funds on 21 February, 2019
8. Kipsaraman Primary School	Construction of 3 classrooms to completion	2,400,000	Not started despite receiving funds on 21 February, 2019
9. Kipkaren Primary School	Construction of 2 classrooms to completion	1,800,000	Not started despite receiving funds on 21 February, 2019

<b>Project Name</b>	<b>Details</b>	<b>Cost (Kshs)</b>	<b>Observations</b>
10.Siboo Primary School	Construction of 2 classrooms to completion	1,600,000	Not started despite receiving funds on 21 February, 2019
11.Kapkoiwo Primary School	Construction of 2 classrooms to completion	1,600,000	Not started despite receiving funds on 21 May, 2019
12. Litein Primary School	Construction of 2 classrooms to completion	1,500,000	Project is at foundation level, fourteen (14) months after funding. The contractor was not on site and the Project appeared abandoned.
13.Kapluk Secondary School	Construction of school library block	1,000,000	The Project received Kshs.2,000,000 and Kshs.800,000 in 2014/2015 and 2017/2018 financial years respectively. This contravenes section 11(J) of NG-CDF Regulation 2016 which requires project to be completed within three (3) years.  The Project was at roofing stage but appeared abandoned. Water seepage between the foundation and walls, posing risk to the users.
14.Katorin Resource centre	Plastering, keying wiring and painting	1,500,000	Project incomplete and Stalled; no contractor on site.
15.Muchukwo Chiefs Office and AP Camp	fixing doors and windows, Construction of pit latrine and bathrooms	1,900,000	<ul style="list-style-type: none"> <li>• Painting works for the three (3) one-bedroom AP Units incomplete;</li> <li>• Construction of both the pit latrine and the bathrooms not done; and</li> <li>• Electrical wiring of the Chiefs office and the AP Units had not started</li> </ul>
<b>Total</b>		<b>49,281,908</b>	



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)  
BARINGO NORTH CONSTITUENCY**

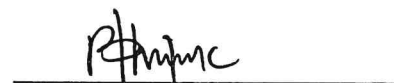
**Reports and Financial Statements  
For the year ended June 30, 2019**

**V. STATEMENT OF RECEIPTS AND PAYMENTS**

DESCRIPTION	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF board	1	109,284,483	101,206,896
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	4,921,610	-
<b>TOTAL RECEIPTS</b>		<b>114,206,093</b>	<b>101,206,896</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,559,969	2,057,721
Use of goods and services	5	9,559,234	9,518,346
Transfers to Other Government Units	6	65,192,524	32,358,759
Other grants and transfers	7	38,142,770	22,327,600
Acquisition of Assets	8	33,094,153	13,083,013
Other Payments	9	3,498,412	0
<b>TOTAL PAYMENTS</b>		<b>151,047,060</b>	<b>79,345,439</b>
<b>SURPLUS/(DEFICIT)</b>		<b><u>(36,840,968)</u></b>	<b><u>21,861,457</u></b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BARINGO NORTH Constituency financial statements were amended on 11<sup>TH</sup> MARCH, 2020 and signed by:

  
Fund Account Manager  
David M. Okoma

  
Sub-County Accountant  
Kipkirui Sigei  
ICPAK Member Number: 11884







**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)**  
**BARINGO NORTH CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

**VI. STATEMENT OF ASSETS AND LIABILITIES**

DESCRIPTION	Note	2018- 2019	2017 - 2018
		Kshs.	Kshs.
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	362,138	33,631,193
Cash Balances (cash at hand)	10B	-	-
<b>Total cash and cash equivalent</b>		<b>362,138</b>	<b>33,631,193</b>
<b>Current Receivables</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>362,138</b>	<b>33,631,193</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts payables</b>			
Retention	12A	3,780,127	1,237,637
Gratuity Accrued	12B	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>3,780,127</b>	<b>1,237,637</b>
<b>NET FINANCIAL ASSETS</b>		<b><u>(3,417,989)</u></b>	<b><u>32,393,556</u></b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	32,393,555	9,091,309
Surplus/Deficit for the year		(36,840,967)	21,861,457
<b>ADJUSTMENTS</b>	14	1,029,423	1,440,789
<b>NET FINANCIAL POSITION</b>		<b><u>(3,417,989)</u></b>	<b><u>32,393,556</u></b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF BARINGO NORTH Constituency financial statements were amended on 11<sup>TH</sup> MARCH, 2020 and signed by:

  
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)  
BARINGO NORTH CONSTITUENCY**

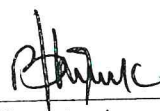
**Reports and Financial Statements  
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**VII. STATEMENT OF CASHFLOW**

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2018 - 2019	2017 - 2018
<b>Receipts</b>			
Transfers from NG-CDF Board	1	109,284,483	101,206,896
Other Receipts	3	4,921,610	-
<b>Total Receipts</b>		<b>114,206,093</b>	<b>101,206,896</b>
<b>Payments</b>			
Compensation of Employees	4	1,559,969	2,057,721
Use of goods and services	5	9,559,234	9,518,346
Transfers to Other Government Units	6	65,192,524	32,358,759
Other grants and transfers	7	38,142,770	22,327,600
Other Payments	9	3,498,412	0
<b>Total Payments</b>		<b>117,952,908</b>	<b>66,262,426</b>
<b>Total Receipts Less Total Payments</b>		<b>(3,746,815)</b>	<b>34,944,470</b>
<b>Adjusted for:</b>			
Outstanding Imprest	11	-	-
Retention Payable	12	3,780,127	1,237,637
Prior year adjustments	14	1,029,423	1,440,789
<b>Net Adjustments</b>		<b>4,809,550</b>	<b>2,678,426</b>
<b>Net cash flow from operating activities</b>		<b>1,062,735</b>	<b>37,622,896</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(33,094,153)	(13,083,013)
<b>Net cash flows from Investing Activities</b>		<b>(33,094,153)</b>	<b>(13,083,013)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(32,031,418)</b>	<b>24,539,883</b>
Cash and cash equivalent at BEGINNING of the year	13	32,393,555	9,091,309
<b>Cash and cash equivalent at END of the year</b>		<b><u>362,138</u></b>	<b><u>33,631,193</u></b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BARINGO NORTH Constituency financial statements were amended on 11<sup>TH</sup> MARCH, 2020 and signed by:

  
Fund Account Manager  
David M Okoma

  
Sub-County Accountant  
Kipkirui Sigei  
ICPAK Member Number: 11884



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


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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	C = a+b	d	e = c-d	f = d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	108,240,876	88,415,676	196,656,552	142,915,676	53,740,876	72.4%
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts	-	4,921,610	4,921,610	4,921,610	-	
<b>TOTAL</b>	<b>108,240,876</b>	<b>93,337,286</b>	<b>201,578,162</b>	<b>147,837,286</b>	<b>53,740,876</b>	<b>73.1%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,557,450	1,009,421	2,566,871	1,559,969	1,006,902	60.8%
Use of goods and services	6,436,041	4,393,808	10,829,849	9,559,233	1,270,615	88.3%
Transfers to Other Government Units	48,800,000	28,579,194	77,379,194	65,192,524	12,186,670	84.3%
Other grants and transfers	38,147,385	16,264,169	54,411,554	38,142,770	16,268,784	70.1%
Acquisition of Assets	13,300,000	39,424,694	52,724,694	33,094,152	19,630,542	62.8%
Other Payments	-	3,500,000	3,500,000	3,498,412	1,588	100.0%
Other Receipts (A.I.A)	-	166,000	166,000	-	166,000	0.0%
<b>TOTAL</b>	<b>108,240,876</b>	<b>93,337,286</b>	<b>201,578,162</b>	<b>151,047,060</b>	<b>50,531,101</b>	<b>74.6%</b>

- i. On receipts, the total receipts from the NG-CDF Board is at 72.4% this is due to delay in disbursement of funds by NG-CDF Board
- ii. Compensation of Employees is at 60.8% it's because of delay in disbursement of funds by NG-CDF Board
- iii. Use of goods and services is at 88.3%, this is due to delay in disbursement of funds by NG-CDF Board
- iv. Transfers to Other Government Units is at 84.3%, this is due to delay in disbursement of funds by NG-CDF Board
- v. Other grants and transfers is at 70.1%, this was underutilized because funds had not been released from NG-CDF Board
- vi. Acquisition of Assets 62.8%, these funds were meant for construction of NG-CDF Office which delayed because of some challenges
- vii. Other Receipts (A.I.A) is at 0.0%, these are funds received from sale of tender and they had not been budgeted

The NG-CDF BARINGO NORTH Constituency financial statements were amended on 11<sup>TH</sup> MARCH, 2020 and signed by: -

  
Fund Account-Manager  
David M. Okoma

  
Sub-County Accountant  
Kipkirui Sigei  
ICPAK Member Number: 11884



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

**IX. 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	1,557,450	1,009,421	2,566,871	1,559,969	1,006,902
1.2 Committee allowances	1,300,000	382,759	1,682,759	1,477,000	205,759
1.3 Use of goods and services	2,038,210	677,666	2,715,876	2,251,167	464,709
1.4 Acquisition of assets	1,300,000	0	1,300,000	1,300,000	0
<b>2.0 Monitoring and evaluation</b>					
2.1 Capacity building	700,000	1,865,316	2,565,316	2,564,566	750
2.2 Committee allowances	1,000,000	1,224,573	2,224,573	2,066,500	158,073
2.3 Use of goods and services	1,397,830	243,494	1,641,324	1,200,000	441,324
<b>3.0 Emergency</b>	5,738,993	4,254,011	9,993,004	4,400,000	5,593,004
3.1 Primary Schools	0	0	0	0	0
3.2 Secondary schools	0	0	0	0	0
3.3 Tertiary institutions	0	0	0	0	0
3.4 Security projects	0	0	0	0	0
<b>4.0 Bursary and Social Security</b>					
4.1 Primary Schools	0	0	0	0	0
4.2 Secondary Schools	10,000,000	8,188,463	18,188,463	18,188,463	0
4.3 Tertiary Institutions	6,008,391	326,868	6,335,259	5,708,797	626,462
4.4 Universities	11,000,000	0	11,000,000	6,945,510	4,054,490
4.5 Mocks & CATS	0	850,000	850,000	0	850,000
<b>5.0 Sports</b>	1,400,000	1,644,828	3,044,828	0	3,044,828
<b>6.0 Environment</b>	0	0	0	0	0

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

**Reports and Financial Statements**

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

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>7.0 Primary Schools Projects</b>					
Kapluk Primary School	400,000	616,650	1,016,650	616,650	400,000
Koiserat Primary School	0	293,966	293,966	293,966	0
Kasist Primary School	0	4,886,207	4,886,207	4,886,207	0
Kalel Primary School	0	4,900,000	4,900,000	4,900,000	0
Ng'aratuko Primary School	0	4,107,770	4,107,770	4,107,770	0
Mormorio Primary School	0	2,986,670	2,986,670	0	2,986,670
Kapkoivo Primary School	0	1,600,000	1,600,000	1,600,000	0
Bartabwa Primary School	0	200,000	200,000	0	200,000
Kalel Primary School	0	700,000	700,000	700,000	0
Kasist Primary School	0	587,931	587,931	587,931	0
Ayatya Pry. School	0	1,400,000	1,400,000	1,400,000	0
Kipkolony Pry. School	0	1,500,000	1,500,000	1,500,000	0
Litein Pry. School	0	1,500,000	1,500,000	1,500,000	0
Terik Pry. School	4,800,000	0	4,800,000	4,800,000	0
Kalabata Pry. School	500,000	0	500,000	500,000	0
Kinyach Pry. School	500,000	0	500,000	500,000	0
Baruiyo Pry. School	700,000	0	700,000	700,000	0
Toboroi Pry. School	500,000	0	500,000	500,000	0
Chapin Pry. school	500,000	0	500,000	0	500,000
Kipkaren Pry. School	1,800,000	0	1,800,000	1,800,000	0
Biretwonin Pry. School	3,200,000	0	3,200,000	0	3,200,000
Rondinin Pry. School	700,000	0	700,000	700,000	0
Sibilo Pry. School	500,000	0	500,000	500,000	0



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

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

Programme/ Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis 30/06/2019	Budget utilization difference
	2018/2019 Kshs.	Kshs.	2018/2019 Kshs.	30/06/2019 Kshs.	Kshs.
Loruk Pry. School	400,000	0	400,000	400,000	0
Akoroyan Pry. School	500,000	0	500,000	0	500,000
Koroto Pry. School	300,000	0	300,000	300,000	0
Rormoch Pry. School	200,000	0	200,000	0	200,000
Kosile Pry. School	200,000	0	200,000	200,000	0
Embo-Rutto Pry. School	4,800,000	0	4,800,000	4,800,000	0
Kipsaraman Pry. School	2,400,000	0	2,400,000	2,400,000	0
Kelwondonin Pry. School	300,000	0	300,000	300,000	0
Katibel Pry. School	4,800,000	0	4,800,000	4,800,000	0
Siboo Pry. School	1,600,000	0	1,600,000	1,600,000	0
Maregut Pry. School	300,000	0	300,000	300,000	0
Kaptiony Pry. School	500,000	0	500,000	500,000	0
Kiptolelyo Pry. School	400,000	0	400,000	0	400,000
Lekepchun Pry. School	500,000	0	500,000	500,000	0
Kilingot Pry. School	6,400,000	0	6,400,000	6,400,000	0
Bossei Pry. School	400,000	0	400,000	400,000	0
Mormorio Pry. School	1,300,000	0	1,300,000	0	1,300,000
<b>8.0 Secondary Schools Projects</b>					0
Kimugul Sec. School	0	500,000	500,000	500,000	0
Poi Sec. School	0	500,000	500,000	500,000	0
Ruth Kiptui Girls Sec. School	0	800,000	800,000	800,000	0
Kapluk Sec. School	0	800,000	800,000	800,000	0
Kampi Ya Samaki Sec. School	0	700,000	700,000	0	700,000
Yatia Sec. School	1,000,000	0	1,000,000	1,000,000	0

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

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.
Kimugul Sec. School	500,000	0	500,000	0	500,000
Ruth Kiptui Kasok Girls Secondary	500,000	0	500,000	500,000	0
Poi Sec. School	500,000	0	500,000	0	500,000
Tirimionin Sec. School	500,000	0	500,000	500,000	0
Katibel Sec. School	800,000	0	800,000	0	800,000
Kapluk Sec. School	1,000,000	0	1,000,000	1,000,000	0
Keturwo Sec. School	300,000	0	300,000	300,000	0
Kuikui Secondary School	500,000	0	500,000	500,000	0
Bossei Sec. School	500,000	0	500,000	500,000	0
Kapkiamo Sec. School	500,000	0	500,000	500,000	0
Ossen Sec. School	700,000	0	700,000	700,000	0
Kapkirwok Sec. School	600,000	0	600,000	600,000	0
<b>9.0 Tertiary institutions Projects</b>			0		0
Kahorin Resource Centre	1,500,000	0	1,500,000	1,500,000	0
<b>10.0 Security Projects</b>					
Kapturo AP Camp	0	700,000	700,000	700,000	0
Bartabwa D.O Residence	0	300,000	300,000	300,000	0
Loruk Police Post	1,100,000	0	1,100,000	0	1,100,000
Yahia Chiefs Office	500,000	0	500,000	0	500,000
Muchukwo Chiefs Office	1,900,000	0	1,900,000	1,900,000	0
Barwessa D.O's Office	500,000	0	500,000	0	500,000
<b>11.0 Acquisition of assets</b>					
11.1 Motor Vehicles	0	5,200,000	5,200,000	5,200,000	0



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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.
11.2 Construction of CDF office	12,000,000	31,055,438	43,055,438	25,424,896	17,630,542
11.3 Purchase of furniture and equipment	0	2,000,000	2,000,000	0	2,000,000
11.4 Purchase of computers	0	0	0	0	0
<b>12.0 Others</b>			0	0	0
12.1 Strategic Plan	0	3,500,000	3,500,000	3,498,412	1,588
12.2 Innovation Hub	0	1,169,256	1,169,256	1,169,256	0
12.3 PMC Savings	0	0	0	0	0
12.4 Sale of Motorcycle	0	85,000	85,000	0	85,000
12.5 Sale of Tender	0	81,000	81,000	0	81,000
<b>GRAND TOTAL</b>	<b>108,240,876</b>	<b>93,337,286</b>	<b>201,578,162</b>	<b>151,047,060</b>	<b>50,531,102</b>

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

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**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 Baringo North**

The financial statements are for the NGCDF-BARINGO NORTH Constituency. The financial statements encompass the reporting NGCDF Baringo North 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 NGCDF Baringo North for all the years presented.

**a) Recognition of Receipts**

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

**Tax Receipts**

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

**Transfers from the Exchequer**

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

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**SIGNIFICANT ACCOUNTING POLICIES**

**External Assistance**

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

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient NGCDF Baringo North 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. Also during the financial there were other receipts from PMC Savings. These are recognized in the financial statements the time associated cash is received.

**b) Recognition of payments**

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

**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 NGCDF Baringo North 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**

**5. In-kind contributions**

In-kind contributions are donations that are made to the NGCDF Baringo North 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 NGCDF Baringo North 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 NGCDF Baringo North 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.

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**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.

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. B030021	54,784,483	AIE NO. A896793,	37,905,172
	AIE NO. B030165	10,000,000	AIE NO. A892910	40,948,276
	AIE NO. B030351	10,000,000	AIE NO. A855761	5,500,000
	AIE NO. B006291	6,000,000	AIE NO. A839744	16,853,448
	AIE NO. A699022	11,000,000		-
	AIE NO. B042712	12,000,000		-
	AIE NO. B042982	5,500,000		-
	<b>TOTAL</b>	<b>109,284,483</b>		<b>101,206,896</b>

**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	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**3. OTHER RECEIPTS**

DESCRIPTION	2018-2019	2017-2018
	Kshs	Kshs
Sale of Tender Document	62,000	-
Sale of Tender Document	14,000	
Biretwonin Dispensary	650,975	
Biretwonin pan dam	6,140	
Kabaraina Nursery School	360	
Kagir police station	693	
Kampi ya samaki water	224,320	
Kipcherere Dispensary	74,120	
Kipcherere water project	6,912	
Koroto dispensary	143,545	
Rondinin Dispensary	29,040	
Rondinin Cattle Dip	1,315	



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DESCRIPTION	2018-2019	2017-2018
Sutiechun Dispensary	409,585	
Tibingar water project	1,288	
Aiyebo B/Hole water project	830,342	
Bartolimo Dispensary	454,375	
Emining water pan	147,761	
Kapteberewo Environmental project	660	
Kasisit Water project	131,109	
Kibiryokwonin Dispensary	105,170	
Kipsaraman water project	4,691	
Poi Dispensary	7,545	
Rebeko Dispensary	6,080	
Tirimionin/ Emboruto water	429	
Kaptum dispensary	505	
Moi Kabartonjo Borehole	12,995	
Mooi Youth Polytechnic	29,613	
Rojombo water project	428,392	
Seremwo Dispensary	1,622	
Sigerger Water Project	119,700	
Sumeiyon Dispensary	50,815	
Tiloi Dispensary	485	
Atiar Dispensary	1,178	
Bartabwa Health Centre	50,934	
Bartabwa Youth Polytechnic	4,125	
Bebosok Dispensary	23,642	
Kinyach Water Pan	46,094	
Koiserat water project	54,990	
Tunoiwo Dispensary	2,838	
Ayatya Dispensary	1,020	
Barwessa Chief's Office	31,925	
Barwessa H/Centre	7,670	
Chumet water project	583,190	
Kapluk dispensary	8,196	
Katibel Dispensary	2,322	
Keturwo Health Centre	27,461	
Kibuliak water project	41,835	
Maregut dispensary	16,309	
Ogong Water Project	61,305	
<b>TOTAL</b>	<b>4,921,610</b>	<b>-</b>

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

**4. COMPENSATION OF EMPLOYEES**

DESCRIPTION	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	1,429,116	1,439,301
Basic wages of casual labour	-	-
<b>Personal allowances paid as part of salary</b>		
NSSF Employer	51,840	51,840
Gratuity Paid	79,013	566,580
<b>TOTAL</b>	<b>1,559,969</b>	<b>2,057,721</b>

**5. USE OF GOODS AND SERVICES**

DESCRIPTION	2018 - 2019	2017 - 2018
	Kshs.	Kshs.
Utilities, supplies and services	-	-
Office rent	300,000	325,000
Communication, supplies and services	292,466	174,162
Domestic travel and subsistence	474,600	1,089,635
Printing, advertising and information supplies & services	159,607	283,504
Training expenses	2,564,566	4,186,000
Hospitality supplies and services	77,800	
Other committee expenses -M&E	3,266,500	1,508,585
Committee allowance	1,477,000	1,341,500
Specialized materials and services	0	-
Office and general supplies and services	406,000	559,960
Fuel, Oil & Lubricants	250,000	50,000
Other operating expenses	11,623	-
Routine maintenance – vehicles and other transport equipment	262,272	-
Routine maintenance – other assets	16,800	-
<b>TOTAL</b>	<b>9,559,234</b>	<b>9,518,346</b>

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

DESCRIPTION	2018-2019	2017-2018
	Kshs.	Kshs.
Transfers to primary schools (see attached list)	54,992,524	25,208,759
Transfers to secondary schools (see attached list)	8,700,000	6,150,000
Transfers to tertiary institutions (see attached list)	1,500,000	1,000,000
<b>TOTAL</b>	<b>65,192,524</b>	<b>32,358,759</b>

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**7. OTHER GRANTS AND OTHER PAYMENTS**

DESCRIPTION	2018-2019	2017-2018
	Kshs	Kshs
Bursary – Secondary Schools (see attached list)	18,188,463	11,265,150
Bursary – Tertiary/ Universities Institutions (see attached list)	12,654,307	9,997,650
Security projects (see attached list)	2,900,000	1,050,000
Sports projects (see attached list)	-	14,800
Emergency projects (see attached list)	4,400,000	-
<b>TOTAL</b>	<b>38,142,770</b>	<b>22,327,600</b>

**8. ACQUISITION OF ASSETS**

DESCRIPTION	2018-2019	2017-2018
<b>Non Financial Assets</b>	Kshs.	Kshs.
Construction of Buildings	25,424,896	11,287,563
Purchase of Vehicles and Other Transport Equipment	5,200,000	-
Purchase of Motorcycles	-	557,813
Purchase of Computers, Printers and other IT Equipments	1,300,000	-
ICT Hub	1,169,257	-
<b>TOTAL</b>	<b>33,094,153</b>	<b>11,845,376</b>

**9. OTHER PAYMENTS**

DESCRIPTION	2018-2019	2017-2018
	Kshs.	Kshs.
Strategic Plan	3,498,412	-
<b>TOTAL</b>	<b>3,498,412</b>	<b>-</b>

**10. BANK BALANCES**

**A. Bank Accounts (cash book bank balance)**

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs.	Kshs.
<i>Name of Bank:</i> KCB Kabarnet Branch	362,138	33,631,193
<i>Account No.:</i> 1103776142		
<b>TOTAL</b>	<b>362,138</b>	<b>33,631,193</b>



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B. Cash in Hand

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs. (30/6/2019)	Kshs. (30/6/2018)
Location I	-	-
TOTAL	-	-

11. OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
-	-	-	-	-

12. RETENTION

DESCRIPTION	2018 - 2019	2017-2018
	Kshs	Kshs
Balances brought forward	1,237,637	
Bellion Hardware & Building contractors	358,586	200,000
Bellion Hardware & Building contractors	584,692	210,269
Bellion Hardware & Building contractors	382,598	368,209
Bellion Hardware & Building contractors	756,911	459,159
Bellion Hardware & Building contractors	459,703	-
TOTAL	3,780,127	1,237,637

13. BALANCES BROUGHT FORWARD

DESCRIPTION	2018-2019	2017-2018
	Kshs. (1/7/2018)	Kshs. (1/7/2017)
Bank Accounts	32,393,555	9,091,309
Cash in hand	-	-
Imprest	-	-
TOTAL	32,393,555	9,091,309

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14. PRIOR YEAR ADJUSTMENTS

DESCRIPTION	2018-2019	2017-2018
Reversed Cheques	Kshs	Kshs
A.I.C Kapkei Secondary School - 006667	8,000	
A.I.C Maji Moto Secondary School - 006669	8,000	
Kabosom Secondary School - 006709	8,000	
Kapkata Secondary School - 006714	8,000	
Kapkitony Secondary School - 006716	8,000	
Moi Secondary School – 006766	8,000	
St. Petere Secondary – Marakwet - 006815	10,000	
K.M.T.C, Kaptumo - 006928	8,000	
K.M.T.C, Muranga - 006938	8,000	
OI Lessos T.T.I - 006966	10,000	
University of Nairobi, Kisumu Campus - 006990	13,000	
Kapngetuny High School - 007527	8,000	
Lake Bogoria Secondary School - 007550	17,000	
Chesawany Primary School	51,601	
Kipcherere Secondary School - 007538	250	
Baringo North CDF - 005395	10,000	
PMC Saving – EFT	372	
Reverse of Cheque (Bank Charges)	200	
Presbyterian University	10,000	
Bossei Primary School - 0089	400,000	
Moi T.T.C - 008535	435,000	
Cash Omitted (2016/2017)	0	1,603,425
Overstatement of bank balance (2016/2017)	0	(162,636)
<b>TOTAL</b>	<b>1,029,423</b>	<b>1,440,789</b>

15. PENDING ACCOUNTS PAYABLE

DESCRIPTION	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	-	25,276,068
Purchase of Vehicle	-	5,200,000
Gratuity Accrued	637,586	-
<b>TOTAL</b>	<b>637,586</b>	<b>30,476,068</b>



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**16. PMC ACCOUNT BALANCES**

DESCRIPTION	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	47,553,307	6,058,202
<b>TOTAL</b>	<b>47,553,307</b>	<b>6,058,202</b>

**17. UNUTILIZED FUNDS (See Annex 2)**

Description	2018 - 2019	2017- 2018
	Kshs.	Kshs.
Compensation of employees	1,006,902	1,009,421
Use of goods and services	1,270,616	3,793,807
Amounts due to other Government entities (see attached list)	12,986,670	16,096,822
Amounts due to other grants and other transfers (see attached list)	16,268,784	17,852,102
Acquisition of assets	19,630,542	39,817,800
Other Payments	167,588	8,177,027
Others ( <i>Receipts</i> )	0	90,000
P.M.C ( <i>Savings</i> )	0	341,060
<b>TOTAL</b>	<b>51,331,102</b>	<b>87,178,039</b>



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**XI. ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To Date	Outstanding Balance 2019	Comments
<b>Senior Management</b>		a	b	c	d=a-c	
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. Evans Kakoko	J	212,189	01/07/2017	0	212,189	
11. Dorcas Kangor	G	156,493	01/07/2017	0	156,493	
12. Vincent Kipkulei	H	226,608	15/02/2016	0	226,608	
13. Sheila Chesang	D	42,296	01/07/2018	0	42,296	
<b>Sub-Total</b>		<b>637,586</b>		<b>0</b>	<b>637,586</b>	
<b>Grand Total</b>		<b>637,586</b>		<b>0</b>	<b>637,586</b>	



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**XII. ANNEX 2 – UNUTILIZED FUNDS**

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		1,006,902	1,009,421	
	<b>Sub-Total</b>	<b>1,006,902</b>	<b>1,009,421</b>	
Use of goods & services				
Other committee expenses - M&E		1,270,616	2,593,808	
Committee allowance		0	1,200,000	
	<b>Sub-Total</b>	<b>1,270,616</b>	<b>3,793,808</b>	
Amounts due to other Government entities				
Primary Schools		9,686,670	13,496,822	
Secondary Schools	*	2,500,000	2,600,000	
	<b>Sub-Total</b>	<b>12,186,670</b>	<b>16,096,822</b>	
Amounts due to other grants and other transfers				
Bursary -Secondary		4,680,952	4,515,331	
Bursary -Tertiary/universities		0	4,000,000	
Mocks & CATS		850,000	850,000	
Sports		3,044,828	1,644,828	
Emergency		5,593,004	6,141,943	
Security		2,100,000	700,000	
	<b>Sub-Total</b>	<b>16,268,784</b>	<b>17,852,101</b>	
Other Payments				
Communication, supplies and services (HCI)			4,677,027	
Constituency Strategic Plan			3,500,000	
	<b>Sub-Total</b>		<b>8,177,027</b>	
Acquisition of assets				
Office Vehicle		0	8,000,000	
Construction of CDF office		17,630,542	29,817,800	
Purchase of furniture and equipment		2,000,000	2,000,000	
	<b>Sub-Total</b>	<b>19,630,542</b>	<b>39,817,800</b>	
Others ( <i>specify</i> )				
P.M.C Savings			341,060	

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Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Sale of Tender			5,000	
Other Payments (Strategic Plan)		1,588	0	
Other Receipts		166,000	85,000	
<b>Sub-Total</b>		<b>167,588</b>	<b>431,060</b>	
<b>Grand Total</b>		<b>50,531,102</b>	<b>87,178,039</b>	

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**XIII. ANNEX 3 – 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	0		0	0
Buildings and structures	13,083,013	25,424,896	0	38,507,909
Transport equipment	557,813	5,200,000	0	5,757,813
Office equipment, furniture and fittings	171,300	1,300,000	0	1,471,300
ICT Equipment, Software and Other ICT Assets	578,400	1,169,256	0	1,747,656
<b>TOTAL</b>	<b>14,390,526</b>	<b>33,094,152</b>	<b>0</b>	<b>47,484,678</b>

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

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
1. Biringweny Primary school	KABARNET	1111069158	164,641	700,787
2. Kapchepkor Primary School	KABARNET	1110667213	500,429	500,670
3. Kapng'etyo Pry. School	KABARNET	1119497086	784,169	784,536
4. Kaptumin Primary School	KABARNET	1110479468	689	600,625
5. Kapturo Chiefs Office & A.P Camp	KABARTONJO	1205759646	0	82,178
6. Sibilo Chief's office	MARIGAT	1206617667	0	2,000,109
7. Kapluk Primary School	KABARNET	1139117130	3,722	302,429
8. Koiserat Primary School	KABARNET	1110685238	291,540	1,736
9. Kimugul Sec. School	KABARNET	1138318558	317,057	257,315
10. Poi Sec. School	KABARNET	1116021072	17,968	39,899
11. Ruth Kiptui Kasok Girls Sec. Schl	KABARNET	1112494537	266,240	472
12. Kapluk Sec. School	KABARNET	1167785118	1,962,392	163,018
13. Kasisit Primary School	KABARNET	1116713543	1,172,814	24,108
14. Kalel Primary School	KABARNET	1110544790	1,369,270	600,321
15. Terik Pry. School	KABARNET	1110895070	4,801,826	
16. Kalabata Pry. School	KABARNET	1111222185	198,883	
17. Kinyach Pry. School	KABARNET	1155218914	500,163	
18. Baruiyo Pry. School	KABARNET	1136636471	701,392	
19. Toboroi Pry. School	KABARNET	1135611815	502,245	
20. Chapin Pry. school	KABARNET	1112536817	54,337	
21. Kipkaren Pry. School	KABARNET	1112098852	1,807,955	
22. Biretwonin Pry. School	KABARTONJO	1168270049	200	
23. Rondinin Pry. School	KABARNET	1111061416	134,611	
24. Sibilo Pry. School	MARIGAT	1110870248	804,051	
25. Loruk Pry. School	MARIGAT	1168270049	399,944	
26. Akoroyan Pry. School	MARIGAT	1112276831	875	
27. Koroto Pry. School	MARIGAT	1110726953	300,749	
28. Rormoch Pry. School	KABARTONJO	1210467577	844	
29. Kosile Pry. School	MARIGAT	1113738448	793	
30. Embo-Rutto Pry. School	KABARNET	1110764383	4,801,697	
31. Kipsaraman Pry. School	KABARTONJO	1252507194	2,400,200	
32. Kelwondonin Pry. School	KABARTONJO	120412507194	382,530	
33. Katibel Pry. School	KABARNET	1161564128	4,820,266	
34. Siboo Pry. School	KABARNET	1110651120	1,603,740	
35. Maregut Pry. School	KABARNET	1110764197	50,403	
36. Kaptiony Pry. School	KABARNET	1111753210	74,972	
37. Kiptolelyo Pry. School	KABARNET	1110590210	465	
38. Kapluk Pry. School	KABARNET	1139117130	3,722	
39. Lekepchun Pry. School	KABARNET	1252054521	14,825	
40. Kilingot Pry. School	KABARTONJO	1251315666	6,399,075	

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PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
41. Bossei Pry. School	KABARNET	1110605250	14,053	
42. Mormorio Pry. School	KABARNET	1135446474	833	
43. Kimugul Sec. School	KABARNET	1138318558	317,057	
44. Ruth Kiptui Kasok Girls Sec.	KABARNET	1112494537	266,240	
45. Poi Sec. School	KABARNET	1116021072	17,968	
46. Tirimionin Sec. School	KABARNET	1137078413	820,777	
47. Katibel Sec. School	KABARNET	1109526008	44,133	
48. Kapluk Sec. School	KABARNET	1167785118	1,962,392	
49. Keturwo Sec. School	KABARNET	1109855125	310,759	
50. Kuikui Secondary School	KABARNET	1110775083	969,180	
51. Bossei Sec. School	KABARNET	1112244883	633,247	
52. Kapkiamo Sec. School	KABARTONJO	1159511314	592,951	
53. Ossen Sec. School	KABARNET	1114525731	77,777	
54. Kapkirwok Sec. School	KABARNET	1109780230	772,882	
55. Muchukwo Chiefs Office	KABARNET	1175281840	1,899,280	
56. Katorin Resource Centre	KABARNET	1112073833	1,242,094	
<b>TOTAL</b>			<b>47,553,307</b>	<b>6,058,202</b>

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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)
		location level overseen by sub location bursary committee. Free Secondary schools education Funds to day schools sometimes delayed being remitted and therefore students were allocated by CDF to avoid being sent out of school.			
	Criteria of appointing bursary committee at sub location level	CDFC had developed policy on how to appoint bursary committee at sub location level and a copy of the policy and minutes approving it are hereby provided.	David Okoma F.A.M	Resolved	
	Cash & cash Equivalent	The opening balance in the financial statement has been reinstated from Kshs. 10,532,098 to Kshs. 9,091,309	David Okoma F.A.M	Resolved	
	Stale cheques	The stale cheques for Kshs. 218,256 most were bursary and has been reversed in the current year but for KRA we are still pursuing to get the KRA pin for the merchant	David Okoma F.A.M	Resolved	
	Payment to District Accountant	The District accountant was the agent in the bank account hence he was the one who used to en cash all the money and pay the department in this case there was an imprest amounting to Kshs. 1,200,000 and payment vouchers amounting Kshs. 500,000 but in the subsequent year the fund manager became agent after amendment CDF	David Okoma F.A.M	Resolved	



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**XV. 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)
	<b>Training Expenditure</b> F/S 2016/2017 - Reflect use of goods and service was <b>Kshs. 7,431,810</b> but not the reflected amount in the statement	The financial statement has been corrected and amended to reflect true figure (see amendment)	David Okoma F.A.M	<i>Resolved</i>	
	Training expenditure reflected on financial statement was <b>Kshs. 4,186,000</b> but approved budget for F/Y 2017/18 was <b>Kshs. 1,230,180</b> hence variance of <b>Kshs. 2,955,820</b>	Budget for training in the year 2016/17 was <b>Kshs. 1,230,180</b> , however the fund for the previous year's 2016/17 & 2015 had not been disbursed from the CDF Board and thus the funds were received in the 2017/2018 and were utilized in the year under review.	David Okoma F.A.M	<i>Resolved</i>	
	Allocation of bursary exceeding <b>Kshs. 10,000</b> per student	CDFC had pegged minimum bursary allocation of <b>Kshs. 10,000</b> per student to avoid misuse by bursary committees, however occasionally in certain very needy cases where the student had no other source of income, the committee allowed bursary committees to allocate full fees for the year.	David Okoma F.A.M	<i>Resolved</i>	
	A warding of bursary to students in day secondary schools	Under NG-CDFC bursary policy, needy students are identified through public participation at sub			

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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)
		regulations and he is the one who goes to en cash the money and not District Accountant			
	<b>Financial statement errors</b>	The comparative figure for the year 2016/17 for use of Goods and Services has been corrected to <b>Kshs. 7,431,810</b> , cash and cash equivalent has also been reinstated to reflect <b>Kshs. 9,091,309</b> and proceeds from the sale of assets of <b>Kshs. 90,000</b> has been corrected (see F/S cash flow)	David Okoma F.A.M	<i>Resolved</i>	
	<b>Kaptiony pry school</b> was allocated <b>Kshs. 900,000</b> for a dorm up to roofing. It s not clear how the remaining works will be completed	The project was given additional funds in 2018/19 budget to complete remaining works. Works commenced during April holidays and completion is expected by early May 2019.	David Okoma F.A.M	<i>Resolved</i>	
	<b>Toboroi pry school</b> was allocated <b>Kshs. 1,200,000</b> for administration block. Roofing has been done. It's not clear how the remaining works will be done given that the amount is exhausted.	Toboroi Primary was allocated additional funds in the 2018/19 budget amounting to <b>Kshs. 500,000</b> being for completion of remaining works.	David Okoma F.A.M	<i>Resolved</i>	
	<b>Katorin resource centre</b> was allocated <b>Kshs. 1,000,000</b> meant for construction up to plastering and fixing of doors and windows. However there was no project file to examine returns to verify how the funds were spent.	The technical drawings for the project were changed by public works officer at slab level when it was discovered that span of walls was too wide to hold roof hence internal walls were introduced thus <b>Kshs. 1,000,000</b> could not finish to the intended	David Okoma F.A.M	<i>Resolved</i>	

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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)
		activities necessitating additional funds. Reports and minutes are provided.			
	<b>Failure to follow Procurement Act while identifying Contractor</b>	The tender of office construction was advertised in a popular widely circulated national media. However, from the past experience where contractors from other parts of Kenya shy away from contracts in Baringo because of insecurity, other advertisements were displayed in public places within the county to attract locals who are familiar with the area.	David Okoma F.A.M	<i>Resolved</i>	
	<b>Construction of office block</b> was supposed to end on 30 <sup>th</sup> May 2018 however 2 years later work has not been completed	Construction of office block extended after several challenges emerged including difficult terrain at site and ban on harvesting of forest which resulted in lack of timber	David Okoma F.A.M	<i>Resolved</i>	
	<b>Arap moi secondary school</b> was allocated <b>Kshs. 1,500,000</b> to construct two 1 bedroom houses however only one house was built and no explanation was given why only one house of 1 bedroom was constructed and not two.	The NG-CDFC allocated <b>Kshs. 1,500,000</b> with initial intention to construct two 1-bedroom low cost houses but by the time funds were disbursed from the board, the cost estimate had risen to <b>Kshs. 1,300,000</b> as provided by public works thus it was only possible to construct one unit to completion which cost <b>Kshs.1,200,000</b>	David Okoma F.A.M	<i>Resolved</i>	
	<b>Inclusion of Kshs. 90,000 and Kshs. 341,060</b> pmc savings in expenditure	The error of including proceeds and savings in expenditure instead of	David Okoma F.A.M	<i>Resolved</i>	



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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)
	instead of declaring under receipts.	under receipts has been corrected.			
	Under performance of budget at 48%	There was under performance of budget because funds were disbursed from the NG-CDF board very late in the year towards closure of financial year which became difficult to absorb.	David Okoma F.A.M	<i>Resolved</i>	

