

REPUBLIC OF KENYA



Enhancing Accountability

REPORT


OF

THE AUDITOR-GENERAL

ON

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

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 22 FEB 2022	DAY: TUESDAY
TABLED BY:	LOM
CLERK-AT THE-TABLE:	Mairah Wanjiku





VIHIGA CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019

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

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) VIHIGA
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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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 VIHIGA Constituency day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	A.I.E holder	Joe Godwin Oduor
2.	Sub-County Accountant	Wycliffe Khamati
3.	Chairman NGCDFC	James Mundia
4.	Member NGCDFC	Emma Jumba

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Vihiga Constituency Headquarters

P.O. Box 198 Vihiga
NG-CDF Vihiga Hall / Office
Majengo - Luanda Road
VIHIGA, KENYA

(f) NGCDF VIHIGA Constituency Contacts

Telephone: (254) 725 371 259

E-mail: cdfvihiga@ngcdf.go.ke

Website: www.ngcdf.go.ke

(g) NGCDF VIHIGA Constituency Bankers

1. Co-operative Bank

Mbale Branch

A/C No.01141471496600

(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

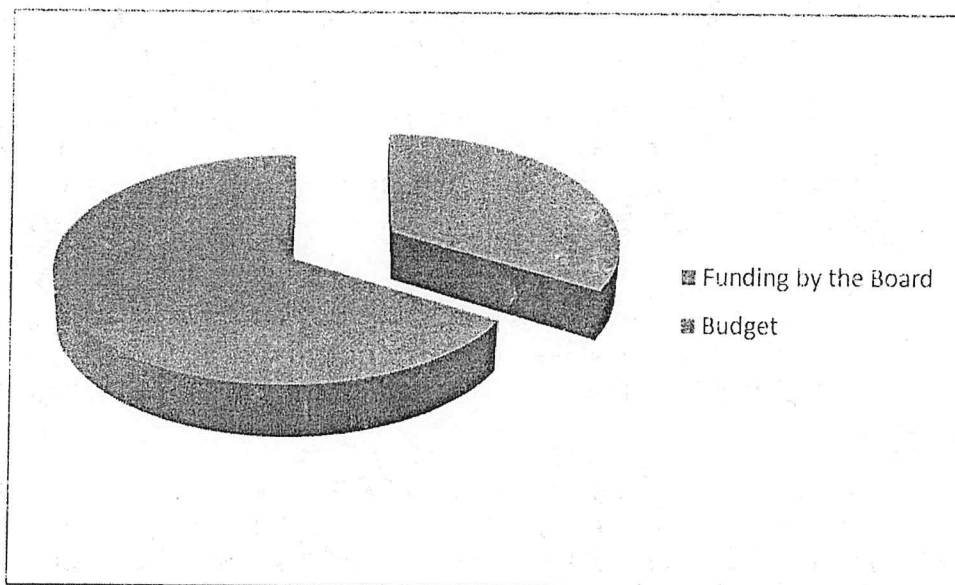
City Square 00200

Nairobi, Kenya

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

First and foremost I want to thank God the Almighty and the people of Vihiga Constituency for giving me the privilege to serve them as the Chairman of Vihiga NG - CDFC. Together with the able team of the other NG - CDFC members, we have undertaken this noble task with humility and commitment. As we present our Financial Statements contained herein, we believe our guiding principles of transparency, accountability and commitment are the pillars against which our service to the people of Vihiga Constituency is anchored.

With the challenges experienced during implementation of the 2018/2019 Budget notwithstanding, we have managed to attain over 40% budget absorption rate, as indicated in the Appropriation Account, and the pie chart below:



We are still committed to attaining a 100% absorption rate within the first quarter of the 2019/2020 Financial Year.


The NG - CDFC has continued to tremendously impact on the lives of the people of Vihiga Constituency as indicated below:

- Improved infrastructure in schools leading to increased enrolment
- Public participation in helping solve the challenges the constituents face
- Enhanced Public – Private – Partnerships
- Fast track the achievement of Millennium Development Goals and Vision 2030 objectives.

- Improved social welfare due to the multiplier effect of enhanced purchasing power of the residents.

Despite the achievements mentioned above, we have experienced challenges that have led to emerging issues which I believe if addressed will steer NG - CDF to greater heights of success. They include:

- Budgetary constraints
- Late disbursement of Funds by the Board hence affecting timely implementation of our Budget.



CHAIRMAN VIHIGA NG - CDFC

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

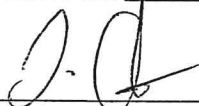
The Accounting Officer in charge of the NGCDF-Vihiga Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019.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

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

The Accounting Officer in charge of the NGCDF-Vihiga 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-Vihiga Constituency financial statements were approved and signed by the Accounting Officer on 30th SEPTEMBER 2019.



Fund Account Manager

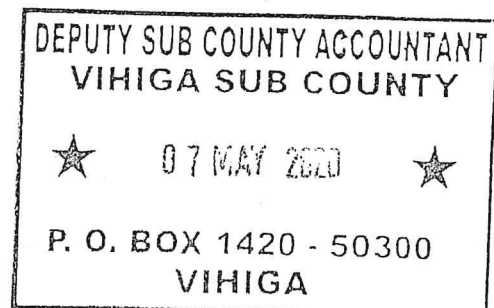
Name: Joe G. Oduor



Sub-County Accountant

Name: Wycliffe Khamati

ICPAK Member Number:



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: 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 - VIHIGA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Vihiga Constituency set out on pages 7 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 effects 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 - Vihiga 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

Inconsistencies between Balances reflected in the Financial Statements, Notes and Annexes

The summary statement of appropriation - recurrent and development combined reflects a budget under-utilization of Kshs.64,270,584. However, Note 15.3 reflects a Nil unutilized funds balance while Annex 3 reflects a total unutilized funds balance of Kshs.40,858,425. In addition, Note 15.4 reflects a nil Project Management Committee (PMC) bank balance while Annex 5 reflects PMC bank balances amounting to Kshs.11,866,742.

In the circumstances, the accuracy of the financial statements 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 - Vihiga 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

Budgetary Control and Performance

The summary statement of appropriation-recurrent and development combined reflects budgeted receipts of Kshs.173,351,636 and actual receipts of Kshs.118,310,520 resulting into an under-collection of Kshs.55,041,116 or 32% of the budgeted receipts. Further, the Fund incurred expenditure of Kshs.109,081,052 against budgeted expenditure of Kshs.173,351,396 resulting into an under-absorption of Kshs.64,270,584 or approximately 37% of the approved budget.

The under funding and under absorption may have negatively affected delivery of services to the residents of Vihiga constituency.

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. Delayed Implementation of Projects

According to the Project Implementation Status report provided for audit, ten (10) projects with a combined budget of Kshs.15,500,000 were still ongoing as at 30 June, 2019 while

implementation of eight (8) projects with a combined budget of Kshs.4,480,818 had not commenced.

Consequently, it could not be confirmed when value for money would be obtained from the projects.

2. Irregular Advance Payment on Strategic Plan

The Fund engaged a consultancy firm to develop a strategic plan for the Fund on 18 June, 2018 at a contract sum of Kshs.3,485,000. An advance payment of Kshs.1,742,500 being 50% of the contract sum was paid at the commencement of the contract. However, the advance payment was made contrary to the provisions of Section 147 of the Public Procurement and Asset Disposal Act, 2015 which provides that under exceptional circumstances, advance payment may be granted and shall not exceed twenty per cent (20%) of the price of the tender and shall be paid upon submission by the successful tenderer to the procuring entity of an advance payment security equivalent to the advance itself.

Information available as at the time of audit in February, 2020, indicated that the contract was cancelled and awarded to another firm. No explanation was provided on how the advance payment of Kshs.1,742,500 would be recovered.

Consequently, the propriety and value for money on the amount of Kshs.1,742,500 paid to the firm could not be ascertained.

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 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 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. 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.

In preparing the financial statements, Management is responsible for assessing the ability of the Fund to continue to sustain 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 money is applied in an effective manner.

Those charged with governance are responsible for overseeing the Fund's 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 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 review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern or 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 as a going concern or 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

19 November, 2021

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)

VIHIGA CONSTITUENCY

Reports and Financial Statements

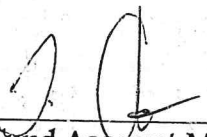
For the year ended June 30, 2019


IV. STATEMENT OF RECEIPTS AND PAYMENTS

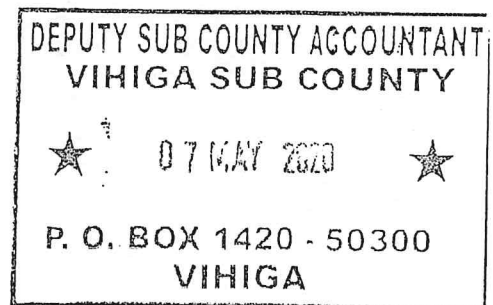
I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019 Kshs	2017-2018 Kshs
RECEIPTS			
Transfers from CDF board	1	108,784,260	50,805,116
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		108,784,260	50,805,116
PAYMENTS			
Compensation of employees	4	2,281,854	1,148,330
Use of goods and services	5	6,278,993	4,710,262
Transfers to Other Government Units	6	52,456,999	10,189,496
Other grants and transfers	7	48,063,206	28,268,183
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		109,081,052	44,316,271
SURPLUS/DEFICIT		(296,792)	6,488,845

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Vihiga Constituency financial statements were approved on 30th SEPTEMBER 2019 and signed by:


 Fund Account Manager
 Name: Joe G. Oduor



 Sub-County Accountant
 Name: Wycliffe Khamati
 ICPAK Member Number:




V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019	2017-2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	9,229,468	9,526,260
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		9,229,468	9,526,260
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		9,229,468	9,526,260
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		9,229,468	9,526,260
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	9,526,260	3,037,415
Surplus/Deficit for the year		(296,792)	6,488,845
Prior year adjustments	14	-	-
NET LIABILITIES		9,229,468	9,526,260

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Vihiga Constituency financial statements were approved on 30th SEPTEMBER 2019 and signed by:


 Fund Account Manager
 Name: Joe G. Oduor

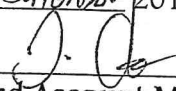

 Sub-County Accountant
 Name: Wycliffe Khamati
 ICPAK Member Number:


DEPUTY SUB COUNTY ACCOUNTANT
 VIHIGA SUB COUNTY
 ★ 07 MAY 2020 ★
 P. O. BOX 1420 - 50300
 VIHIGA

VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	108,784,260	50,805,116
Other Receipts	3	-	-
Total Receipts		108,784,260	50,805,116
Payments			
Compensation of Employees	4	2,281,854	1,148,330
Use of goods and services	5	6,278,993	4,710,262
Transfers to Other Government Units	6	52,456,999	10,189,496
Other grants and transfers	7	48,063,206	28,268,183
Other Payments	9	-	-
Total Payments		109,081,052	44,316,271
Total Receipts Less Total Payments		(296,792)	6,488,845
Adjusted for:			
Outstanding Imprest	11	-	-
Retention	12A	-	-
Gratuity Payable	12B	-	-
Prior Year adjustment	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(296,792)	6,488,845
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(296,792)	6,488,845
Cash and cash equivalent at BEGINNING of the year	13	9,526,260	3,037,415
Cash and cash equivalent at END of the year		9,229,468	9,526,260

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-VIHIGA Constituency financial statements were approved on 30th SEPTEMBER 2019 and signed by:


 Fund Account Manager
 Name: Joe G. Oduor



 Sub-County Accountant
 Name: Wycliffe Khamati
 ICPAK Member Number:


DEPUTY SUB COUNTY ACCOUNTANT
 VIHIGA SUB COUNTY
 ★ 07 MAY 2020 ★
 P. O. BOX 1420 - 50300
 VIHIGA

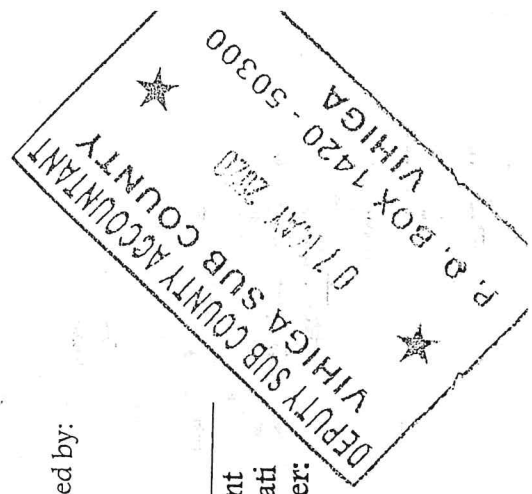
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,876	64,310,760	173,351,636	118,310,520	55,041,116	68.2%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL RECEIPTS	109,040,876	64,310,760	173,351,636	118,310,520	55,041,116	68.2%
PAYMENTS						
Compensation of Employees	2,228,700	554,169	2,782,869	2,281,854	501,015	82.0%
Use of goods and services	7,584,979	3,461,344	11,046,323	6,278,993	4,767,330	56.8%
Transfers to Other Government Units	56,827,197	47,072,466	103,899,663	52,456,999	51,442,664	50.5%
Other grants and transfers	42,400,000	13,222,781	55,622,781	48,063,206	7,559,575	86.4%
Acquisition of Assets	-	-	-	-	-	0.0%
Other Payments	-	-	-	-	-	0.0%
TOTAL	109,040,876	64,310,760	173,351,636	109,081,052	64,270,584	62.9%

The NGCDF-VIHIGA Constituency financial statements were approved on 20th SEPTEMBER 2019 and signed by:


Fund Account Manager
Name: Joe G. Oduor


Sub-County Accountant
Name: Wycliffe Khamati
ICPAK Member Number:



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
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,228,700.00	1,890,000.00	4,118,700.00	2,304,854.20	1,813,845.80
1.2 Committee allowances	1,448,000.00	625,823.00	2,073,823.00	1,698,520.00	375,303.00
1.3 Use of goods and services	2,865,752.53	256,000.00	3,121,752.53	2,752,520.00	369,232.53
1.4 Acquisition of assets	-	-	-	-	-
	6,542,452.53				
2.0 Monitoring and Evaluation					
2.1 Capacity building	1,671,226.25	70,952.00	1,742,178.25	1,871,226.25	(129,048.00)
2.2 Committee allowances	300,000.00	485,902.00	785,902.00	-	785,902.00
2.3 Use of goods and services	1,300,000.00	400,000.00	1,700,000.00	1,557,560.75	142,439.25
	3,271,226.25				
3.0 Emergency					
3.1 Primary Schools (Enanga Primary)		3,000,000.00	3,000,000.00	2,449,999.00	550,001.00
3.2 Secondary schools					
3.3 Tertiary institutions					
3.4 Security projects					

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

4.0 Bursary and Social Security	5,738,993.45							
4.1 Primary Schools (Special Schools)					264,306.43	190,500.00		
4.2 Secondary Schools	164,306.43	100,000.00						73,806.43
4.3 Tertiary Institutions	27,500,000.00	1,754,340.00			28,611,889.00	26,769,500.00		1,842,389.00
4.4 Universities	10,500,000.00	2,489,520.00			12,989,520.00	14,185,000.00		(1,195,480.00)
4.5 Social Security								
5.0 Sports	38,164,306.43							
	2,180,817.51							
6.0 Environment								
		1,736,207.00			1,736,207.00	1,736,207.00		
Isaku Primary School								
Kegendirowa Primary School	363,469.59				363,469.59			363,469.59
Kegoye Primary School	363,469.59				363,469.59			363,469.59
Kisinguli Primary School	363,469.59				363,469.59			363,469.59
Madzugi Primary School	363,469.59				363,469.59			363,469.59
Mahanda Primary School	363,469.59				363,469.59			363,469.59
My Yesa Agencies	363,469.59				363,469.59			363,469.59
		1,732,000.00			1,732,000.00	1,732,000.00		

FINANCIAL STATEMENTS
For the year ended June 30, 2019

7.0 Primary Schools Projects	2,180,817.54				
Bosamo Primary School	1,500,000.00			1,500,000.00	
Chanzwenye Primary School	1,200,000.00			1,200,000.00	1,500,000.00
Chanzuvu Primary School	1,200,000.00			1,200,000.00	
Igakara Primary School	1,200,000.00			1,200,000.00	1,200,000.00
Ingidi Primary School	1,200,000.00			1,200,000.00	1,200,000.00
Itenji Primary School	1,200,000.00			1,200,000.00	1,200,000.00
Kisingilu Primary School	1,000,000.00			1,000,000.00	1,200,000.00
Madira Primary School	2,000,000.00			2,000,000.00	1,000,000.00
Madzuu Primary School	1,200,000.00			1,200,000.00	
Malindi Primary School	2,200,000.00			2,200,000.00	1,200,000.00
Masana Primary School	1,200,000.00			1,200,000.00	
Mukuli Primary School	1,000,000.00			1,000,000.00	1,200,000.00
Vumale Primary School	1,200,000.00			1,200,000.00	1,000,000.00
Busamu Primary School		2,000,000.00		2,000,000.00	
Itegi Primary School		500,000.00		500,000.00	
Induru Primary School		800,000.00		800,000.00	
Kigadhi Primary School		1,500,000.00		1,500,000.00	

REPORTS AND FINANCIAL STATEMENTS
For the year ended June 30, 2019

Barega Agencies						
Kitulu Primary School		1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	-
Gilwatsi Primary School		500,000.00	500,000.00	500,000.00	500,000.00	-
Kingedirova Primary School		972,000.00	972,000.00	972,000.00	972,000.00	-
Chandugunyi Primary School		1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	-
Vigetse Primary School		1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	-
Chazuville Primary School		1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	-
Lusavasava Primary School		2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	-
Livagole Primary School		1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	-
Ideleri Primary School		2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	-
Madzuu Primary School		1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	-
Vigina Primary School		1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	-
Mukuli Primary School		2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	-
Itangi Primary School		1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	-
Vumale Primary School		500,000.00	500,000.00	500,000.00	500,000.00	-
Lyamidi Primary School		500,000.00	500,000.00	500,000.00	500,000.00	-
Chanzoka Primary School		800,000.00	800,000.00	800,000.00	800,000.00	-
Chandolo Primary School		500,000.00	500,000.00	500,000.00	500,000.00	-
		1,000,000.00	1,000,000.00	1,000,000.00	500,000.00	500,000.00
		17,300,000.00			1,000,000.00	1,000,000.00

8.0 Secondary Schools Projects							
Chambiti Secondary School	1,000,000.00				1,000,000.00		
Chandolo Secondary School	1,200,000.00				1,200,000.00		1,000,000.00
Chango Secondary School	1,200,000.00				1,200,000.00	1,200,000.00	1,200,000.00
Chavovo Secondary School	800,000.00				800,000.00		
Emanda Secondary School	1,500,000.00				1,500,000.00	1,500,000.00	800,000.00
Gilwatsi Secondary School	7,200,000.00				7,200,000.00	7,200,000.00	
Ideleri Secondary School	1,200,000.00				1,200,000.00		
Inyanza Secondary School	1,200,000.00				1,200,000.00	1,200,000.00	1,200,000.00
Kidinye Secondary School	2,000,000.00				2,000,000.00		
Kijiinya Secondary School	1,500,000.00				1,500,000.00		2,000,000.00
Madzuu Secondary School	2,000,000.00				2,000,000.00		1,500,000.00
Masana Secondary School	2,300,000.00				2,300,000.00		2,000,000.00
Vigina Secondary School	2,000,000.00				2,000,000.00		2,300,000.00
Ikumba Secondary School				1,416,749.00	1,416,749.00		2,000,000.00
Gavaladi Secondary School				500,000.00	500,000.00	500,000.00	
Vigina Secondary School				700,000.00	700,000.00	700,000.00	
Mbihi Secondary School				3,000,000.00	3,000,000.00	3,000,000.00	
Masana Secondary School				2,000,000.00	2,000,000.00	2,000,000.00	



REPORTS AND FINANCIAL STATEMENTS
For the year ended June 30, 2019

Mudavadi Secondary School			1,000,000.00	1,000,000.00	1,000,000.00	
Busamu Secondary School			800,000.00	800,000.00	800,000.00	
Kidundu Secondary School			4,000,000.00	4,000,000.00	4,000,000.00	
Idagava Muslim Secondary School			604,000.00	604,000.00	604,000.00	4,000,000.00
		25,100,000.00				604,000.00
9.0 Tertiary Institutions Projects						
	9.1					
10.0 Security Projects						
Angonya AP Line		2,000,000.00		2,000,000.00	2,000,000.00	
Kegoye AP Camp		2,000,000.00		2,000,000.00	2,000,000.00	2,000,000.00
Liavora AP Camp		2,000,000.00		2,000,000.00	2,000,000.00	2,000,000.00
Lugaga Chief's Camp		1,200,000.00		1,200,000.00	1,200,000.00	1,200,000.00
Mugomba AP Camp		800,000.00		800,000.00	800,000.00	800,000.00
Vihiga Police Station		562,261.84		562,261.84	562,261.84	562,261.84
Mbale Police Station			500,000.00	500,000.00	500,000.00	
Angonya AP Line			500,000.00	500,000.00	500,000.00	
			1,300,000.00	1,300,000.00	1,300,000.00	
11.0 Acquisition of assets		8,562,261.84		8,562,261.84	8,562,261.84	8,562,261.84

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-VIHIGA 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 30th June 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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



SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

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 2017 for the period 1st July 2017 to 30th June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
VIIHIGA CONSTITUENCY
Reports and Financial Statements
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X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

TRANSFERS FROM THE BOARD			
Description		2018-2019	2017 - 2018
		Kshs	Kshs
Normal Allocation			
	A. 892538		5,500,000.00
	A. 892750		7,399,994.00
	A. 892857		37,905,172.00
	B. 005186	46,984,260.15	
	B. 005400	7,800,000.00	
	B. 047066	44,000,000.00	
	A. 699014	10,000,000.00	
Conditional grants	AIE NO...		-
Receipt from other Constituency			-
TOTAL		108,784,260	50,805,166

2. PROCEEDS FROM SALE OF ASSETS

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEPTS

	2018-2019 Kshs	2017-2018 Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4 COMPENSATION OF EMPLOYEES		
Description	2018-2019	2017 - 2018
	Kshs	Kshs
Basic wages of contractual employees	2,281,854	1,148,330
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments		
Employer contribution to NSSF		
Gratuity-Paid		
Gratuity-Accrued		
TOTAL	2,281,854	1,148,330

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 USE OF GOODS AND SERVICES		
Description	2018-2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services	71,000	35,000
Electricity	-	-
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	55,000	21,216
Domestic travel and subsistence	121,238	160,000
Printing, advertising and information supplies & services	36,000	-
Rentals of produced assets	-	-
Training expenses	690,000	698,200
Hospitality supplies and services	110,000	-
Other committee expenses	558,000	800,000
Committee allowance	1,248,000	1,826,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	311,540	300,000
Fuel , oil & lubricants	-	-
Other operating expenses	400,077	300,000
Bank service commission and charges	-	48,556
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	935,638	521,290
Routine maintenance- other assets	-	-
Strategic Plan	1,742,500	-
TOTAL	6,278,993	4,710,262

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 TRANSFER TO OTHER GOVERNMENT ENTITIES		
Description	2018-2019	2017 - 2018
	Kshs	Kshs
Transfers to Primary schools	33,122,000	9,689,496
Transfers to Secondary schools	19,334,999	500,000
Transfers to Tertiary institutions		
TIVET		
TOTAL	52,456,999	10,189,496

7 OTHER GRANTS AND OTHER PAYMENTS		
Description	2018-2019	2017 - 2018
	Kshs	Kshs
Bursary -Secondary	26,769,500	15,193,400
Bursary -Tertiary	14,185,000	7,680,500
Bursary-Special schools	190,500	-
Mocks & CAT	-	-
Security	1,000,000	627,582
Sports	1,736,207	-
Environment	1,732,000	-
Emergency Projects	1,499,999	4,766,701
TOTAL	48,063,206	28,268,183

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. ACQUISITION OF ASSETS

Non Financial Assets

	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	-	-
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 Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	-

7. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
ICT Hub	-	-
Specify	-	-
Specify	-	-
	-	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)

VIHIGA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>Co-operative Bank, 01141471496600, Kes.</i>	9,229,468	9,526,260
Total	9,229,468	9,526,260
10B: CASH IN HAND		
Location 1		
Total	9,229,468	9,526,260
<i>[Provide cash count certificates for each]</i>		

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	<i>dd/mm/yy</i>	-	-	-
<i>Total</i>				-

12A. RETENTION

	2018 - 2019	2017-2018
	Kshs	Kshs
Supplier 1	-	-
Total	-	-

12B. STAFF GRATUITY OUTSTANDING

13. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	9,526,260	3,037,415
Cash in hand		
Imprest		
Total	9,526,260	3,037,415

14. PRIOR YEAR ADJUSTMENTS		
	2018-2019	2017 - 2018
	Kshs	Kshs
Bank accounts (reversed Cheques)	-	-
Cash in hand	-	-
Imprest	-	-
TOTAL	-	-

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	-	-
	-	-
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2018-2019	2017-2018
	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
	-	-
	-	-

15.3: UNUTILIZED FUND (See Annex 3)

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

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

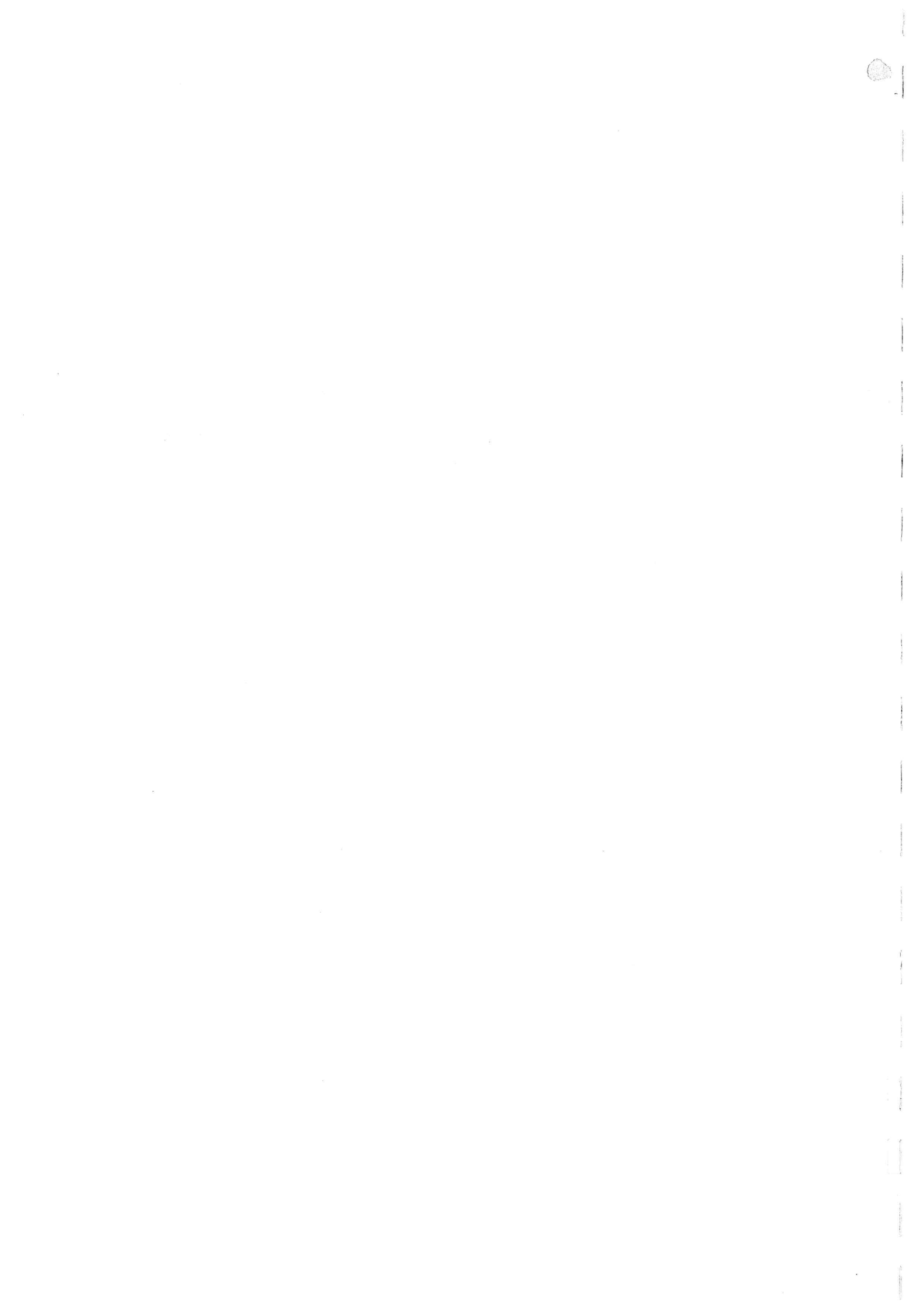
15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)		

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

S/No	Name	Original Amount	Amount Paid to date	Outstanding Balance	Comment
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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) VIHIGA CONSTITUENCY
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Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
7.Environment	purchase of sports equipment Purchase and planting of indigenous seedlings to be planted in school compounds	2,180,817.51	0.00	Not disbursed from the board,
Sub-Total				
Amounts due to other Government Entities				
1.Bosamu Primary School	Construction of 1 classroom to completion	1,500,000.00	0.00	Not disbursed from the board
2.Chanzuu Primary School	Construction of 1 classroom to completion	1,200,000.00	0.00	Not disbursed from the board.
3.Ingidi primary school	Renovation of 2 classrooms re-roofing,fitting,plastering and painting	1,200,000.00	0.00	Not disbursed from the Board
4.Igakara primary School	Renovation of 2 classrooms-re-roofing,fitting plastering and painting	1,200,000.00	0.00	Not disbursed from the board
5.Itengi primary school	Construction of 1 classroom to completion	1,200,000.00	0.00	Not disbursed from the board
6.Kisingilu primary school	Renovation of 2 classrooms re-roofing, fitting plastering and painting	1,000,000.00	0.00	Not disbursed from the board.
7.Madzuu primary school	Renovation of 2 classrooms re-roofing,fitting,plastering and painting	1,200,000.00	0.00	Not yet disbursed from the board.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) VIHIGA CONSTITUENCY

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Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
8. Mukuli primary school	Renovation of 2 classrooms re-roofing, fitting plastering and painting.	1,000,000.00	0.00	Not yet disbursed from the board.
9. Chambiti secondary school	Completion of laboratory-fitting, plastering and painting	1,000,000.00	0.00	Not yet disbursed from the board.
10. Chandolo secondary school	Construction of 1 classroom to completion	1,200,000.00	0.00	Not yet disbursed from the board.
11. Chavavo secondary school	Renovation of 2 classrooms - re-roofing, fitting, plastering and painting	800,000.00	0.00	Not yet disbursed from the board.
12. Ideleri Secondary school	Renovation of 2 classrooms re-roofing, fitting, plastering and painting	1,200,000.00	0.00	Not yet disbursed from the board
13. Kidinye Secondary School	Construction of 2 number classrooms in a storey building	2,000,000.00	0.00	Not yet disbursed from the board
14. Kijiinya Secondary school	Purchase of 1.5 piece of land for expansion of the institution	1,500,000.00	0.00	Not yet disbursed from the Board
15. Madzuu secondary school	Construction of 2 classrooms in a storey building (sub-structure and fitting)	2,000,000.00	0.00	Not yet disbursed from the board
16. Masana secondary school	Construction of 2 classrooms in a storey building (sub-structure and fitting)	2,300,000.00	0.00	Not yet disbursed from the board

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Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
17. Vigina secondary school	Construction of 2 classrooms in a storey building (substructure and fitting)	2,000,000.00	0.00	Not yet disbursed from the board
Acquisition of assets	Sub-Total			
Others (specify)				
Strategic Plan	Production of a five year constituency strategic plan	1,757,500	0.00	On-going
CIH	Construction of ICT Hubs in the Constituency	4,677,027	0.00	The funds has been re-allocated to fund other prioritized projects
	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	10,500,000.00	-	-	10,500,000.00
Transport equipment	4,000,000.00	-	-	4,000,000.00
Office equipment, furniture and fittings	2,019,280.00	-	-	2,019,280.00
ICT Equipment, Software and Other ICT Assets	281,928.00	-	-	281,928.00
Other Machinery and Equipment	261,000.00	-	-	261,000.00
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	17,062,208.00			17,062,208.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) VIHIGA
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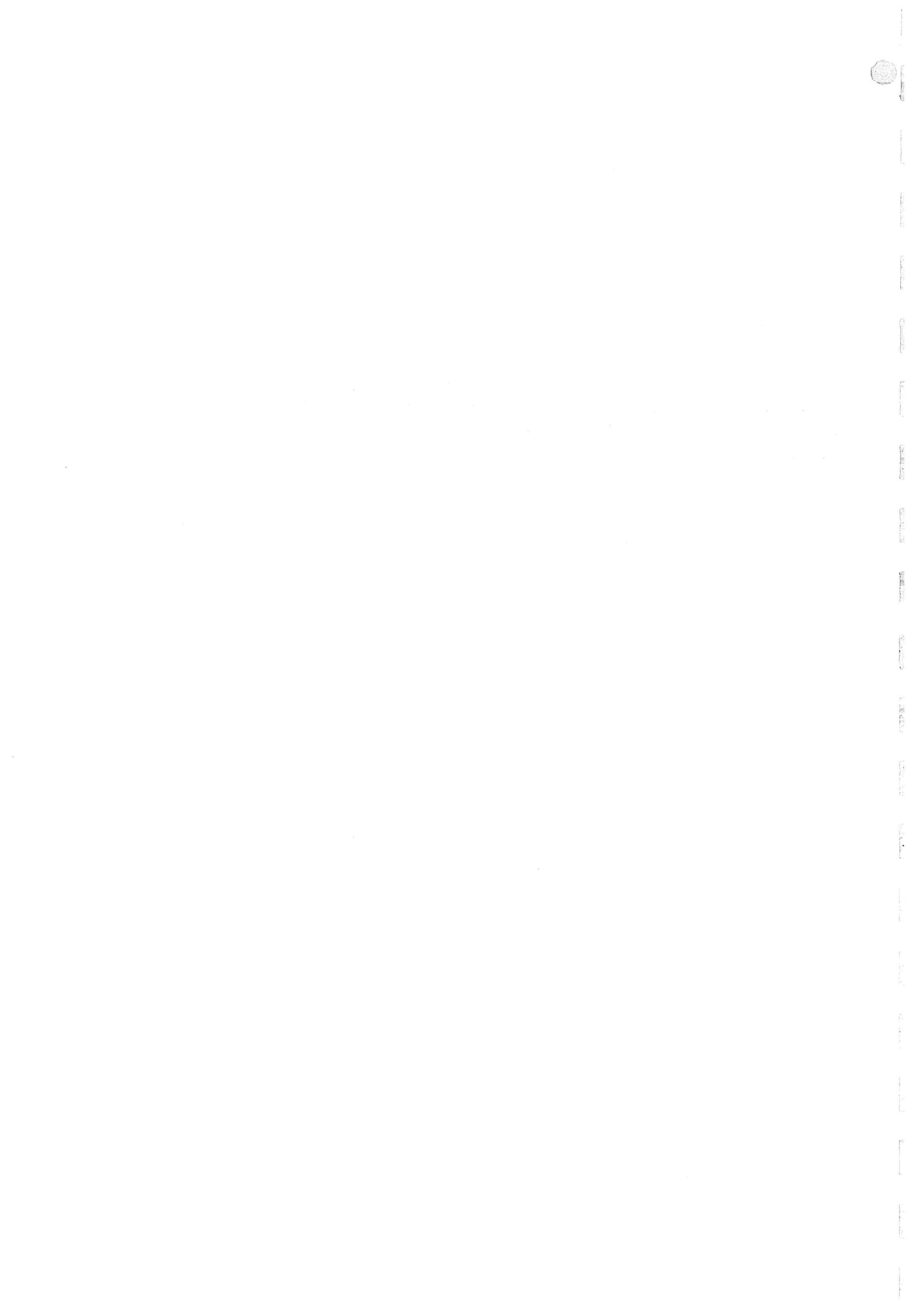
ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Chandolo Primary School PMC	KCB Mbale	1209330598		
Chanzeywe Primary School PMC	KCB Mbale	1205545212		
Chanzoka Primary School PMC	KCB Mbale	1210884127		
Chavavo Primary School PMC	KCB Mbale	1209361337		
Gavalagi Primary School PMC	KCB Mbale	1209098806		
Embaga Primary School PMC	KCB Mbale	1209635542		
Gilwadzi Primary School PMC	KCB Mbale	1209579936		
Iduku Primary School PMC	KCB Mbale	1210002272		
Isaku Primary School PMC	KCB Mbale	1209532298		
Itengi Primary School PMC	KCB Mbale	1210291614		
Kedohi Primary School PMC	KCB Mbale	1210240394		
Kisingilu Primary School PMC	KCB Mbale	1210802473		
Lusavisavi Primary School PMC	KCB Mbale	1210004399		
Madira Primary School PMC	KCB Mbale	1205545069		
Malindi Primary School PMC	KCB Mbale	1209393360		
Mbihi Primary School PMC	KCB Mbale	1209468891		
Mkombozi Magaka Pri School PMC	KCB Mbale	1205545115		
Mukuli Primary School PMC	KCB Mbale	1210249162		
Vigina Primary School PMC	KCB Mbale	1210011921		
Womulalu Primary School PMC	KCB Mbale	1209386305		
Ideleri Secondary School PMC	KCB Mbale	1209512688		
Masana Secondary School PMC	KCB Mbale	1209519372		
Vugulu AP Lines PMC	KCB Mbale	1208565435		
Chanzuvu Primary School PMC	KCB Mbale	1237327490	1,050.00	

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PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Igakala Primary School PMC	KCB Mbale	1255631007	0.00	
Ingidi Primary School PMC	KCB Mbale	1255322888	0.00	
Madzuu Primary School PMC	KCB Mbale	1237498015	33,400.00	
Masana Primary School PMC	KCB Mbale	1255365781	0.00	
Vumale Primary School PMC	KCB Mbale	1252400535	568,155.00	
Chambiti Secondary School PMC	KCB Mbale	1255579218	1,000.00	
Chandolo Salvation Army Sec PMC	KCB Mbale	1255366168	0.00	
Chango Secondary School PMC	KCB Mbale	1259459322	1,198,790.00	
Emanda Secondary School PMC	KCB Mbale	1257881019	1,500,000.00	
Gilwatzi Secondary School PMC	KCB Mbale	1235074463	7,281,123.00	
Ceca Inyanza Secondary School PMC	KCB Mbale	1259550451	1,198,790.00	
Kidinye Secondary School PMC	KCB Mbale	1102297941	401.00	
Kijienya Secondary School PMC	KCB Mbale			
Mudavadi Girls High Sch PMC	KCB Mbale	1238534792	83,517.00	
Vigina Secondary School PMC	KCB Mbale	1255579250	516.00	
Total				



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) VIHIGA
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TRIAL BALANCE AS AT 30TH JUNE 2019			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	9,229,468	
	Cash Balances	-	
	Outstanding Imprest	-	
Payments			
	Compensation of Employees	2,281,854	
	Use of goods and services	6,278,993	
	Transfers to Other Govt Units	52,456,999	
	Other grants and transfers	48,063,206	
	Acquisition of Assets	-	
	Other Payments	-	
Receipts			
	Transfers from the Board		108,784,260
	Proceeds from sale of assets		-
	Others receipts		-
Prior Year Adjustment			
			-
Receivables			
			-
Payables			
			-
Fund Balance b/f			
			9,526,260
TOTAL			
		118,310,520	118,310,520

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) VIHIGA CONSTITUENCY
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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)
4.2	Unexplained cash book/under casts.	Cheque No.6187 was posted twice both on the debit and credit side of the cash book.The reversal on 12 statements as an outstanding item because /02/2018 was meant to correct this error.The amount of Kshs.250,000.00 did not indicate the cheque number.	Joe Godwin Oduor Fund Account Manager	Resolved	Issue has been Resolved and amended in the cash book
4.3	Ledger balances not agreeing with the financial statement figure criteria	The necessary adjustments have been made in the amended financial statements	Joe Godwin Oduor Fund Account Manager	Resolved	Issue resolved in the 2017/2018 financial year.
4.4	Underabsorption-only Kshs.43,364,733 was thus an under absorption of 14.0%	The under absorption was caused by late disbursement of funds from the board	Joe Godwin Oduor Fund Account Manager	Resolved	Issue resolved in proposal preparation to avoid late disbursement of funds.
4.5	Unimplemented projects	The delay in implementation of the projects was due to late	Joe Godwin Oduor Fund Account	Resolved	Issue resolved in proposal

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) VIHIGA CONSTITUENCY

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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)
		disbursement of funds by the board for the financial year 2017/2018. The same has been disclosed.	Manager		preparation to avoid late disbursement of funds.
4.6	Training Expenses	Payments were made to hotel much earlier because the venue was to be booked earlier. The committee members were paid earlier because the training was starting on a Monday. Imprest holder could not have stayed with the cash during the weekend. All members attended.	Joe Godwin Oduor Fund Account Manger	Resolved	Issue resolved.

