

# **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MARAKWET WEST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017**

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## **REPORT ON THE FINANCIAL STATEMENTS**

### **Adverse Opinion**

I have audited the accompanying financial statements of Constituencies Development Fund - Marakwet West Development Fund set out on pages 5 to 35, which comprise the statement of financial assets at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Constituencies Development Fund - Marakwet West Constituency as at 30 June 2017, 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 do not comply with Public Finance Management Act, 2012.

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that public money has not been applied lawfully and in an effective way.

### **Basis for Adverse Opinion**

#### **1.0 Unsupported Expenditure**

The statement of receipts and payments for the year ended 30 June 2017 reflects transfers to other government units balance of Kshs.48,406,666 and as disclosed in note 6 to the financial statements relates to funds disbursed to various project management committees. However, files containing expenditure returns did not contain procurement records in support of the expenditure by the project management committees. In addition, acknowledgement letters from institutions that received the funds were not availed for audit verification.

Under the circumstances, it was not possible to confirm whether the funds totaling Kshs.48,406,666 was actually received and utilized for the budgeted projects in the year under review.

#### **2.0 Other Grants and Transfers**

The statement of receipts and payments for the year ended 30 June 2017 reflects other grants and transfers of Kshs.44,425,327 which includes bursaries of Kshs.23,820,284 comprising of bursaries to Secondary Schools and tertiary institutions of Kshs.13,221,069 and Kshs.10,599,215 respectively as disclosed in note 7 to the financial statements. However, minutes of the bursary subcommittee indicating how the beneficiaries were identified and confirmation that two co-opted members one from the area education office seconded by the Ministry of Education as required by Constituency Development Fund circular reference no. Vol 1/111 dated 13 September 2010, were not availed for audit review.

Under the Circumstances, the management breached the law and the accuracy and propriety of the bursary disbursements of Kshs.23,820,284 for the year under review could not be confirmed.

### **3.0 Acquisition of Assets**

Included in acquisition of assets figure of Kshs.7,185,126 as disclosed under note 8 to the financial statements is purchase of furniture and other general equipment balance of Kshs.1,870,345. Available records revealed that included in the purchase of furniture and other general equipment balance of Kshs.1,870,345 is expenditure Kshs.1,496,272 being purchase of 40 desks and 40 chairs for eight (8) primary schools. However, specifications of the desks that were to be purchased and inspection and acceptance reports to confirm that the desks bought met the specifications were not availed for audit review.

Under the circumstances, the propriety of the expenditure of purchase of desks and chairs figure of Kshs.1,496,272 could not be confirmed.

### **4.0 Bank Balance**

The statement of assets as at 30 June 2017 reflects a bank balance figure of Kshs.11,472,956. However, a review of the bank reconciliation statement for the month of June 2017 shows un-presented cheques amounting to Kshs.1,965,986.30 out which cheques amounting to Kshs.453,310 had become stale but had not been reversed in the cash book. No explanation was provided for this anomaly.

Consequently, the accuracy and validity of the bank balance of Kshs.11,472,956 could not be confirmed.

### **5.0 Project Management Committee Balances**

Note 15.4 to the financial statements shows project management committee balance figure of Kshs.13,447,697 as summarized in annex 5 to the financial statements. However cash books, bank confirmation certificates and bank reconciliation statements for the project management committees balances were not availed for audit review.

Under the circumstances, the accuracy and completeness of the project management committees' balance of Kshs.13,447,697 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Constituency Development Fund – Marakwet West Constituency in accordance with ISSAI 30 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 adverse 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, except for the matters discussed in the Basis for Adverse Opinion and Other Matter sections, I have determined that there are no other Key Audit Matters to communicate in my report.

### **Other Matter**

#### **1.0 Budget Control and Performance**

During the year under review, the Fund had an approved budget of Kshs.163,739,939. During the same period, the Fund incurred expenditure of Kshs.133,747,515 or 75% of the approved budget resulting to under expenditure of Kshs.41,246,029 or 25% of the approved budget as detailed below:

	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Variance</b>	<b>%</b>
<b>Receipts</b>	<b>163,739,739</b>	<b>133,747,515</b>	<b>29,992,424</b>	<b>82</b>
<b>Payments</b>				
Compensation of Employees	5,467,787	5,523,520	(55,733)	101
Use of goods and services	12,944,590	11,253,645	1,690,945	87
Transfers to Other Government Units	88,129,733	57,509,773	30,620,000	65
Other Grants and transfers	49,059,899	51,137,561	(2,077,662)	104
Acquisition of Assets	8,137,890	8,323,016	(185,126)	102
<b>Totals</b>	<b>163,739,899</b>	<b>133,747,475</b>	<b>29,992,424</b>	<b>82</b>

The management has not explained what led to under and over utilizing the funds budgeted for.

Consequently, the people of Marakwet west constituency were denied benefits that would have accrued from the projects that were to be implemented.

## 2.0 Project Verification

During the audit, twenty (20) projects with total disbursements amounting to Kshs.16,335,170 were verified between 23 and 24 May 2018 and observations made are as indicated below:

	Project Name	Project Activity	Amount Paid as at 30.06.2017 Kshs.	Level of Completion as at 24.05.2018	Remarks
1	Hossen Secondary School	Construction Dormitory	800,000	On-going	Project commenced in 2013 so far 5 years but not even half way complete. Workmanship is fairly good.
2	St. Peters Marakwet Boys High School	Construction of 4 NO classrooms	2,500,000	Complete and in use	Class rooms completed and in use. Workmanship was good.
3	Nerkwo Small Home	Construction Administration Block	700,000	Complete and but not In use	Administration Block completed but not yet handed over by CDF. Workmanship was good.
4	St Monicah Sinon Secondary School	Construction of 2 NO classrooms	600,000	2 NO Classrooms complete and in use	Class rooms completed and in use. Workmanship was good.
5	Kokwongoi Primary School	Construction of 2 NO classrooms	600,000	3 NO Classrooms not complete but in use	2 NO Class rooms not completed but in use. Classes have no floor, window or doors.2 NO Classrooms constructed in 2015/16 financial year also in use but not completed they also have no floor, doors nor windows. Workmanship was not good.

	<b>Project Name</b>	<b>Project Activity</b>	<b>Amount Paid as at 30.06.2017 Kshs.</b>	<b>Level of Completion as at 24.05.2018</b>	<b>Remarks</b>
6	Kimnai Secondary School	Construction Dining Hall	500,000	Not Complete and not In use	No walls, no slab but roofing has been. It is a co funding project approximated at Kshs.9,700,000 with CDF expected to fund Kshs.5,000,000 and the rest from PTA. Workmanship is very poor.
7	Kapsowar Boys Secondary School	Construction Administration Block	1,200,000	Complete and in use	Administration Block completed but not yet in use since no furniture. Workmanship was good.
8	Kapsowar Boys Secondary School	Construction of emergency toilet	300,000	Complete and in use	Toilets completed and in use Workmanship was good.
9	Jamuranda Secondary School	Construction of Laboratory	800,000	Not Complete and not In use	Laboratory not completed .Workmanship not good, floor slab poorly done and too thin, no .
10	Yemit Secondary School	Construction Dining Hall	1,000,000	On-going	Slab complete and no other works taking place. Workmanship good.
11	Kondabilet chief's Office	Construction of Chief's Office	500,000	On-going	Construction at walling stage. Work is fairly done
12	Kondabilet Secondary School	Construction Administration Block and class rooms	2,000,000	2 NO storey Classrooms not complete and not in use	2 NO storey Class rooms not completed and not in use. Classes have no window and doors. Workmanship was good. The stalled part of the administration block construction will have to be redone hence waste of public funds. The construction of the stalled part was also poorly done with low guage construction materials not ment for storey buildings
13	Chebororwa DC'S Office	Construction of DC'S Office	2,800,000	Complete and but not In use	DC'S Office completed awaiting handing over by CDF. Workmanship was good.

	<b>Project Name</b>	<b>Project Activity</b>	<b>Amount Paid as at 30.06.2017 Kshs.</b>	<b>Level of Completion as at 24.05.2018</b>	<b>Remarks</b>
14	Chebororwa Girls High School	Construction Dormitory	500,000	Complete and In use	The CDF did the slab and the rest of the construction was carried out by the school as a cofounded project. The construction is complete band in use.
15	Kilima Primary School	Construction of 2 NO classrooms	600,000	On-going	2 NO Class rooms not completed and not in use. Classes have no floor, window or doors.
		<b>Sub Total</b>	<b>15,400,000</b>		
16	St Monicah Sinon Secondary School	Purchase of 40 desks and 40 chairs	187,034	Complete and in use	I. The 40 desks and 40 chairs purchased were of high quality. II. Bought an extra table and seat for a teacher with the surplus funds.
17	Soiyo Primary School	Purchase of 40 desks and 40 chairs	187,034	Complete and in use	I. They purchased 70 desks with conjoined seats of poor quality. II. Purchased 8 extra tables and 40 plastic chairs.
18	Sitoton Primary School	Purchase of 40 desks and 40 chairs	187,034	Complete and in use	I. They purchased 100 desks with conjoined seats of poor quality.
19	Kaptamut Primary School	Purchase of 40 desks and 40 chairs	187,034	Complete and in use	I. They purchased 60 desks with conjoined seats of high quality
20	Kimnai Primary School	Purchase of 40 desks and 40 chairs	187,034	Complete and in use	I. They purchased 45 desks with conjoined seats of high quality.
		<b>Sub Total</b>	<b>935,170</b>		
		<b>Grand Total</b>	<b>16,335,170</b>		

Consequently, the people of Marakwet West constituency may not have received value for money for Kshs.16,335,170 spent on the above twenty (20) projects.

### 3.0 Project Implementation Status Report

The Statement of receipts and payments for the year ended 30 June 2017 reflects Kshs.100, 033,896 transfers from the Constituency Development Fund board out of which Kshs.53,881,195.20 was disbursed to one hundred and eleven (111) projects. Out of these seventy two (72) projects amounting to Kshs.29,914,529.20 were complete and in use, and thirty nine projects amounting to Kshs.23,966,666 were still ongoing as detailed below:

	<b>Project Name</b>	<b>Projects Activities</b>	<b>Ward</b>	<b>Allocated Amount</b>	<b>Disbursed Amount</b>	<b>Cum. Achi. (%)</b>	<b>Current Status as at 24th May 2018</b>
<b>SECONDARY SCHOOLS FY 2016/2017</b>							
1	Chebiemit boys sec sch.	Completion of Dormitory	moiben / kuserwo	500,000	500,000	100%	complete in use
2	St.teresa koibarak sec sch	Purchase of school bus	kapsowar	500,000	500,000	100%	complete in use
3	Kondabilet sec school	Construction of Administration block	cherangany / chebororwa	1,260,000	1,260,000	39%	Allocated kshs. 820,000 2017/2018 fy Ongoing
4	Kondabilet sec school	Construction of tution / Administration block	cherangany / chebororwa	740,000	740,000	39%	Ongoing Ongoing
5	Koisungur boys sec sch	completion of a dinning hall (plastering and windows)	Lelan	800,000	800,000	90%	Ongoing Ongoing
6	Litei mixed day sec sch	construction of a laboratory	kapsowar	500,000	500,000	39%	Allocated 2017/18fy Kshs.300,000 Ongoing
7	Jemunada sec school	walling and roofing of a laboratory	moiben / kuserwo	800,000	800,000	89%	Allocated 2017/18fy Kshs.800,000 Ongoing
8	Cheles mixed day sec sch	construction of one classroom	kapsowar	300,000	300,000	90%	Allocated kshs. 200,000 2016/2017 fy for completion of a classroom Ongoing
9	Chebororwa girls sec sch	Construction of a dormitory	cherangany / chebororwa	800,000	800,000	100%	complete in use

10	Yemit sec. School	Construction of a dormitory	moiben / kuserwo	1,000,000	1,000,000	19%	Allocated Kshs. 900,000 2017/2018 fy Ongoing
11	St joseph's lelan sec school	renovation of teachers houses (plastering and painting)	Lelan	600,000	600,000	100%	complete in use
12	Kapatabuk mixed day sec	Construction of a laboratory	kapsowar	800,000	800,000	39%	Ongoing Ongoing
13	Kapterit sec sch	construction of one classroom	Sengwer	300,000	300,000	100%	complete in use
14	Kamoi sec school	construction of two classrooms	Sengwer	900,000	900,000	89%	Allocated 2017/2018 fy 300,000 Ongoing
15	Hossen sec school		kapsowar	800,000	800,000	39%	Ongoing Ongoing
16	St benedicts arror girls	construction of two classrooms	Arror	1,000,000	1,000,000	19%	Allocated 2017/2018 fy 500,000 Ongoing
17	Kapsowar boys sec school	completion of a library	kapsowar	1,200,000	1,200,000	100%	complete in use
18	St stephen koitugum sec. School	completion of a laboratory (plastering)	cherangany / chebororwa	506,666	506,666	77%	Allocated kshs. 500,000 2017/2018 fy Ongoing
19	St peters kapkata sec sch	completion of a laboratory	Arror	400,000	400,000	100%	complete in use
20	St.peters boys marakwet sec	construction of four classrooms	moiben / kuserwo	2,500,000	2,500,000	100%	complete in use
21	Kimnai girls sec school	completion of a dinning hall (plastering and windows)	Lelan	500,000	500,000	60%	Allocated 2017/2018 Kshs. 300,000 Ongoing
22	St josephs lelan sec school	Completion of a dormitory	Lelan	800,000	800,000	100-%	complete in use

23	Koitial sec school	Completion of laboratory (piping and plastering)	Arror	300,000	300,000	100%	complete in use
24	St monica sinon sec. School	completion of two classrooms	kapsowar	200,000	200,000	100%	complete in use
			<b>Sub Total</b>	18,006,666	18,006,666		
<b>PRIMARY SCHOOLS FY 2016/2017</b>							
25	Sebelit primary school	construction of one classroom	kapsowar	400,000	400,000	100%	complete in use
26	Kilima primary school	construction of two classrooms	moiben / kuserwo	600,000	600,000	89%	Additional Kshs. 250,00 2016/2017 fy for completion Ongoing
27	Kamoi primary school	completion of Girls dormitory	Sengwer	200,000	200,000	100%	complete in use
28	Kipsero pry school	construction of two classrooms to completion	Sengwer	600,000	600,000	100%	complete in use
29	Kasaan primary school	construction of one classroom to completion	cherangany / chebororwa	300,000	300,000	100%	complete in use
30	Kibuga primary school	construction of two classrooms and completion of other two classes	Sengwer	900,000	900,000	100%	complete in use
31	Rogor primary school	construction of one classroom to completion	Sengwer	300,000	300,000	80%	allocated kshs. 400,000 2017/2018 fy for completing three classrooms Ongoing
32	Kiplegetet primary school	construction of two classrooms	Sengwer	700,000	700,000	100%	complete in use

33	Kipteber primary school	construction of two classrooms to completion	Sengwer	700,000	700,000	100%	complete in use
34	Chesubet primary school	construction of two classrooms to completion	Sengwer	700,000	700,000	100%	complete in use
35	Nerkwo primary school	construction of one classroom	moiben / kuserwo	400,000	400,000	39%	Ongoing Ongoing
36	Kaptabuk primary school	construction of two classrooms	kapsowar	500,000	500,000	60%	Ongoing Ongoing
37	Hossen primary school	Renovation of three Classrooms	kapsowar	200,000	200,000	100%	complete in use
38	Kamurto primary school	construction of one classroom to completion	Lelan	300,000	300,000	100%	complete in use
39	Kolelach primary sch	construction of one classroom to completion	Lelan	300,000	300,000	77%	Ongoing Ongoing
40	Bishop kewasis primary sch	construction of one classroom to completion	Lelan	300,000	300,000	100%	complete in use
41	Chepkawai primary school	construction of one classroom	cherangany / chebororwa	400,000	400,000	75%	Ongoing Ongoing
42	Chemurgoi pry school	construction of one classroo,	cherangany / chebororwa	400,000	400,000	100%	complete in use
43	Koitial primary school	completion of two classrooms (plastering and windows)	Error	400,000	400,000	87%	Ongoing Ongoing
44	Tunyo primary school	Construction of teachers quarters	Error	800,000	800,000	70%	Allocated kshs. 500,000 2017/2018 fy for completion Ongoing
45	Kuserwo primary school	completion of two classrooms (plastering and windows)	Lelan	200,000	200,000	100%	complete in use

46	Lochin primary school	construction of one classroom	cherangany / chebororwa	400,000	400,000	89%	Ongoing Ongoing
47	Kokwongoi primry school	construction of two classrooms to completion	Lelan	600,000	600,000	80%	Ongoing Ongoing
48	Kipkundul primary school	Completion of Administration Block	Lelan	500,000	500,000	90%	Ongoing Ongoing
49	Chemulany primary school	Roofing and plastering of one classroom	Lelan	200,000	200,000	100%	complete in use
50	Kaptalamwa pry school	Flooring and plastering of two classrooms	Lelan	200,000	200,000	100%	complete in use
51	Kibirech pry school	construction of two pit latrines	Lelan	200,000	200,000	100%	complete in use
52	Kerer pry school	Roofing and plastering of one classroom	Lelan	200,000	200,000	100%	complete in use
53	Kilos pry school	construction of administration block	Arror	1,000,000	1,000,000	100%	complete in use
54	Kabarar pry school	additional funds for plastering, windows and doors for two classrooms	kapsowar	200,000	200,000	100%	complete in use
55	Chepsigor pry school	completion of six classrooms	Arror	1,000,000	1,000,000	95%	Ongoing Ongoing
56	Kapsumai pry school	renovation of three cracked Classrooms	kapsowar	200,000	200,000	100%	complete in use
57	Kapsait primary school	Construction of a dormitory	Lelan	500,000	500,000	100%	complete in use
58	Kibigos primary school	construction of two classrooms	Lelan	600,000	600,000	95%	Ongoing Ongoing

59	Nerkwo small home	construction of Administration resource centre (walling and roofing)	moiben / kuserwo	700,000	700,000	100%	complete in use
60	Tekwei primary school	Construction of a pit latrine	cherangany / chebororwa	160,000	160,000	100%	complete in use
61	Chogoo pry school	additional funds for plastering, windows and doors for two classrooms	moiben / kuserwo	200,000	200,000	89%	Allocated kshs. 100,000 2017/2018 fy Ongoing
62	Kipsetan pry school	construction of two classrooms	Sengwer	600,000	600,000	60%	Ongoing Ongoing
63	Chemosong primary school	fencing of school compound	Lelan	300,000	300,000	100%	complete in use
64	Cheptulon primary school	purchase of beds	moiben / kuserwo	50,000	50,000	100%	complete in use
65	Seret primary school	completion of one classroom	moiben / kuserwo	200,000	200,000	100%	complete in use
66	Chebunet primary school	fencing of school land	moiben / kuserwo	300,000	300,000	100%	complete in use
67	Benon primary school	construction of one classroom to completion	Sengwer	500,000	500,000	100%	complete in use
68	Kaptiony primary school	Completion of Administration Block	cherangany / chebororwa	350,000	350,000	80%	Ongoing Ongoing
69	Kipsinot primary school	Completion of a dormitory	kapsowar	400,000	400,000	100%	complete in use
70	St pauls kapchelos primary school	completion of one classrooms (plastering and windows)	kapsowar	200,000	200,000	90%	Ongoing Ongoing
71	Moek kapkures primary school	construction of one classroom to completion	cherangany / chebororwa	500,000	500,000	100%	complete in use
72	Kipekrmen primary school	completion of two classrooms	cherangany / chebororwa	500,000	500,000	100%	complete in use

73	Chepkwai primary school	Renovation of three Classrooms	cherangany / chebororwa	300,000	300,000	100%	complete in use
74	Kapkochur primary school	purchase of beds	Lelan	400,000	400,000	100%	complete in use
75	Koibarak primary school	construction of one classroom	kapsowar	300,000	300,000	80%	Ongoing Ongoing
76	Kabelyo primary school	construction of one classroom	cherangany / chebororwa	500,000	500,000	100%	complete in use
77	Lochin primary school	purchase of office furniture	cherangany / chebororwa	100,000	100,000	100%	complete in use
78	Kapchebit primary school	Completion of a dormitory	cherangany / chebororwa	1,340,000	1,340,000	100%	complete in use
79	Kapsumai primary school	construction of one classrooms	kapsowar	400,000	400,000	100%	complete in use
80	Tekwei primary school	completion of one classroom	cherangany / chebororwa	200,000	200,000	100%	complete in use
81	Kapsiw primary school	completion of three classrooms	kapsowar	600,000	600,000	100%	complete in use
82	Kolelach primary school	construction of one classroom to completion	Lelan	400,000	400,000	100%	complete in use
83	Lamaon primary school	completion of one classroom	cherangany / chebororwa	100,000	100,000	100%	complete in use
84	Kamurto primary school	renovation of five classrooms (plastering and window panes)	Lelan	250,000	250,000	75%	Ongoing Ongoing
85	Kapsiw primary school	renovation of two classes	kapsowar	500,000	500,000	100%	complete in use
86	Kapsigot primary school	construction of one classroom to completion	Lelan	400,000	400,000	100%	complete in use
87	Kaptomot primary school	Construction of a dormitory	moiben / kuserwo	500,000	500,000	39%	Allocated kshs. 400,000 2017/2018 fy Ongoing

88	Kabarar pry school	repairs of three classrooms (roofing and plastering)	kapsowar	300,000	300,000	100%	complete in use
89	Metibelio primary school	completion of two classrooms	moiben / kuserwo	300,000	300,000	100%	complete in use
90	Simbeiywet primary school	completion of one classroom	moiben / kuserwo	50,000	50,000	100%	complete in use
91	Kimungu primary school	construction of one classroom	moiben / kuserwo	500,000	500,000	100%	complete in use
92	Kapsaina primary school	completion of a dormitory (roofing and plastering)	Lelan	400,000	400,000	75%	Ongoing Ongoing
93	Kipsambach primary school	renovation of four classrooms (plastering and window panes)	Sengwer	600,000	600,000	100%	complete in use
94	Yatoi primary school	construction of a library	cherangany / chebororwa	500,000	500,000	30%	Ongoing Ongoing
95	Kaplenge primary school	completion of two classrooms	moiben / kuserwo	100,000	100,000	100%	complete in use
96	Kipkermen primry school	completion of two classrooms	cherangany / chebororwa	500,000	500,000	100%	complete in use
			<b>Sub Total</b>	<b>29,900,000</b>	<b>29,900,000</b>		
<b>Security 2016/2017 FY</b>							
97	Kipsaiya chiefs office	Completion of office (roofing, and plastering)	Kapsowar	300,000	300,000	100%	complete in use
98	Cherangany chiefs office	completion of office (plastering and painting)	cherangany/c hebororwa	160,000	160,000	70%	Ongoing Ongoing
99	Kapsowar chiefs office	Installation of power	kapsowar	100,000	100,000	100%	complete in use
100	Resim ass.chiefs office	Construction of office	Error	500,000	500,000	75%	Allocated kshs. 600,000 2017/2018 fy Ongoing

101	Koibarak chiefs office	completion of office (plastering)	kapsowar	200,000	200,000	100%	complete in use
102	Kondabilet chiefs office	Construction of office	cherangany/c hebororwa	500,000	500,000	33%	Allocated kshs. 500,000 2017/2018 fy Ongoing
103	Chebororwa ACC's office	Construction of ACC'S Office (roofing, windows and doors)	cherangany/c hebororwa	2,800,000	2,800,000	95%	Allocated kshs. 200,000 fy 2017/2018 Ongoing
104	Kaptiony chiefs office	Completion of chiefs office (painting)	cherangany/c hebororwa	50,000	50,000	100%	complete in use
			Sub Total	4,610,000	4,610,000		
<b>Environment 2016/2017 FY</b>							
105	Tulwet tree nursery	Purchase of tree seedlings	cherangany/c hebororwa	227,420	227,420	100%	Trees Planted
106	Kippingei enterprise	Purchase of tree seedlings	Sengwer	221,146	221,146	100%	Trees Planted
107	Chemogoi women group	Purchase of tree seedlings	Arror	227,353.20	227,353.20	100%	Trees Planted
108	Kibirech environmental group	Purchase of tree seedlings	Lelan	225,000	225,000	100%	Trees Planted
109	Kapsowar combined stras	Purchase of tree seedlings	Kapsowar	201,066	201,066	100%	Trees Planted
110	Tulwet tree nursery	Purchase of tree seedlings	cherangany/c hebororwa	36,544	36,544	100%	Trees Planted
111	Tilolwov S.H.G	Purchase of tree seedlings	Moiben/ kuserwo	226,000	226,000	100%	Trees Planted
			<b>Sub Total</b>	<b>1,364,529</b>	<b>1,364,529</b>		
			<b>Grand Total</b>	<b>53,881,195</b>	<b>53,881,195</b>		

Projects which are not implemented as planned impact negatively on the delivery of services to the people of Marakwet West Constituency

### **Responsibilities of Management and those charged with Governance for the Financial Statements**

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 such 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the management either intends 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.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### **Auditor-General's Responsibilities for the Audit of the Financial Statements**

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 of Kenya. 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 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.

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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Constituencies Development Fund-Marakwet West Development Fund's ability to continue offering 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 consolidated/ 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 Constituencies Development Fund-Marakwet West Development 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 of the entities or business activities 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.



**FCPA Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**01 August 2018**