

REPUBLIC OF KENYA



Enhancing Accountability

REPORT	
THE NATIONAL ASSEMBLY	
P. 1	
DATE:	15 NOV 2022
	DAY: Tuesday
TABLED BY:	Hon. Silvanus Osondu, MP Chief Whip Majority
CLERK-AT-THE-TABLE:	Halima Sulaiman

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
ELDAMA RAVINE CONSTITUENCY**

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -ELDAMA
RAVINE CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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



*Received
on 26/09/2019
Japheth*



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

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**ELDAMA RAVINE NATIONAL
GOVERNMENT CONSTITUENCY
FUND**

P. O. Box 161 - 20103
ELDAMA RAVINE

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

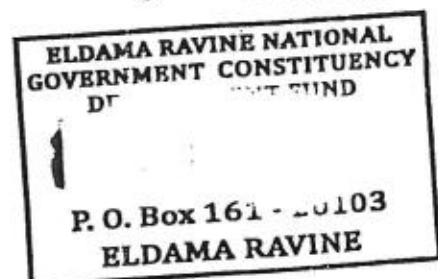
- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide 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 ELDAMA RAVINE Constituency day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

N o	Designation	Name
1.	A.I.E holder	Geoffrey Koech
2.	Sub-County Accountant	Solomon Kiratu
3.	Chairman NGCDFC	Joseph Ayabei
4.	Member NGCDFC	Anne Mwangi

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -ELDAMA RAVINE 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 ELDAMA RAVINE Constituency Headquarters

Eldama Ravine NG-CDF Office
Boresha SACCO Building
Off Eldama Ravine-Eldoret Road
P.O. Box 161-20103
Eldama Ravine



Reports and Financial Statements

For the year ended June 30, 2019

(f) NGCDF ELDAMA RAVINE Constituency Contacts

Telephone: (254) 712 990 222

E-mail: cdfeldamaravine@ngcdf.go.ke

gkoech@ngcdf.go.ke

Website: www.ngcdf.go.ke/Eldamaravine

(g) NGCDF ELDAMA RAVINE Constituency Bankers

Equity Bank

Eldama Ravine Branch

P.O Box 75104-00200

Nairobi, Kenya

NG-CDFC Account Number: 1310299403791

(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**Funds Allocation FY 2018-2019**

I am pleased to present the unaudited financial statements for Eldama Ravine Constituency for the financial year 2018/2019 as at 30th June 2019. During the year, the Constituency was allocated a total of Kshs109,040,875.52 and a total of Kshs 108,390,876 was received in the Constituency equivalent to 99% of the total funding during the year.

These funds were received and disbursed by Eldama Ravine National Government Constituencies Development Fund Committee (NGCDFC) to the various approved priority projects pursuant to the provisions of the National Government CDF Act 2015, as amended in 2016. The prioritized projects were those that had been captured during the various public participation forums held across the Constituency in accordance with the stipulates of the Constitution of Kenya on public finance and the provisions of the National Government CDF Act.

Prioritized Allocation to Key Sectors

I wish to indicate that during the FY 2018/2019 a total of Kshs 49,150,000 was allocated as transfers to other Government Units which consist of transfers to primary schools, secondary schools and tertiary institutions compared to a total of Kshs 33,389,352 in the FY 2017/2018 and an allocation of Kshs 30,850,000 during the FY 2016/2017. The Committee also allocated Kshs 30,946,378 to other grants and other payments which consist of Bursary, Mocks and CATs, sports, environment and emergency compared to an allocation of Kshs 34,786,207 during the FY 2017/2018 and Kshs 28,275,862 in the FY 2016/2017. Other allocations during the FY 2018/2019 include Kshs 10,000,000 towards the NG-CDF library and offices, Kshs 5,450,000 for the purchase of Constituency motor vehicle and a total of 9,813,680 allocated towards administrative costs as well as the NGCDFC monitoring and evaluation programmes.

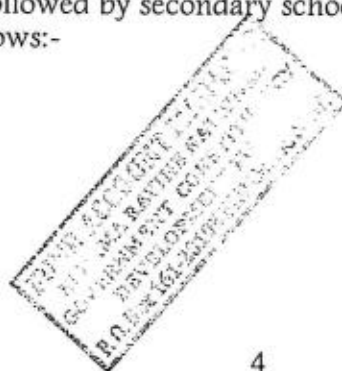
Analysis of Sector Funding FY 2018/2019

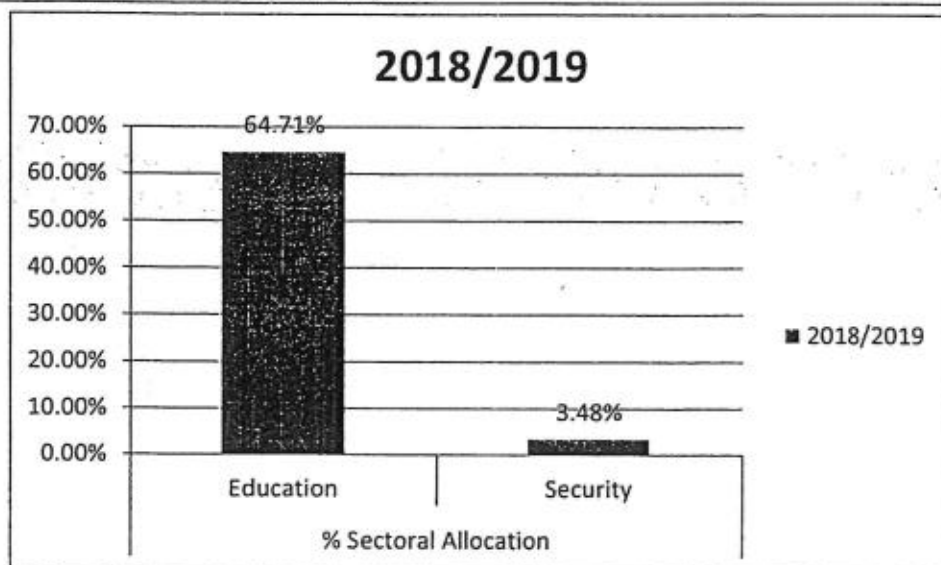
Over the past 7 years, Eldama Ravine Constituency has received funding which has subsequently been disbursed to various projects. In the education and security sector which are the key sectors, the funded projects are as hereunder provided;

Sector	Number of Projects							
	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	Total
Primary Schools	28	18	28	21	23	23	38	179
Secondary Schools	20	9	12	17	15	14	21	108
Tertiary Institutions	1	1	1	2	1	1	1	8
Security	6	5	3	3	1	1	1	20
Total No Funded	55	33	44	53	45	61	87	315

Source: Eldama Ravine NGCDF Records (2019)

An analysis of the sector allocation during the FY 2018/2019 indicates that 65% of the funding was allocated to the education sector whereas 3% of the funding went to the security sector. It is also notable that within the sectors, primary schools have realized the highest number of projects funded in the Constituency followed by secondary schools and finally security sector projects. The same can be presented as follows:-





The continued funding towards the education sector in the Constituency has contributed to the following;

- a) Increased enrolment in primary, secondary and tertiary institutions.
- b) Increased retention of students in various institutions.
- c) High transition rates from primary to secondary schools and ultimately to tertiary institutions.
- d) Reduced burden of education for low income families in the Constituency.

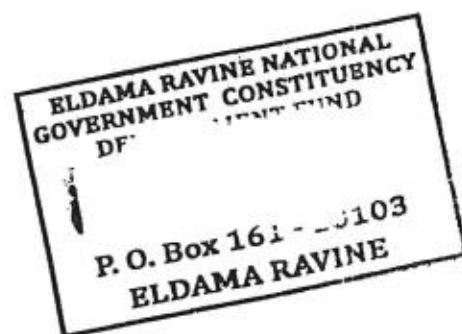
The leading sector analysis for the last ten years can be tabulated as follows:-

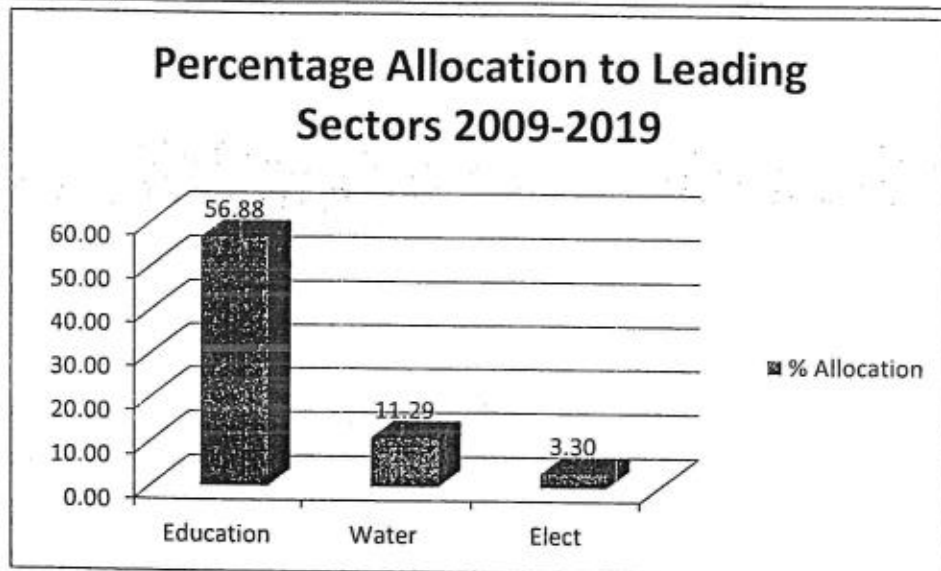
Sectoral Analysis FY 2009/10-2018/19 (10 Years)

No	Financial Year	Amount Allocated	% Sectoral Allocation						
			Education	Water	Elect	Roads	Agric	Security	Health
1.	2009/2010	52,511,215.00	41.83	26.95	9.52	3.59	3.99	NIL	1.86
2.	2010/2011	62,427,657.00	57.11	15.03	9.30	0.24	1.33	NIL	3.56
3.	2011/2012	75,846,873.00	52.08	19.56	9.89	3.16	1.58	NIL	1.06
4.	2012/2013	94,242,392.00	56.09	19.81	4.24	2.05	1.80	0.53	1.06
5.	2013/2014	67,697,361.00	59.25	11.61	0.00	0.00	0.00	0.15	10.46
6.	2014/2015	96,609,709.00	61.09	11.90	0.00	0.00	0.00	0.02	0.00
7.	2015/2016	102,287,280.00	57.78	8.01	0.00	0.88	0.00	1.02	0.98
8.	2016/2017	81,896,551.72	63.65	0.00	0.00	0.00	0.00	1.47	0.00
9.	2017/2018	86,810,344.82	55.20	NIL	NIL	NIL	NIL	3.17	NIL
10.	2018/2019	109,040,875.52	64.71	NIL	NIL	NIL	NIL	3.48	NIL
Average % Allocations			56.88	11.29	3.30	0.99	0.87	0.98	1.90

Source: Eldama Ravine NGCDF Records (2019)

From the above, it is evident that the leading sector over the period is education, water and electricity (energy) at an average percentage allocation of 56.88%, 11.29%, and 3.30% respectively. The percentage allocation to the three sectors is presented graphically as hereunder provided;





Sectoral Allocation FY2009-2019 Source: Eldama Ravine NGCDF Records (2019)

Bursary Management

Through NG-CDF Bursary scheme, the allocation capped at 35% of total Constituency funding has continually been allocated and disbursed to needy students in Secondary schools, Colleges and Universities. The Fund bursary scheme has helped in achieving the following:-

- a) Increasing access to Secondary, College and University education.
- b) Complementing other government efforts aimed at ensuring 100% transition from primary to secondary schools.
- c) Ensuring increased retention of students in secondary schools, colleges and universities.
- d) Increasing the number of skilled manpower through supporting the acquisition of skills from tertiary institutions.
- e) Promoting skills development thus enhancing employability in available opportunities locally and nationally.

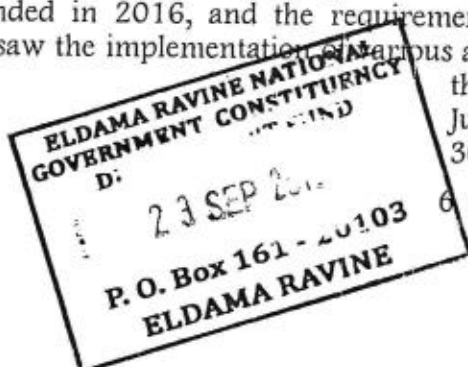
An assessment of the Constituency statistics for the FY 2012/13 upto FY 2018/2019 (7 years) shows a high percentage of students funded through bursary have completed secondary schools and an increasing number have joined parallel degree programmes at the various Universities alongside pursuing other courses in middle level colleges amongst other institutions of higher learning in the country. The number of beneficiaries in respective institutions over the period is as hereunder provided;

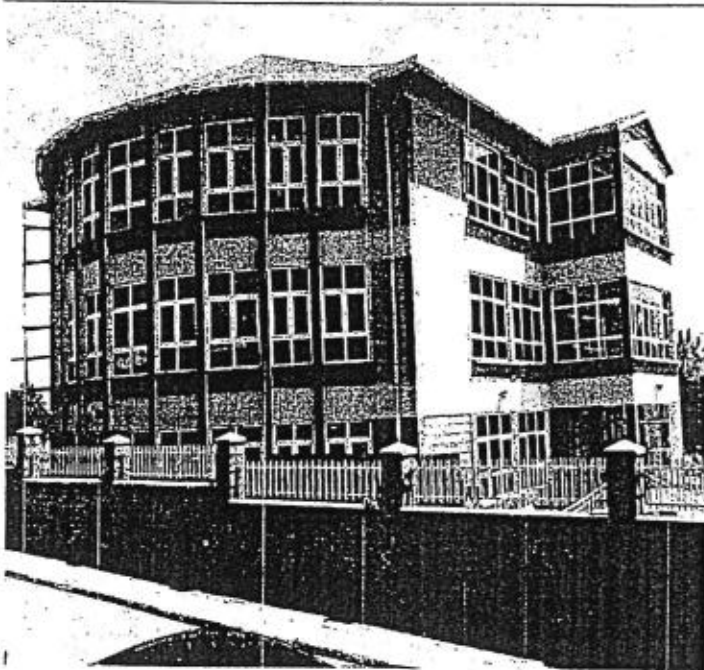
Bursary Beneficiaries FY 2012-2013 upto FY 2018-2019

Financial Year	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	Total
No of Beneficiaries	2,208	1,480	2,172	1,549	1,558	1,502	1,617	10,606

Source: Eldama Ravine NGCDF Records (2019)

It is noteworthy that during the FY 2018/2019, the Committee undertook to expedite the disbursement of funds to earmarked projects in accordance with the provisions of the NGCDF Act, 2015, as amended in 2016, and the requirements of the Annual Performance Contract. The disbursements saw the implementation of various approved projects across the Constituency. As at the close of the fiscal year 2018/2019 on 30th June 2019, the funds due to projects were Kshs 30,036,988 and the overall funds utilization and





absorption rate stood at 80 percent. This is an impressive performance realized by the Committee during the year on funds absorption based on funding received from the NGCDF Board.

Programme Achievements

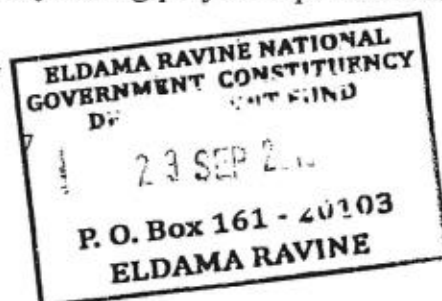
I wish to report that during the year, the NGCDF Committee disbursed a total of Kshs 27,255,416 as bursary to needy students in secondary, tertiary institutions and this benefitted a total of 2,208 students in various institutions across the country. It is also notable that the infrastructural facilities funded include classrooms, administration blocks, laboratories, dormitories, toilets, lockers and chairs, desks and equipping of laboratories and libraries. The continued funding towards

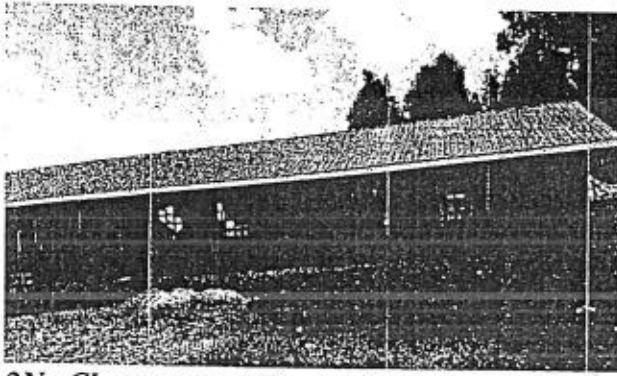
the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low income families. Another major project undertaken during the year is the Eldama Ravine NG-CDF Office and library that comprises a modern Constituency library and other related offices which is awaiting commission as shown herein.

During the year as well the Constituency purchased its motor vehicle to be used in monitoring and evaluation and other Constituency activities. The same has greatly helped in close monitoring and evaluation, projects technical input as well as ensuring value for money.

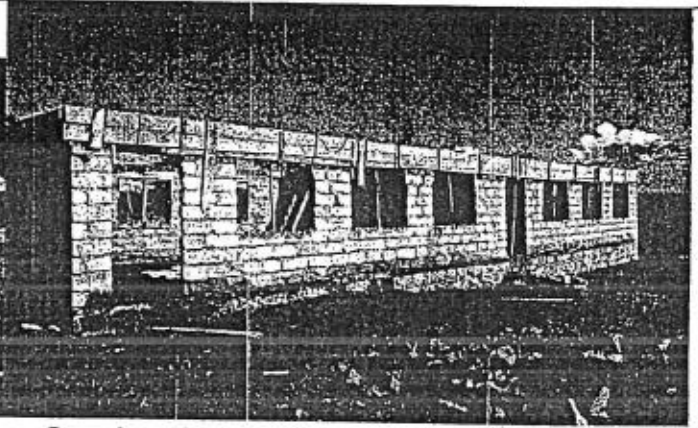


Other sampled projects undertaken during the financial year 2018/2019 include the ongoing Simotwet Day Secondary School in Lembus Perkerra Ward and Kapcholoi Primary School in Lembus Kwen Ward which received funding of Kshs 1,400,000 each towards construction of 2No standard classrooms. I wish to indicate that the Project Management Committees (PMCs) in the respective schools implemented the projects under Rapid Results Initiative (RRI) and the workmanship was good as well. This strategy will now be adopted by the NGCDF Committee and replicated in other schools across the Constituency during project implementation to ensure value for money and quality workmanship.





2No Classrooms at Kapchholoi Primary

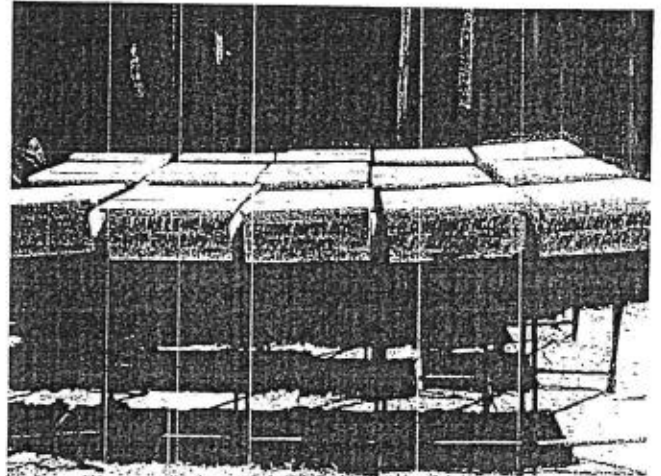


Ongoing 2No Classrooms at Simotwet Secondary

The Constituency Committee also funded the completion of Nyakio Primary School administration block as well as the supply of lockers and chairs to various new day secondary schools in the Constituency as evidenced hereunder:-



Ongoing administration at Nyakio Primary



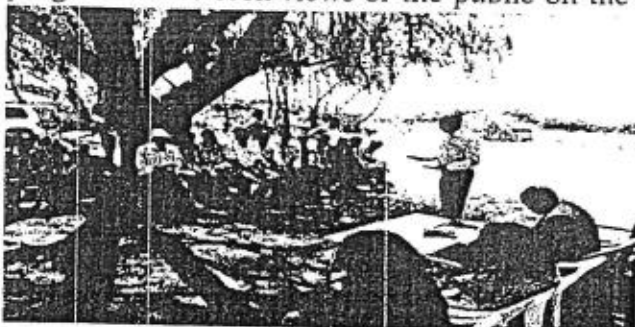
Lockers and chairs supplied to various School

Budget Appropriations

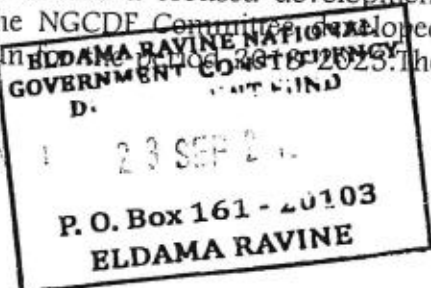
During the financial year 2018/2019, the overall budget utilization stood at 80 percent based on the funds received. This was achieved due to expeditious disbursement of funds received to earmarked projects by the NGCDF Committee. During the period Kshs 108,390,875.50 was received in the Constituency against the total allocation of Kshs 109,040,875.52. This leaves a balance of Kshs 650,000 which is still outstanding with the NGCDF Board.

Strategic Development Planning

During the financial year 2018/2019, the Committee undertook various public participation programmes to seek views of the public on the development priorities. This is in compliance with the requirements of the NGCDF Act and the Constitution of Kenya 2010. The priorities drawn from such public participation fora shall help guide the Constituency development trajectory.



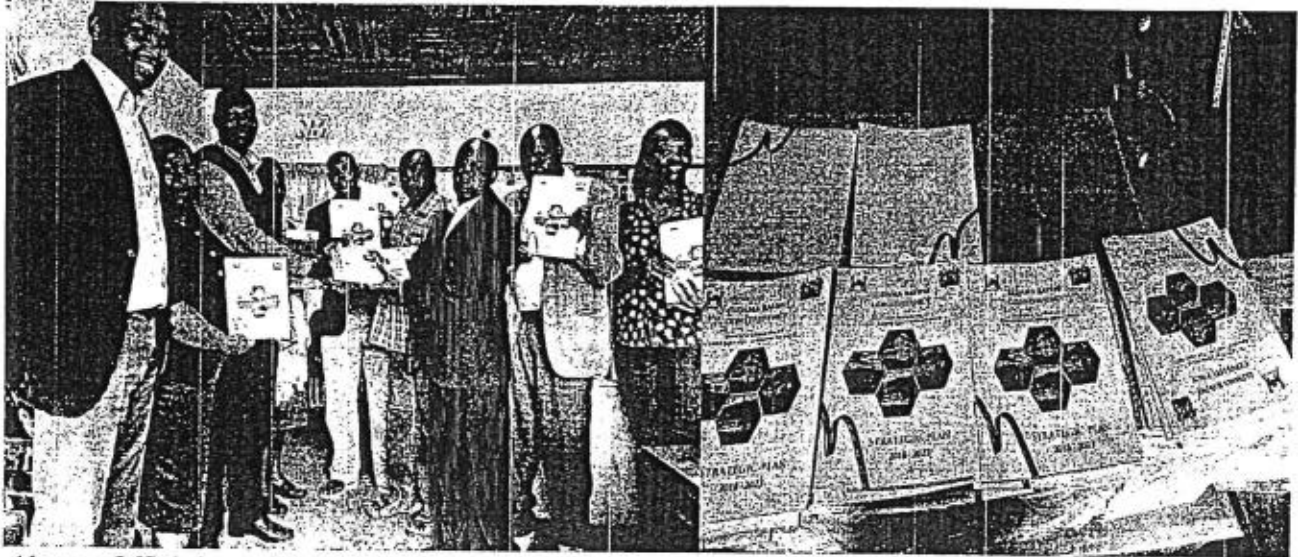
Equally and to ensure a focused development programme, the NGCDF Committee developed its strategic plan for the period 2018/2023. The



Reports and Financial Statements

For the year ended June 30, 2019

Strategic Plan will now be a formalized road map spelling out where the Constituency is headed in terms of development over the next five years. The document will guide in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.



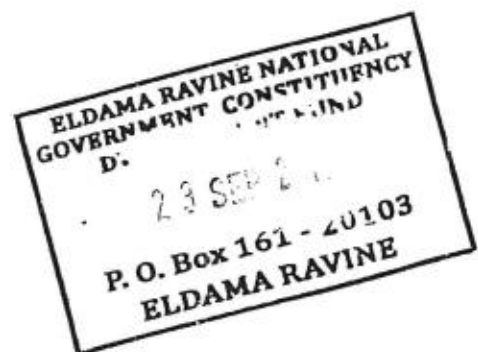
Above: Official receipt of the Eldama Ravine Constituency Strategic Plan 2018-2023

Challenges

In our development agenda, we do encounter some challenges which if well address will improve the overall performance of the Fund at the Constituency level. These challenges include weak record management at the project management Committees level, inadequate technical input in some projects as well as delayed submission of the required financial and project returns for funds disbursed. To mitigate the above, the committee during the year 2018/2019 scaled up its capacity building programmes for NGCDF Committee, Project Management Committees and staff on various aspects of NGCDF projects management and reporting. These programmes contributed to minimizing the challenges and led to an improvement in overall performance by Project Management Committees. The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the FY 2019/2020.

I wish to sincerely thank the NGCDF Committee, NG-CDFC staff, Project Management Committees and other stakeholders for the cooperation and support that saw the achievement of the above milestones. Going forward, the Committee envisions even performing better in subsequent assessment of performance from 2019/2020 and beyond.


**JOSEPH AYABEI
CHAIRMAN NGCDF COMMITTEE**



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

ELDAMA RAVINE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-ELDAMA RAVINE 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-ELDAMA RAVINE 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-ELDAMA RAVINE 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-ELDAMA RAVINE 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-ELDAMA RAVINE Constituency financial statements were approved and signed by the Accounting Officer on 23/9 2019.



Fund Account Manager
Name: Geoffrey Koech



Sub-County Accountant
Name: Solomon Kiratu
ICPAK Member Number: 12540

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



Enhancing Accountability

HEADQUARTERS
Anniversary Towers
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P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - ELDAMA RAVINE 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 - Eldama Ravine Constituency set out on pages 11 to 42, which comprise of 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 - Eldama Ravine 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. Inaccuracies in the Financial Statements

The annual report and the financial statements prepared and presented for audit had the following errors: -

- i. Cover page has the word "revised template 30th June, 2019" on its face;
- ii. Page for the insertion of the Auditor-General's report has been omitted;
- iii. The information in the forward by the Chairman differs with the information in the financial statements. Paragraph 2 on prioritized allocation to key sectors indicates that Kshs.49,150,000 was allocated to transfers to other government units while the statements reflect an amount of Kshs.53,179,852. The paragraph also indicates other grants and transfers of Kshs.30,946,378 while the

statements reflect an amount of Kshs.38,496,483; and further, the funding allocation for the financial year 2018-2019 indicates that, Kshs.108,390,876 was received from the National Government Constituencies Development Fund - Board during the year under review while the statements reflect AIE's receipts of Kshs.161,227,665.

- iv. The numbering of Notes to financial statements are inconsistent, for example the statement of cash flows makes reference cash and cash equivalents at the end of the year to Note 16 which does not exist;
- v. Significant accounting policies - Paragraph 4 indicates the period as ended 30 June, 2018 instead of 2019;
- vi. Annex I and II to the financial statements are omitted; and
- vii. Progress on follow up of auditor recommendations has excluded a paragraph on unaccounted for expenditure on Eldama Ravine Library project.

This presentation is contrary to the format prescribed by the Public Sector Accounting Standard Board (PSASB) in accordance with Section 194(1)(d) of the Public Finance Management Act, 2012.

Consequently, the annual report and the financial statements as prepared and presented are not IPSAS compliant.

2. Receipts

2.1 Unreconciled Transfer from National Government Constituencies Development Fund Board

The statement of receipts and payments reflects transfers from the National Government Constituencies Development Fund Board of Kshs.161,227,665;(2018-Kshs.43,405,172) and as disclosed under Note 1 to the financial statements. This amount differs with the receipts in the summary statement of appropriation: recurrent and development combined of Kshs.161,360,100 resulting to an unexplained variance of Kshs.132,435.

2.2 Unreconciled Other Receipts

Further, the statement reflects other receipts of Kshs.87,000 while the summary statement of appropriation - recurrent and development combined reflects nil amount resulting to unexplained variance of Kshs.87,000.

In circumstances, the accuracy and completeness of reported receipts amount of Kshs.161,314,665 for the ended 30 June, 2019 could not be confirmed.

3. Inaccuracy in the Statement of Appropriation

The summary statement of appropriation: recurrent and development combined under budget utilization difference reflects total of Kshs.32,415,246 while recasting of the figures yielded Kshs.33,732,686 resulting to a variance of Kshs.1,317,440 which has not been corrected.

In the circumstances, the accuracy of the summary statement of appropriation: recurrent and development combined for the year ended 30 June, 2019 could not be confirmed.

4. Unconfirmed Bank Balances

The statement of assets and liabilities reflects bank balance of Kshs.30,036,988;(2018-Kshs.132,435) and as disclosed under Note 10 to the financial statements. Available information indicates that stale cheques totalling to Kshs.490,500 had not been written back into the cash book. Further, bank charges of Kshs.26,979 have not been incorporated in the financial statements.

Consequently, the accuracy and fair statement of the reported bank balance of Kshs.30,036,988 as of 30 June, 2019 could not be confirmed.

5. Unsupported Bursary Payments

The statement of receipts and payments reflects other grants and transfers of Kshs.38,496,483;(2018-Kshs.20,173,500) and as disclosed under Note 7 to the financial statements. However, bursary payments amounting to Kshs.27,255,416 have not been supported by way of list of beneficiaries per school, student and amounts disbursed. Further, bursary policy and evidence of bursary committee's work were not availed for audit review. The authenticity of the bursary beneficiaries could not be established.

In the circumstances, the accuracy and validity of other grants and transfers of Kshs.38,496,483 for the year ended 30 June, 2019 could not be confirmed.

6. Fixed Assets Discrepancies

The statement of receipts and payments reflects expenditure on acquisition of assets of Kshs.25,463,744;(2018-Kshs.4,669,256) and as disclosed under Note 8 to the financial statements. However, Annex 4 on summary of fixed assets register discloses additions during the year of Kshs.5,282,000 resulting to an unexplained variance of Kshs.20,181,744.

In the circumstances, the accuracy and fair statement of the acquisition of assets of Kshs.25,463,744 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 - Eldama Ravine 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 combined reflects final receipts budget and actual on comparable basis of Kshs.163,957,793 and Kshs.161,360,100 respectively resulting to an under-funding of Kshs.2,597,692 or 1.6% of the budget.

Further, of the receipts amount of Kshs.161,360,100, only Kshs.131,410,112 was absorbed resulting to an under absorption of Kshs.29,949,988 or 18.6% of the receipts.

No satisfactory explanations have been rendered contrary to the values and principles of public service as provided for under Article 232(1- c) of the Constitution which requires responsive, prompt, effective, impartial and equitable provision of services.

In the circumstances, the constituents have not received the services as planned.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

1.0 Projects Implementation

Review of the project implementation status report as of 30 June, 2019 indicated during the year under review, eighty-four (84) projects were funded to the tune of Kshs.109,040,875 and were at different implementation statuses as detailed out below: -

Project Status	Count	Amount (Kshs.)
Completed	24	39,969,649
Not Started (New)	39	38,700,000
On-going	24	30,371,226
Total	84	109,040,875

The following unsatisfactory issues were however noted: -

1.1. Incomplete Projects

Sixty-three (63) projects with funding allocation of Kshs.69,071,226 were incomplete. No satisfactory explanation has been rendered for not implementing the projects in time.

Consequently, it has not been possible to confirm if and when value for money will be realized from the incomplete projects.

1.2. Unsatisfactory Implemented Projects

Sixteen (16) projects with funding allocation of Kshs.37,467,813 were sampled for verification during the month of January, 2020. The individual observations against each of the project is detailed in Appendix 1.

No satisfactory explanations have been rendered for the deficiencies in projects implementation and non-submission of records contrary to Section 25(1) of National Government Constituencies Development Fund Act, 2015.

Consequently, the constituents of Eldama Ravine might not realize value for money from the projects valued at Kshs.37,467,813 for the year ended 30 June, 2019.

1.3. Irregular Projects

As previously reported, a contractor was paid Kshs.1,063,710 for construction of a perimeter fence and gate at Koibatek Technical Training Institute. However, the contract document was not provided for audit. The perimeter wall had developed cracks while drainage holes were not constructed despite having been provided for in the bills of quantities. Further, Kiptuno Primary School allocation of Kshs.500,000 for completion of mini office was diverted for staffroom extension which was inadequate thus the project stalled due to lack of funding. During the year under audit, no documentary evidence was provided to confirm the works in the two (2) projects had been completed.

In the circumstances, it has not been possible to confirm whether public resources were used effectively.

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 sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2021

Appendix 1: Unsatisfactory Implemented Projects

Project Beneficiary and Details	Cost (Kshs.)	Observations
Maji Mazuri Forest Primary School - Construction of one (1) classroom	650,000	Class was put to use before completion as a maize store, contractor moved out of site with the following incomplete areas: -face board not fixed, wall not keyed, window paints have fallen off, veranda unscreeded, classroom smaller in size and not to standard, foundation not screeded, door fixed is T-door instead of metal door, iron sheets used are gauge 30 and the project has not been labelled and the workmanship is generally poorly done for which school management attributed to underfunding.
Andama Primary - Construction of six (6) door toilet	350,000	Project was labor based but remains incomplete; doors locks, paintwork and face board not done. Work not satisfactorily done for which school management attributed to underfunding.
Soy Mining Primary -Construction of three (3) doors toilet	300,000	The toilet has been built at ECD section that is about 1km away from Soy Mining Primary School. The project was poorly done, although it is already in use.
Soy Mining Primary -Construction of 2 No classrooms	1,300,000	Project was labour based but is incomplete, the contractor had moved out of site, classrooms had been put to use despite the following being incomplete; classrooms and facia board are unpainted, project is unlabeled, upper outside wall not plastered with no ramp entry porch for physically challenged pupils, iron sheets used are gauge 30 which are not the recommended for public institutions. The school administration attributed unsatisfactory works to underfunding.
Tulwomoi - Construction of two (2) classrooms	1,300,000	Project was labour based but is incomplete. The contractor had moved out of site, classrooms and facia board are unpainted, project is unlabeled, upper outside wall not plastered with no ramp entry porch for physically challenged pupils, Iron sheets used are gauge 30 which are not the recommended for public institutions. The school administration attributed unsatisfactory works to underfunding.
Mumberes Girls - Construction of girls' dormitory	2,000,000	Project funded in phases with the dormitory having been completed and put to use. However, poor quality of doors were fixed in the washrooms and the paint was already peeling off. The washroom walls were poorly done, and no provision for emergency exit.

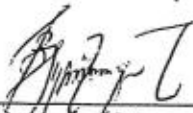
Project Beneficiary and Details	Cost (Kshs.)	Observations
Nyakio Primary School -Completion of administration block	800,000	Project incomplete and contractor has moved out of site and the works not done include: - painting, ceiling, wiring, plumbing works, entry ramp for physically challenged persons. The administration attributed this to lack of additional funds.
Maji Mazuri Mixed Secondary School - Completion of science laboratory	1,500,000	Works were incomplete as the contractor abandoned the project in 2017. The school administration made decision to put in use the incomplete lab. Areas not done include: - painting, ceilings, veranda, plumbing, lab fittings and cracks have showed on the walls. The project was poorly done which the administration attributed to inadequate funding.
SAOs Primary School- Renovation of five (5) classrooms	250,000	Only two (2) classrooms had been renovated and labeling of the project was not done. The incomplete works was attributed to underfunding.
Benonin Secondary School- Completion of administration block	1,200,000	Project is incomplete. Implementation of the project was in phases although no documentary evidence to confirm proper definition as per section 25(1) of NG CDF Act, 2015. It was not possible to ascertain the amount of works done against payments made since the BOQ were not availed for audit review. The project had been roofed but the following areas were incomplete; plastering, ceiling, keying, painting, fixtures and fittings. The Contractor was not on site.
Eldama Ravine Chief's Office (Konoos Company Limited) - Construction of four (4) door toilet at Eldama Ravine Chief's office	237,069	Complete and in use. As per the approved code list for financial year 2017 /2018 the amount approved was Kshs. 500,000 for completion of the chief's office and not for construction of toilet. No authorizing document was availed to support the change of activity.
Eldama Ravine Day and Boarding Primary School - Construction of dormitory	1,350,000	Project is incomplete with the following not done; plastering, ceiling, electrical and mechanical works, painting, keying, fixtures and fittings. Implementation of the project was being done in phases but no document to confirm that the phases were well defined as required by section 25(1) of NG CDF Act, 2015. It was not possible to ascertain the amount of works done against payments made since the BOQ was not available.

Project Beneficiary and Details	Cost (Kshs.)	Observations
		The Contractor was not on site.
Eldama Ravine Library Project - Completion of phase two of the two (2) storey NG-CDF Offices	19,330,744	Complete but not in use. However, land ownership could not be established. The project was co-funded by the Eldama Ravine NG – CDF, Kenya National Library Services, Waitrose Foundation and Eldama Ravine Education Foundation. However, the terms of the co-funding were not availed for audit verification and therefore it was not possible to ascertain the extent of works paid under the Fund. As per the project code list for financial year 2018/2019, the funds were meant for constructing NG CDF offices and not library and no document was presented to support the change of activity.
Kapcholoi Day Secondary School- Completion of laboratory and construction of four (4) door staff toilets	500,000	Toilet for Kshs.200,000 has not been constructed.
Sinin Day Secondary School - Completion of laboratory block	2,400,000	Complete and in use. However, the project was co-funded by the community and Eldama Ravine NG – CDF but the terms of co-funding were not availed for audit verification. It was therefore not possible to ascertain the extent of works that were to be paid by the Eldama Ravine NG CDF.
St Patrick's Day Secondary School - Construction of four (4) modern standard classrooms	4,000,000	Project is incomplete and at roofing level. It was observed that the implementation of the project was in phases although no document was produced for audit to show that the phases were well defined as required by section 25(1) of NG CDF Act, 2015. Contract of agreement was not made available for review to ascertain the duration of the contract.
Total	37,467,813	

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019	2017/2018
RECEIPTS			
Transfers from NGCDF board-AIEs' Received	1	161,227,665	43,405,172
Other Receipts	3	87,000	-
TOTAL RECEIPTS		161,314,665	43,405,172
PAYMENTS			
Compensation of Employees	4	2,721,455	2,083,718
Use of Goods and Services	5	9,766,180	6,255,676
Transfers to Other Government Units	6	53,179,852	7,957,325
Other Grants and Transfers	7	38,496,483	20,173,500
Acquisition of Assets	8	25,463,744	4,669,256
Other Payments	9	1,782,398	3,104,457
TOTAL PAYMENTS		131,410,112	44,243,932
SURPLUS/DEFICIT		29,904,553	(838,760)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-ELDAMA RAVINE Constituency financial statements were approved on 23/7/ 2019 and signed by:



Fund Account Manager
Name: Geoffrey Koech



Sub-County Accountant
Name: Solomon Kiratu
ICPAK Member Number: 12540

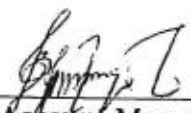


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
ELDAMA RAVINE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019	2017-2018
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	30,036,988	132,435
Total Cash and Cash Equivalents		<u>30,036,988</u>	<u>132,435</u>
TOTAL FINANCIAL ASSETS		<u>30,036,988</u>	<u>132,435</u>
FINANCIAL LIABILITIES			
Accounts Payable-Deposits and Retentions			
NET FINANCIAL ASSETS		30,036,988	132,435
REPRESENTED BY:			
Fund Balance b/fwd 1st July 2018	13	132,435	971,195
Surplus/Deficit for the year		<u>29,904,553</u>	(838,760)
NET FINANCIAL POSITION		<u>30,036,988</u>	<u>132,435</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-ELDAMA RAVINE Constituency financial statements were approved on 23/9/2019 and signed by:


Fund Account Manager
Name: Geoffrey Koech


Sub-County Accountant
Name: Solomon Kiratu
ICPAK Member Number: 12540



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
ELDAMA RAVINE CONSTITUENCY**

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For the year ended June 30, 2019

VI. STATEMENT OF CASHFLOW

CASHFLOW FROM OPERATING ACTIVITIES

		2018-2019	2017-2018
Receipts for Operating Income			
Transfers from NGCDF Board	1	161,227,665	43,405,172
Other Receipts	3	87,000	-
Total		161,314,665	43,405,172
Payments for Operating Expenses			
Compensation of Employees	4	2,721,455	2,083,718
Use of Goods and Services	5	9,766,180	6,255,676
Transfers to Other Government Units	6	53,179,852	7,957,325
Other Grants and Transfers	7	38,496,483	20,173,500
Other Payments	8	1,782,398	3,104,457
Total		105,946,368	39,574,676

Net Cash flow from Operating Activities		55,368,297	3,830,496
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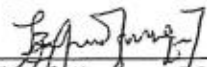
CASHFLOW FROM INVESTING ACTIVITIES

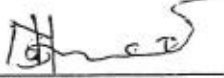
Acquisition of Assets	10	25,463,744	4,669,256
Net cash flows from Investing Activities		29,904,553	4,669,256

NET INCREASE IN CASH AND CASH EQUIVALENT		29,904,553	(838,760)
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Cash and cash equivalent at BEGINNING of the year	15	132,435	971,195
Cash and cash equivalent at END of the year	16	30,036,988	132,435

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-ELDAMA RAVINE Constituency financial statements were approved on 23/9 2019 and signed by:


 Fund Account Manager
 Name: Geoffrey Koech


 Sub-County Accountant
 Name: Solomon Kiratu
 ICPAK Member Number: 12540

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ELDAMA RAVINE CONSTITUENCY

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VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,875	54,916,918	163,957,793	161,360,100	2,597,692	98
Other Receipts	87,000	-	-	-	-	
PAYMENTS						
Compensation of Employees	2,721,896	1,000,000	3,721,896	2,721,455	1,000,441	73
Use of goods and services	7,091,783	2,674,397	9,766,180	9,766,180	-	100
Transfers to Other Government Units	49,150,000	26,389,352	75,539,352	53,179,852	22,359,500	70
Other grants and transfers	33,127,196	11,514,655	44,641,851	38,496,483	7,330,373	86
Acquisition of Assets	15,450,000	9,330,744	24,780,744	25,463,744	(683,000)	103
Other Payments	1,500,000	4,007,770	5,507,770	1,782,398	3,725,372	32
	109,040,875	54,916,918	163,957,793	151,410,112	32,415,246	80

1. The overall budget utilization during the financial year 2018/2019 stood at 80% and this was achieved due to timely receipt and disbursement of funds to earmarked projects.

2. A total of Kshs 108,390,876 was received during the FY 2018/2019 were disbursed to respective projects while the balances shall be disbursed in FY 2019/2020. The AIA collected from sale of tenders during the year was Kshs 87,000.

3. The overall budget utilization for grants and other transfers stands at 86% and this was occasioned by disbursement of bursary, emergency among other sectoral projects.

4. The overall percentage of utilization for transfers to other government units was 70%. The encompass disbursements to projects in primary, secondary and tertiary institutions.


5. Adjustments indicated above relates to the funds brought forward from FY 2017/2018 of Kshs 132,435 and unutilized funds received during the year of Kshs 54,784,483 bringing the total amount to Kshs 54,916,918.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ELDAMA RAVINE CONSTITUENCY
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6. The total outstanding funding that was not received as at the close of the financial year was 2,597,693.40 which consists of funding for FY 2017/2018 and FY 2018/2019.
7. The overexpenditure on use of goods and services was due to the payment of NGCDF allowances for the meetings and open forum public meetings held in the last quarter of FY 2018/2019 to identify priority projects for funding in FY 2019/2020 as well as purchase of office furniture.
8. The purchase of office furniture of Kshs 683,000 funded through the administration vote has been captured as an acquisition of asset.

The NGCDF-ELDAMA RAVINE Constituency financial statements were approved on 23/9 2019 and signed by:


Fund Account Manager
Name: Geoffrey Koech


Sub-County Accountant
Name: Solomon Kiratu
ICPAK Member Number: 12540

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ELDAMA RAVINE CONSTITUENCY

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

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019 Kshs	Kshs	2018/2019 Kshs	2018/2019 Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,721,896	1,000,000	3,721,896	3,721,896	-
1.2 Committee allowances	2,000,000	699,824	1,514,819	1,514,819	-
1.3 Use of goods and services	1,137,557	633,194	1,770,751	1,770,751	-
1.4 Acquisition of assets	683,000	-	683,000	683,000	-
Total (Kshs)	6,542,453	2,333,018	7,690,466	7,690,466	-
2.0 Monitoring and Evaluation					
2.1 Capacity building	871,226	399,999	1,271,225	1,271,225	-
2.2 Committee allowances	1,600,000	541,379	2,141,379	2,141,379	-
2.3 Use of goods and services	800,000	400,000	1,200,000	1,200,000	-
Total (Kshs)	3,271,226	1,341,378	4,612,604	4,612,604	-
3.0 Emergency					
3.1 Primary Schools	2,280,000	300,000	2,580,000	2,580,000	-
3.2 Secondary Schools	2,858,993	568,966	3,427,959	3,427,959	-
3.4 Security Projects	600,000	-	600,000	600,000	-
Total (Kshs)	5,738,993	868,966	6,607,959	6,607,959	-
4.0 Bursary and Social Security					
4.1 Special Schools	1,516,977	500,000	2,016,977	2,016,977	-
4.2 Secondary Schools	5,500,000	1,000,000	6,500,000	6,500,000	-
4.3 Tertiary Institutions	13,500,000	2,000,000	15,500,000	15,500,000	-
4.4 Social Security	890,408	868,103	1,758,511	1,758,511	-
Total (Kshs)	21,407,385	4,368,103	25,775,488	25,775,488	-
5.0 Sports					
5.1 Constituency Sports Activities	1,090,409	1,963,793	3,054,202	1,959,638	1,094,564

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ELIDAMA RAVINE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Total (Kshs)	1,090,409	1,963,793	3,054,202	1,959,638	1,094,564
6.0 Environment					
6.1 Constituency Environment Activities	1,090,409	1,963,793	3,054,202	1,185,005	1,869,197
Total (Kshs)	1,090,409	1,963,793	3,054,202	1,185,005	1,869,197
7.0 Primary Schools Projects					
7.1 Kaptim Primary School	-	1,500,000	1,500,000	1,500,000	-
7.2 Kibarassoi Primary School	-	400,000	400,000	400,000	-
7.3 Kimamoi Primary School	-	650,000	650,000	650,000	-
7.4 Kipkoriony Primary School	-	1,000,000	1,000,000	1,000,000	-
7.5 Kiplombe Primary School	-	300,000	300,000	-	300,000
7.6 Kirima Primary School	-	650,000	650,000	650,000	-
7.7 Kokwomoi Primary School	-	1,300,000	1,300,000	1,300,000	-
7.8 Maji Mazuri Forest Primary School	-	650,000	650,000	650,000	-
7.9 Mwachon Primary School	-	650,000	650,000	650,000	-
7.10 Poror Primary School	-	1,000,000	1,000,000	1,000,000	-
7.11 Soymining Primary School	-	1,300,000	1,300,000	1,300,000	-
7.12 Torongo Primary School	-	200,000	200,000	200,000	-
7.13 Tugumoi Primary School	-	1,000,000	1,000,000	-	1,000,000
7.14 Tulwomoi Primary School	-	1,300,000	1,300,000	1,300,000	-
7.15 Eldama Ravine Boarding Primary	-	1,350,000	1,350,000	1,350,000	-
7.16 Tambarass Primary School	300,000	-	300,000	300,000	-
7.17 Kewangoi Primary School	1,900,000	-	1,900,000	-	1,900,000
7.18 Soibei Primary School	700,000	-	700,000	700,000	-
7.19 Kapsigot Primary School	300,000	-	300,000	300,000	-
7.20 Lalut Primary School	500,000	-	500,000	-	500,000
7.21 Kamasaba Primary School	200,000	-	200,000	200,000	-
7.22 Kirobon Primary School	2,400,000	-	2,400,000	2,400,000	-
7.23 Nyakio Primary School	800,000	-	800,000	800,000	-
7.24 JK Moi Primary School Kaburwo	250,000	-	250,000	-	250,000
7.25 Sagat Primary School	250,000	-	250,000	-	250,000
7.26 Cheptililik Primary School	1,400,000	-	1,400,000	1,400,000	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ELDAMA RAVINE CONSTITUENCY

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

7.27 Kibias Primary School	250,000	-	250,000	250,000	-	-
7.28 Cheraik Primary School	700,000	-	700,000	-	-	700,000
7.29 Saos Primary School	250,000	-	250,000	250,000	-	-
7.30 Kapkitet Primary School	800,000	-	800,000	800,000	-	-
7.31 Koibatek Primary School	1,200,000	-	1,200,000	1,200,000	-	-
7.32 Sinende Primary School	700,000	-	700,000	700,000	-	-
7.33 Kabiye Primary School	800,000	150,000	950,000	950,000	-	-
7.34 Emnunguny Primary School	700,000	-	700,000	-	-	700,000
7.35 Tamket Primary School	700,000	-	700,000	-	-	700,000
7.36 Sigowet Primary school	350,000	-	350,000	-	-	350,000
7.37 Chemususu primary School	400,000	-	400,000	-	-	400,000
7.38 Toniok Primary School	500,000	-	500,000	-	-	500,000
7.39 St. Marys Andama Primary School	350,000	-	350,000	350,000	-	-
7.40 Emkwen Primary School	700,000	-	700,000	-	-	700,000
7.41 Kapsoit Primary School	700,000	-	700,000	700,000	-	-
7.42 Muserechi Primary School	250,000	-	250,000	250,000	-	-
7.43 Kapcholoi Primary School	1,400,000	1,300,000	2,700,000	2,700,000	-	-
Total (Kshs)	19,750,000	14,700,000	34,450,000	26,200,000	8,250,000	
8.0 Secondary Schools Projects						
8.1 Benonin Day Secondary School	-	1,200,000	1,200,000	1,200,000	-	-
8.2 Maji Mazuri RC Day Secondary	-	700,000	700,000	-	-	700,000
8.3 Maji Mazuri Girls High School	-	500,000	500,000	500,000	-	-
8.4 Solian Day Secondary School	-	650,000	650,000	650,000	-	-
8.5 Mumberes Girls Secondary School	1,500,000	2,000,000	3,500,000	3,500,000	-	-
8.6 Kiptuno Day Secondary School	1,000,000	1,000,000	2,000,000	2,000,000	-	-
8.7 Highlands Secondary School	750,000	-	750,000	750,000	-	-
8.8 Kapcholoi Day Secondary School	500,000	-	500,000	500,000	-	-
8.9 Lebolos Day Secondary School	2,000,000	-	2,000,000	-	-	2,000,000
8.10 Tinnet Day Secondary School	750,000	-	750,000	-	-	750,000
8.11 Lelgel Day Secondary School	700,000	700,000	1,400,000	1,400,000	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ELDAMA RAVINE CONSTITUENCY

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

8.12 Kipkoriony Day Secondary School	2,250,000	700,000	2,950,000	2,950,000	-
8.13 Kamelilo Day Secondary School	1,200,000	-	1,200,000	-	1,200,000
8.14 Simotwet Day Secondary School	1,400,000	-	1,400,000	1,400,000	-
8.15 Toniok Girls High School	2,000,000	-	2,000,000	-	2,000,000
8.16 Kiplombe Secondary School	3,000,000	-	3,000,000	3,000,000	-
8.17 Kabimoi Day Secondary School	700,000	-	700,000	-	700,000
8.18 St. Patricks Day Secondary School	4,000,000	-	4,000,000	4,000,000	-
8.19 Maji Mazuri Mixed Secondary	350,000	-	350,000	350,000	-
8.20 Bakhita Day Secondary School	2,000,000	-	2,000,000	-	2,000,000
8.21 Sinonin Day Secondary School	2,400,000	500,000	2,900,000	2,900,000	-
8.22 Kamngoech (Proposed) Day Secondary School	700,000	700,000	1,400,000	540,500	859,500
8.23 Mandina (Proposed) Day Secondary School	700,000	700,000	1,400,000	-	1,400,000
8.24 Tiripkatoi (Proposed) Secondary School	700,000	700,000	1,400,000	-	1,400,000
8.25 Saos Secondary School	-	300,000	300,000	300,000	-
Total (Kshs)	28,600,000	10,350,000	38,950,000	25,940,500	13,009,500
9.0 Tertiary Institutions Projects					
9.1 Eldama Ravine Technical and Vocational College	800,000	1,039,352	1,839,352	1,039,352	800,000
Total (Kshs)	800,000	1,039,352	1,839,352	1,039,352	800,000
10.0 Security Projects					
10.1 Eldama Ravine AP Camp	-	400,000	400,000	397,000	3,000
10.2 Gatarakwa Police Post	-	250,000	250,000	250,000	-
10.3 Kaburwo Primary School Security Road	-	600,000	600,000	-	600,000
10.4 Mumberes AP Camp	-	1,000,000	1,000,000	-	1,000,000
10.5 Eldama Ravine Chiefs Office	-	250,000	250,000	250,000	-
10.6 Umoja Lelechwa Community Security Road	300,000	400,000	700,000	300,000	400,000
10.7 Lembus Central Chiefs Office	1,200,000	-	1,200,000	-	1,200,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ELDAMA RAVINE CONSTITUENCY

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

10.8 Timbora Chief's Office	1,200,000	-	1,200,000	-	1,200,000
10.9 Esageri ACC's Office	300,000	-	300,000	300,000	-
10.10 Lembus Chemorgong Chief's Office	500,000	-	500,000	-	500,000
10.11 Kibias Chepterwo Security Road	300,000	-	300,000	-	300,000
Total (Kshs)	3,800,000	2,900,000	6,700,000	1,247,000	5,453,000
11.0 Acquisition of assets					
11.1 Motor Vehicles	5,450,000	-	5,450,000	5,450,000	-
11.2 Construction of NGCDF Office	10,000,000	9,330,744	19,330,744	19,330,744	-
Total (Kshs)	15,450,000	9,330,744	24,780,744	24,780,744	-
12.0 Others					
12.1 Strategic Plan	1,500,000	500,000	2,000,000	1,782,398	217,602
12.2 Innovation Hub	-	3,507,771	3,507,771	-	3,507,771
Total (Kshs)	1,500,000	4,007,771	5,507,771	1,782,398	3,725,373
Grand Total (Kshs)	109,040,875	55,916,918	163,957,793	131,410,112	32,415,246

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-ELDAMA RAVINE 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

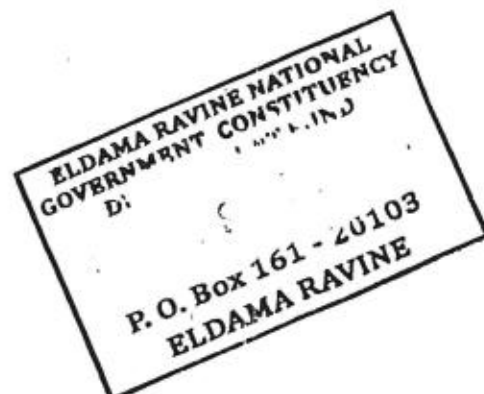
The Entity recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Entity.

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 Constituency Bank Account in Equity Bank Eldama Ravine at the end of the financial year.

7. Accounts Receivable

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

8. Accounts Payable

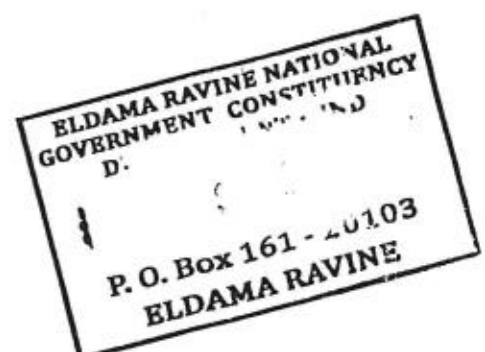
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations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

9. Pending Bills

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

10. Unutilized Fund

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



SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law. 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 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

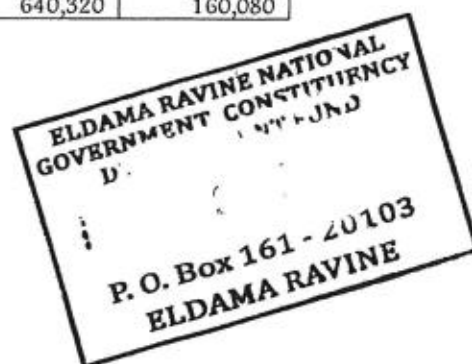
Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.



NATIONAL GOVERNMENT ENTITY - (ELDAMA RAVINE NGCDF)
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 For the year ended June 30, 2019 (Kshs)

X. NOTES TO THE FINANCIAL STATEMENTS

GFS CODES	1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES			
	Description		2018-2019	2017-2018
1330407	Normal Allocation Date	AIE No		
	24.07.2018	B005099	52,836,790	
	18.12.2018	B030141	10,000,000	
	19.02.2019	B030372	20,000,000	
	25.02.2019	B006315	6,000,000	
	18.03.2019	A699033	11,000,000	
	21.03.2019	B042726	7,000,000	
	24.06.2019	B041007	54,390,876	
	20.01.2018	A855788		5,500,000
	24.02.2018	A892759		37,905,172
	TOTAL		161,227,665	43,405,172
1400000	3 OTHER RECEIPTS			
	Description			
1420601	Sale of tender documents		87,000	-
	Total		87,000	-
2110000	4 COMPENSATION OF EMPLOYEES			
	Description		2018-2019	2017-2018
2110201	Basic wages of contractual employees		2,624,155	2,002,918
2110202	Basic wages of casual labour		84,500	72,000
1220101	Employer contribution to NSSF		12,800	8,800
	Total		2,721,455	2,083,718
2200000	5 USE OF GOODS AND SERVICES			
	Description		2018-2019	2017-2018
2210100	Utilities, supplies and services		40,000	40,480
2210104	Office rent		640,320	160,080

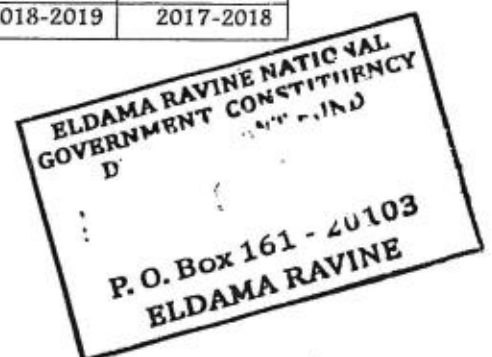


NATIONAL GOVERNMENT ENTITY - (ELDAMA RAVINE NGCDF)

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs)

2210200	Communication, supplies and services		150,000	100,000
2210300	Domestic travel and subsistence		228,500	190,000
2210700	Training expenses		1,155,000	683,000
2210800	Hospitality supplies and services		172,900	180,000
2210802	Other Committee expenses		2,347,802	1,230,000
2210809	Committee allowance		3,485,924	2,420,656
2211100	Office and general supplies and services		496,634	324,960
2211300	Other operating expenses		1,049,100	926,500
	Total		9,766,180	6,255,676
2630200	6 TRANSFER TO OTHER GOVERNMENT ENTITIES			
	Description		2018-2019	2017-2018
2630204	Transfers to Primary Schools	<i>(See attached list)</i>	26,200,000	3,000,000
2630205	Transfers to Secondary Schools	<i>(See attached list)</i>	25,940,500	2,000,000
2630206	Transfers to Tertiary institutions	<i>(See attached list)</i>	1,039,352	2,957,325
	Total		53,179,852	7,957,325
2640000	7 OTHER GRANTS AND OTHER PAYMENTS			
	Description		2018-2019	2017-2018
2640101	Bursary -Secondary	<i>(See attached list)</i>	10,731,227	5,920,500
2640102	Bursary -Tertiary	<i>(See attached list)</i>	15,872,850	9,741,000
2640104	Bursary-Special schools	<i>(See attached list)</i>	551,339	34,500
2640105	Mocks and CATs		100,000	-
2640507	Security	<i>(See attached list)</i>	1,247,000	250,000
2640509	Sports	<i>(See attached list)</i>	1,959,638	-
2640519	Environment	<i>(See attached list)</i>	1,185,005	-
2640200	Emergency Projects (specify)	<i>(See attached list)</i>	6,349,424	4,227,500
	Total		38,496,483	20,173,500
3100000	8 ACQUISITION OF ASSETS			
	Non-Financial Assets		2018-2019	2017-2018



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
ELDAMA RAVINE CONSTITUENCY
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3100000	8 ACQUISITION OF ASSETS			
	<u>Non-Financial Assets</u>		2018-2019	2017-2018
3110202	Construction of Buildings		19,330,744	4,669,256
311001	Purchase of office furniture and fittings		683,000	-
3110701	Purchase of Vehicles and other Transport Equipment		5,450,000	-
	Total		25,463,744	4,669,256
	9 OTHER PAYMENTS		2018-2019	2017-2018
2211310	Constituency Strategic Plan	<i>(See attached list)</i>	1,782,398	1,935,200
2211311	Constituency Innovation Hubs	<i>(See attached list)</i>	-	1,169,257
	TOTAL		1,782,398	3,104,457
	10A: Bank Balances (Cash book Bank Balance)			
	Name of Bank, Account No. & currency	Account Number		
			2018-2019	2017-2018
	<i>Equity Bank, Eldama Ravine Account No 1310299403791</i>		30,036,988	132,435
	Total		30,036,988	132,435
	Actual Cash Book Bank Balance		30,036,988	132,435
	11 BALANCES BROUGHT FORWARD			
			2018-2019	2017-2018
			Kshs (1/7/2018)	Kshs (1/7/2017)
	Bank accounts		132,435	971,195
	Total		132,435	971,195
	<i>The above funds brought forward related to approved projects in FY 2017/2018 that were yet to be utilized and hence were brought forward to FY 2018/2019</i>			
	12.3 UNUTILIZED FUNDS (SEE ANNEX 3)		2018-2019	2017-2018
	Compensation of Employees	<i>(See attached list)</i>	-	1,000,000
	Use of goods and services	<i>(See attached list)</i>	-	2,541,962

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
ELDAMA RAVINE CONSTITUENCY
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	Amounts due to other Government entities	<i>(See attached list)</i>	20,105,107	26,389,352
	Amounts due to other grants and other transfers	<i>(See attached list)</i>	8,804,202	11,514,655
	Others Payments	<i>(See attached list)</i>	3,725,372	4,007,770
	Acquisition of Asset	<i>(See attached list)</i>		9,330,744
		Total (Kshs)	32,634,682	54,784,483
15.4: PMC ACCOUNT BALANCES (SEE ANNEX 5)				
			2018-2019	2017-2018
			Kshs	Kshs
	PMC Account Balances	<i>(See attached list)</i>	9,882,816	3,963,533
			9,882,816	3,963,533
ANNEX 3: UNUTILIZED FUNDS				
	Name	Brief transaction description	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018
	Compensation of Employees		-	1,000,000
	Sub Total for Compensation of Employees (Kshs)			1,000,000
	Use of goods and services		-	2,541,962
	Sub Total for Goods and Services (Kshs)		-	2,541,962
	Kwangoni Primary School	Completion of 2No Dormitory-Doors and windows, plastering walls and floor, window glasses, mechanical an electrical works etc.	1,900,000	NIL
	Lalut Primary School	Completion of mini office block-Roofing, plastering walls, cementing floors, verandah, painting works, keying etc.	500,000	NIL
	JK Moi Primary School Kaburwo	Renovation of 5No classrooms-Plastering floors, walling and ceiling repairs	250,000	NIL
	Sagat Primary School	Renovations of 5No Classrooms-Walling, floor and windows	250,000	NIL

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
ELDAMA RAVINE CONSTITUENCY
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	Kibias Primary School	Renovations of 5No Classrooms-Walling, floor and windows	250,000	NIL
	Cheraik Primary School	Construction of 1No new standard classrooms to completion	700,000	NIL
	Emnyunguny Primary School	Construction of 1No new standard classrooms to completion	700,000	NIL
	Tamket Primary School	Construction of 1No new standard classrooms to completion	700,000	NIL
	Chemususu primary School	Co-funding the completion of 2No classrooms-Plastering walls, floor, ceiling, fixtures and fittings, painting and other completion works	400,000	NIL
	Toniok Primary School	Renovation of 8 classrooms-Repair of walls, cementing floors, window glasses, painting, veranda repair, doors and other works	500,000	NIL
	Emkwen Primary School	Construction of 1No new standard classroom to completion	700,000	NIL
	Sigowet Primary School	Cementing of 2No classrooms floor, ceiling, window glasses, painting and other minor refurbishment works	350,000	NIL
	Lebolos Day Secondary School	Completion of classrooms and staffroom-Plastering walls, floor, ceiling, keying, painting and other finishing works	2,000,000	NIL
	Tinet Day Secondary School	Completion of Laboratory-Gas chamber and piping, mechanical works, work tables and floor finishing works	750,000	NIL
	Kamelilo Day Secondary School	Equipping of the dining hall with tables, chairs and other vital equipment	1,200,000	600,000
	Toniok Girls High school	Construction of new kitchen for the school	2,000,000	NIL
	Kabimoi Day Secondary School	Construction of 1No new standard classroom	700,000	NIL
	Bakhita Day Secondary School	Co-funding completion of co-	2,000,000	NIL

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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		funded Dinning hall		
	Kamngoch (Proposed) Day Secondary School	Construction of 1No new standard classroom up to completion	755,107	700,000
	Mandina (Proposed) Day Secondary School	Construction of 1No new standard classroom up to completion	1,400,000	700,000
	Tiripkatoi (Proposed) Secondary School	Construction of 1No new standard classroom up to completion	1,400,000	700,000
	Majimazuri RC Girls Day Secondary School	Construction of 1No new standard classroom up to completion	700,000	NIL
	Sub Total Due to other Government entities (Kshs)		20,105,107	26,389,352
	Umoja Lelechwa Community Security Road	Opening up of the security road connecting KCC to Kaplechwa (Approximately 1KM) and the Eldama Ravine Eldoret Highway to improve security situation and response	400,000	400,000
	Gatarakwa Police Post	Water harvesting (55,000) and purchase of 3No reservoir tanks (195,000) for the police post	250,000	250,000
	Kaburwo Primary School Security Road	Purchase of land (0.5 Acres) for opening up of the security road connecting Saos road through Kaburwo Primary up to Eldama Ravine-Nakuru main road to ease response	600,000	NIL
	Mumberes AP Camp	Construction of 2No Administration Police houses at Mumberes Chief's Office	1,000,000	1,000,000
	Lembus Central Chief's Office	Construction of new Chief's Office	1,200,000	NIL
	Timboroa Chief's Office	Construction of new Chief's Office	1,200,000	NIL
	Lembus Chemorgong Chief's Office	Construction of new Chief's Office	500,000	NIL
	Kibias Chepterwo Security Road	Opening up of this security road in Kibias sub location to connect and improve security situation in the area and around	300,000	NIL

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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		Kibias primary school		
	Constituency Environment Activities	To cater for the establishment of tree nurseries at Chemususu Dam, Eldama Ravine Vocational and Technical College, St Patrick's Secondary School and Uzalendo School (Each Kshs 211,923.30)	847,693	847,693
	Constituency Environment Activities	To cater for installation of 24 cubic meter biogas green energy unit for Mumberes Girls Secondary (450,000) and tree planting at Eldama Ravine Technical Institute and Uzalendo School (250,000) to reduce environmental degradation in the Constituency	700,000	700,000
	Constituency Environment Activities	To cater for tree planting at Eldama Ravine Technical Institute, Uzalendo School, St Patricks Shimoni Day School and Chemususu Dam Site (Each Kshs104,024,98) to improve forest cover and reduce environmental degradation in the Constituency	416,100	416,100
	Constituency Environment Activities	To cater for the establishment of NGCDF tree nurseries at Eldama Ravine Technical and St Patricks Day Secondary (550,000) and tree planting at Eldama Ravine Technical Institute, Uzalendo School and Chemususu Dam (Kshs 540,409) to reduce environmental degradation in the Constituency	1,090,409	NIL
	Emkwen Primary School	Completion of emergency toilets after collapse of old toilets	150,000	NIL

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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	Bhakita Secondary School	Construction of new toilets after collapse of old toilets	150,000	NIL
	Sub Total Due to other Grants and other Transfers (Kshs)		8,804,202	11,514,655
	Constituency Strategic Plan	Completion, printing and launch of the five year strategic plan to guide the NGCDF Committee in project planning, identification, prioritization, and funding in FY 2018-2023	217,602	500,000
	Sigoro Kiptuno Innovation Hub	Purchase of a satellite antenna, router, digital access kit, digital ruggedized tablets, outdoor wireless device with 12U cabinet, installation and WIFI charges at Technical Institute in Eldama Ravine Constituency in partnership with Telkom Kenya	1,169,257	1,169,257
	Esageri Innovation Hub	Purchase of a satellite antenna, router, digital access kit, digital ruggedized tablets, outdoor wireless device with 12U cabinet, installation and WIFI charges at Technical Institute in Eldama Ravine Constituency in partnership with Telkom Kenya	1,169,257	1,169,257
	Numberes Information and Communication Center	Purchase of a satellite antenna, router, digital access kit, digital ruggedized tablets, outdoor wireless device with 12U cabinet, installation and WIFI charges at Technical Institute in Eldama Ravine Constituency in partnership with Telkom Kenya	1,169,257	1,169,257
	Sub Total Due as Other Payments (Kshs)		3,725,372	4,007,770
	NGCDF Office and Library		NIL	9,330,744
	Sub Total Due for Acquisition of Asset (Kshs)		NIL	9,330,744
	Grand Total		32,634,682	54,784,483

NATIONAL GOVERNMENT ENTITY - (ELDAMA RAVINE NGCDF)

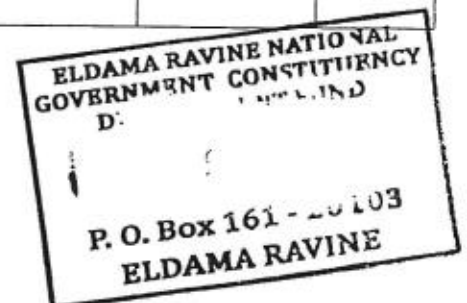
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For the year ended June 30, 2019 (Kshs)

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)
	<p>Presentation of Financial Statements observations</p> <p>The statement of entity management responsibility, the statement of receipts and payments, the statement of assets, the statement of cash flows and the summary statement of appropriation: recurrent and development do not indicate the names of the Fund Account Manager and the Sub County Accountant. Further, the ICPAK Member Number of the Sub County Accountant has not been shown as required. The header on page 16 of the financial statements or. Significant Accounting Policies reads year ended June 30,2014 instead of June 30, 2018 and the name of the entity has not been indicated. In addition, the headers from pages 16-35 indicates (Kshs' 000) which should not be the case. The last column on pages 24 and 25 on unutilized funds should be blank by removing all the words appearing there. It has also been noted that annex 3 has been</p>	<p><i>We take note of the requirement of Section 81(3) of the Public Finance Management Act, 2012 (PFM) which stipulates that financial statements should be prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) from time to time.</i></p> <p><i>We have also noted the various unsatisfactory matters which have been identified in the final financial statements submitted for review and audit.</i></p> <p><i>The corrected financial statement for Eldama Ravine NGCDF as at 30th June 2018 prepared in accordance with the prescribed financial reporting template and which has taken cognizance of the above observations and corrections was forwarded to the Office of</i></p>	<p>Geoffrey Koech Fund Account Manager</p>	<p>Resolved</p>	<p>N/A</p>



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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)
	<p>repeated twice. It was also noted that bank statements, certificate of bank balance and bank reconciliation statements have been attached to the financial statement. These documents don't form part of financial statements and therefore they should not be included in the amended financial statements.</p> <p>No explanation has been given for failure to adhere to the prescribed financial reporting template (Revised 30 June 2018)</p>	<p><i>the Auditor General</i></p>			
	<p>Inaccuracies in the Financial Statements</p> <p>Observations The summary statement of appropriation: recurrent and development combined reported actual transfers from CDF Board of Kshs. 44,243,932 instead of Kshs. 43,405,172. In addition, note 5 on use of goods and services reflects an expenditure of Kshs 190,000 was incurred during the year under review on domestic travel and subsistence. However, examination of expenditure records provided for audit disclosed that an expenditure of Kshs. 250,000 was incurred as per payment voucher numbers 54 of Kshs. 70,000, 51 of</p>	<p><i>We have taken note of the inaccuracies in the financial statements and specifically on the statement of appropriation (Recurrent and development combined) which indicated that the actual transfers from the NGCDF Board were 44,243,932.</i></p> <p><i>From our review and corrected financial statement, the actual transfers from the NGCDF Board was Kshs 43,405,172 received as follows:-</i></p> <p><i>AIE No A855788 (2017/2018/037) of 30th January 2018 of Kshs 5,500,000 and AIE No</i></p>	<p>Geoffrey Koech Fund Account Manager</p>	<p>Resolved</p>	<p>N/A</p>

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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)
	<p>Kshs. 70,000 and 43 of Kshs. 110,000 all dated 18 April 2018. Consequently, the reported balance of Kshs. 190,000 was understated by Kshs. 60,000. No explanation has been provided hence the risk of the misstatement of financial statements.</p>	<p>A892759 2017/2018/179 dated 24th February 2018 of Kshs 37,905,172.</p> <p>As relates the use of goods and services and specifically domestic travel and subsistence, the actual expenditure on the same is Kshs 190,000 and the supporting details are as hereunder provided:- Payment of Kshs 120,000 vide cheques No 4118 and dated 31st August 2017 and Payment of Kshs 70,000 vide cheques no 4122 and dated 31st August 2017.</p>			
	<p>Unsupported Summary of Fixed Assets</p> <p>The summary of fixed assets register disclosed under annex 4 reflects assets worth Kshs. 50,558,456. However, no supporting inventory records were provided for audit verification to confirm the existence and value of the assets.</p> <p>In the circumstances, the accuracy and completeness of the reported balance could not be confirmed hence the risk of creating doubts as to the ownership and existence of the said assets.</p>	<p>We take cognizance of the provisions of Section 81(3) of the Public Finance Management Act, 2012 (PFM) which stipulates that the financial statements prepared should be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) from time to time.</p> <p>It is also noteworthy that the total cost of fixed assets is Kshs 50,479,556 with the following matters worth noting:-</p>	<p>Geoffrey Koech Fund Account Manager</p>	<p>Resolved</p>	<p>N/A</p>

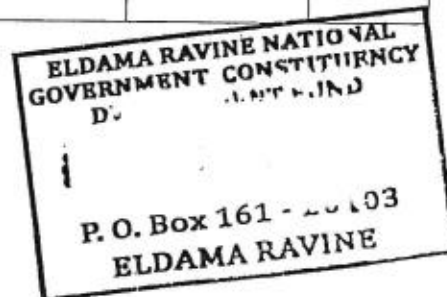
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>i) The above assets are valued at cost and no depreciation element has been factored.</p> <p>ii) The Eldama Ravine Library and NGCDF Offices Project has partly been completed. In addition, land ownership is still with the Kenya National Library Service (KNLS) and hence not fully owned by the Committee.</p> <p>The relevant asset register indicating the asset name or description, asset category, serial number, tag number, acquisition date, cost and current condition were forwarded as required</p>			
	<p>The summary statement of appropriation (recurrent and development) reflects final budget of Kshs. 99,160,850. However, only Kshs. 43,405,172 was received from the CDF Board and thus leaving a budget utilization difference of Kshs. 55,755,678.</p> <p>The underfunding has not been explained despite the board having approved the budget. Consequently, the Constituents of Eldama Ravine Constituency were denied the much needed</p>	<p>During the financial year 2017/2018, the total approved allocation to Eldama Ravine Constituency was Kshs 86,810,345 out of which only Kshs 43,405,172 was received in the main NGCDF account for subsequent disbursement to earmarked projects.</p> <p>The original budget for the year was Kshs 86,810,345 whereas the adjustments consisting of unutilized funds at the beginning of the year was</p>	Geoffrey Koech Fund Account Manager	Resolved	N/A

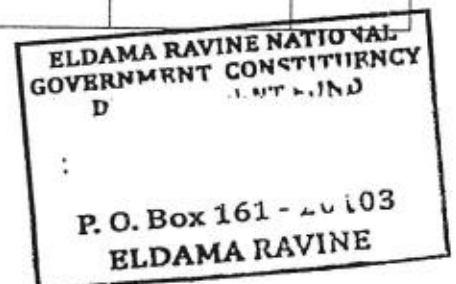


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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>development activities.</p> <p>It is therefore not clear why the Board approved a budget it could not finance.</p>	<p><i>Kshs 12,350,505 bringing the final budget to Kshs 99,160,850 as above indicated.</i></p> <p><i>We wish to indicate that the underfunding amounting to Kshs 43,405,172.50 was occasioned by delayed release of funding by the National Government which was outside the control of the NGCDF Committee.</i></p>			
	<p>During the year under review, Kiptuno primary school was allocated Kshs. 500,000 vide payment voucher No. 77 and cheque No. 4258 dated 4 June 2018 for completion of mini office unit. Information available for audit indicates the project was started in the year 2016/2017 and it was allocated Kshs. 500,000. However, it was observed that the school management deviated from the initial proposal and added an extension of the staffroom without authority to carry out the additional works.</p> <p>Physical verification of the project on 13 March 2019 revealed the project was incomplete due to lack of funding.</p> <p>It is not clear why the</p>	<p><i>We Take cognizance of the provisions of Section (2) of the NGCDF Act which stipulates that once funds are allocated for a particular project, they shall remain allocated for that project and may only be re-allocated for any other purpose during the financial year with the approval of the Board.</i></p> <p><i>We further wish to indicate that the approved funding to Kiptuno Primary School during the financial year 2016/2017 was earmarked for the construction of a mini office. The funding was released to the Project Management Committee who proceeded with the implementation of the project upto lintel level though with an additional</i></p>	<p>Geoffrey Koech Fund Account Manager</p>	<p>Resolved</p>	<p>N/A</p>

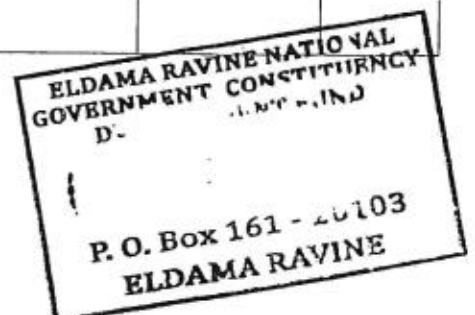


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For the year ended June 30, 2019 (Kshs)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>monitoring and evaluation committee failed to advise the Project Management Committee to seek approval of the NGCDFC before embarking on addition works. The resultant risks were noted as follows:-</p> <p>i. Engagement in projects not identified in the budget can lead to delay in project completion due insufficient funding and it's a violation of the laid down CDF guidelines on project identification and implementation.</p> <p>ii. Ineffective monitoring and evaluation committee</p> <p>The monitoring and evaluation Committee should ensure that the Project Management Committees carry out activities as per the approved list and project specifications.</p>	<p><i>staffroom.</i></p> <p><i>The Committee during its routine monitoring exercise noted the issue raised herein and advised the PMC to ensure adherence to approved project activities. Accordingly, the monitoring team also advised the PMC to ensure that they formally make a request for more funding towards the expanded project activities. The same was done and attached herein is the monitoring and evaluation report as well as the design (plan) alongside other documents for the project forwarded to formalize the change of activity.</i></p>			
	<p>Non-acknowledgement of Bursary</p> <p>Observation</p> <p>During the year under review, an expenditure of Kshs. 15,696,000 was incurred on disbursements of bursary to secondary and tertiary institutions. It was however noted that NGCDFC</p>	<p><i>It is true that during the FY 2017/2018, Kshs 15,696,000 was approved and disbursed as bursary for secondary, colleges and universities in support of various needy students from the Constituency as vetted and recommended by the Ward Bursary</i></p>	<p>Geoffrey Koech Fund Account Manager</p>	<p>Resolved</p>	<p>N/A</p>



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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)
	<p>does not separate bursary payments for the two levels of allocation and therefore it was difficult to confirm the actual disbursement for each category. It was further observed that only acknowledgement letters for Kshs.8, 768,080 which translates to 56% were presented for audit verifications leaving a balance of Kshs. 6,927,920 unaccounted for.</p> <p>No explanation was given for non-acknowledgement of the bursary despite the NGCDFC having a bursary committee in place and the monitoring and evaluation team. This created doubts as to whether the beneficiaries received the funding.</p>	<p><i>Committees.</i></p> <p><i>Once funds were released to earmarked institutions, the Committee strived to make the required follow ups to ensure the same were duly received, credited and acknowledged.</i></p> <p><i>The NGCDF Committee has further made follow up with respective institutions that were yet to provide their acknowledgement receipts ensure that the same are duly provided. We wish to affirm that despite not attaining the 100% requirement, the Committee achieved tremendous improvement from below 20% in the FY 2016/2017 to 56% in FY 2017/2018 and we undertake to further improve on the same in subsequent financial years.</i></p> <p><i>Going forward, the Bursary Committee has also instituted other measures to ensure all acknowledgement receipts will be availed within the shortest time possible to account for all the funds disbursed as bursary.</i></p>			
	Examination of expenditure	We wish to confirm that	Geoffrey Koech	Resolved	



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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)
	<p>records provided for audit in respect of domestic travel and subsistence disclosed that an expenditure of Kshs. 250,000 was incurred on domestic travel and subsistence as follows, Kshs. 70,000 vide payment voucher 54, Kshs. 70,000 vide payment voucher 51 and Kshs. 110,000 vide payment voucher 43 all dated 18 April 2018 and paid to NGCDF Eldama Ravine staff. However, examination of the documents attached in support of the allowance revealed that there was no evidence of travel as there were no work tickets and other surrender documents to confirm the officers travelled outside the duty station.</p> <p>In the absence of support documents, the expenditure could not be confirmed as a proper charge to public funds and hence the risk of possible loss of public funds.</p> <p>NGCDFC should ensure its staff provide and attach the required documentation to support expenditure on imprest issued.</p>	<p><i>there was no loss of public funds in relation to the expenditure for various domestic travel and subsistence. We also wish to indicate that the actual expenditure for domestic travel and subsistence was actually Kshs 190,000 and not Kshs 250,000 as above indicated. The breakdown is as follows:- Payment of Kshs 120,000 vide cheques No 4118 and dated 31st August 2017 and Payment of Kshs 70,000 vide cheques no 4122 and dated 31st August 2017.</i></p> <p><i>We further confirm that going forward, the Committee shall continue to ensure compliance with the various provisions of the Public Finance Management Act, 2012.</i></p> <p><i>The requisite payment vouchers and other documents in support of the said expenditure of funds on domestic travel and subsistence were forwarded as required</i></p>	Fund Account Manager		
	<p>Observation Examination of the project file for Eldama Ravine Library revealed that no bank</p>	<p><i>We wish confirm that the allocation of Kshs 4,669,256 for the Eldama Ravine Library and Offices</i></p>	Geoffrey Koech Fund Account Manager	Resolved	N/A

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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)
	<p>statements or expenditure records were maintained and it was therefore not possible to reconcile funds received and the expenditure. In this regard, it was not possible to ascertain how three (3) disbursements totaling Kshs. 4,669,256 towards Eldama Ravine Library Project were spent. In the circumstances, the propriety of the expenditure could not be confirmed. This portends the risk that the funds may not have been used for the intended purpose.</p> <p>The NGCDFC should ensure that a record showing all receipts, disbursements and actual expenditures as well as bank statements are compiled and maintained on a monthly basis as per the NGCDF Act, 2015.</p>	<p><i>project was disbursed as follows:-</i> <i>Payment of Kshs 1,000,000 vide cheque No 4149 of 26th February 2018, payment of Kshs 3,000,000 vide cheques No 4213 dated 19th April 2018 and payment of Kshs 669,256 vide cheque No 4 of 6th April 2018.</i></p> <p><i>These funds were to cater for the completion of phase two of the 2 storeyed NG-CDF Offices (First and Second Floor) that houses a modern library facility- Fitting Tiles, electrical installation works, mechanical and plumbing works, internet trunking, painting, external works amongst other finishing works</i></p> <p><i>The requisite payment vouchers and bank statements in support of the disbursement and expenditure were forwarded as required.</i></p>			
	<p>Observation Note 6 to the financial statements reflects an expenditure of Kshs. 2,000,000 was incurred in respect of transfers to secondary schools. However,</p>	<p><i>The disbursement to secondary schools was released to two schools as hereunder provided:-</i> <i>Kshs 1,500,000 to Torongo Girls Secondary School vide cheques No</i></p>	<p>Geoffrey Koech Fund Account Manager</p>	<p>Resolved</p>	<p>N/A</p>

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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)
	<p>the expenditure was not supported by schedules and it was therefore not possible to confirm if the funds were utilized for the intended purposes.</p> <p>The Accounting Officer should ensure proper records are kept to support all expenditures incurred.</p>	<p>4182 of 3rd August 2018 being second installment for the purchase of Isuzu FRR 33L, 51 Seater semi-luxury bus for the school.</p> <p>Disbursement of Kshs 500,000 being to Solian Girls High School vide cheques no 4249 dated 6th April 2018 for the completion of Computer lab-Purchase of workstation tables, electrical wiring and installations as well as network trunking</p>			
	<p>Lack of IT internal controls Observation</p> <p>During the year under review, it was noted that the constituency development fund did not that no ICT policy and IT committee were in place.</p> <p>No explanation was given for failure to have an ICT policy in place hence the risk of loss of data and non compliance.</p>	<p>The NGCDF Committee in furtherance of the above has recruited an ICT Officer who is greatly assisting the Committee in safeguarding all the critical data and is further in the process of implementing the ICT policy cascaded from the NGCDF Board.</p>	<p>Geoffrey Koech Fund Account Manager</p>	<p>Resolved</p>	<p>N/A</p>

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