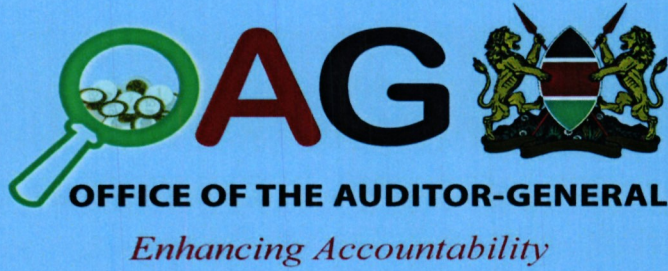


REPUBLIC OF KENYA

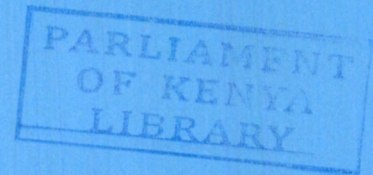


# REPORT

OF

**THE AUDITOR-GENERAL**

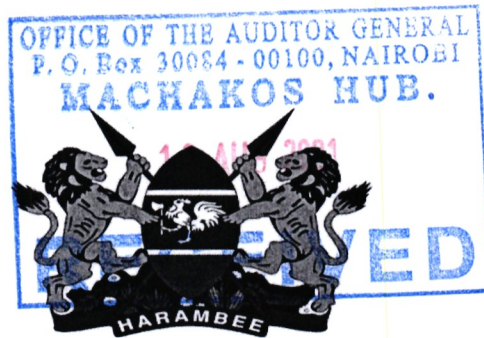
THE NATIONAL ASSEMBLY	
DATE: 08 FEB 2022	DAY: Tues
TABLED BY:	LOM
CLERK-AT THE-TABLE:	Benja Intah



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

**FOR THE YEAR ENDED  
30 JUNE, 2018**





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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND MBOONI  
CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2018**

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

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<b>Table of Content</b>	<b>Page</b>
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	1
II. FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE.....	4
III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES.....	8
IV. STATEMENT OF RECEIPTS AND PAYMENTS.....	9
V. STATEMENT OF ASSETS.....	10
VI. STATEMENT OF CASH FLOW.....	11
VII. SUMMARY STATEMENT OF APPROPRIATION:RECURRENT AND DEVELOPMENT COMBINED.....	12
VIII. SIGNIFICANT ACCOUNT POLICIES.....	14
IX. NOTES TO THE FINANCIAL STATEMENTS.....	18



**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

**Mandate**

The mandate of the Fund as derived from sec (3) of NG-CDF Act, 2015 is to:

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

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**Core Values**

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

**(b) Key Management**

The NGCDF MBOONI 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 30<sup>th</sup> June 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Paul Kimilu
3.	Sub-County Accountant	Jeremiah Murumba
4.	Chairman NGCDFC	Joshua Mbondo
5.	Member NGCDFC	Rabecca Muli

**(d) Fiduciary Oversight Arrangements**

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

NG CDF Building  
Next to DCC Residence  
Mbumbuni  
Makueni County



**(f) NG CDF MBOONI Constituency Contacts**

P.O. Box 80 Code 90133, TAWA  
Cell phone 0715681197  
Email: mboonicdf@yahoo.com

**(g) NG CDF MBOONI Constituency Bankers**

Equity Bank  
Wote Branch  
**0670262509102**

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

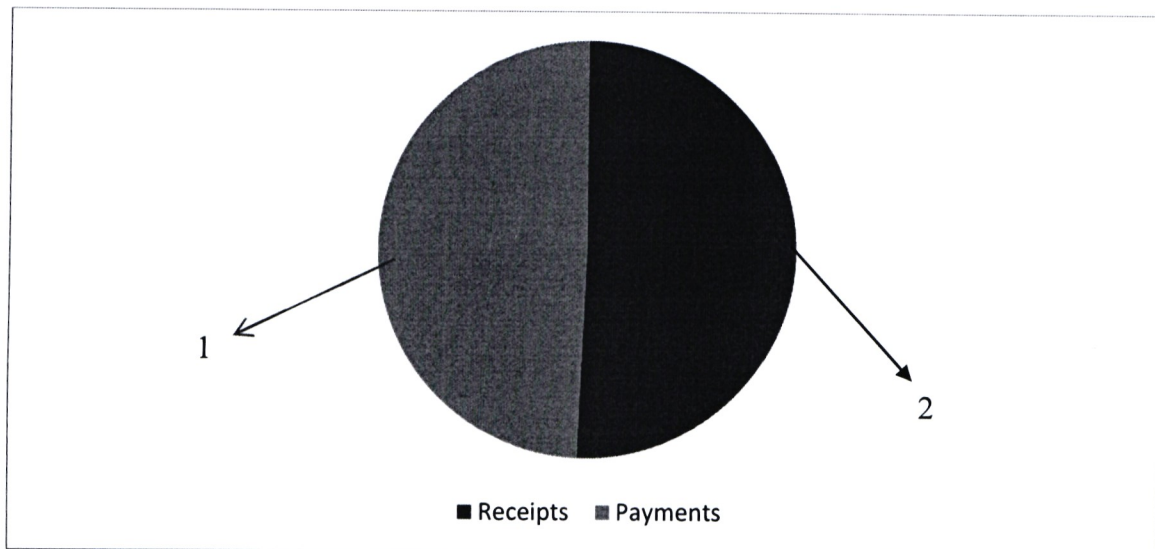
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**II. FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE**

**(a) Summary of Budget Performance**

In the FY 2017/2018 Mbooni was allocated a total of **Ksh. 86,810,344** and supplementary budget of **Ksh. 11,379,310.34**. The budget for the year was fairly utilised despite the challenges of delays in funds disbursement. The total receipts from the board were Ksh 77,788,300 during the financial year. The total payments being disbursements to the project management committees was Ksh 75,909,302.

**Comparison of payments and receipts**



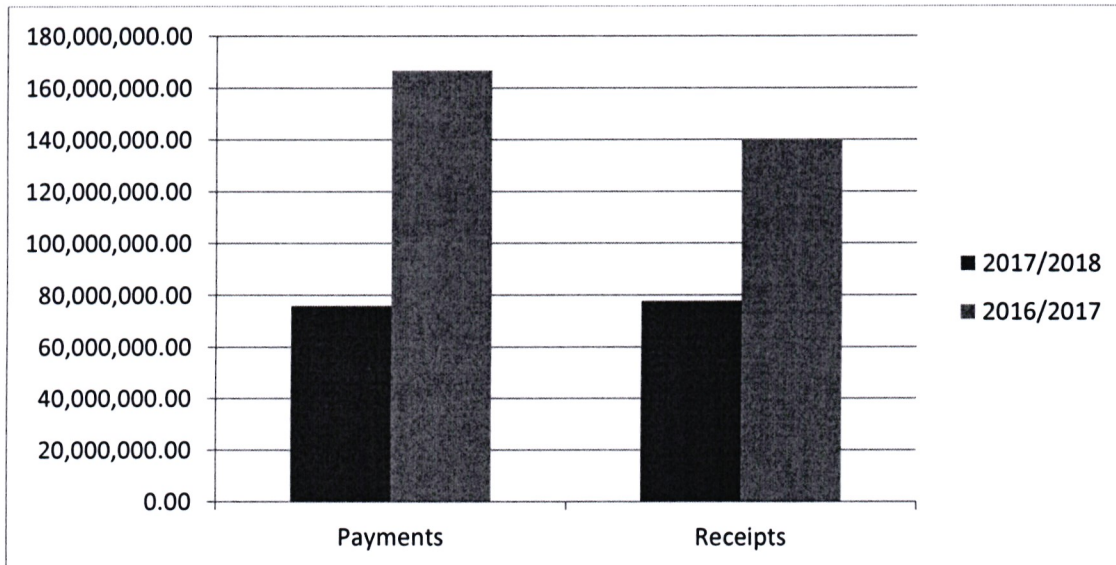
**Key**

- 1-Total expenditure during the year
- 2-Total receipts during the year



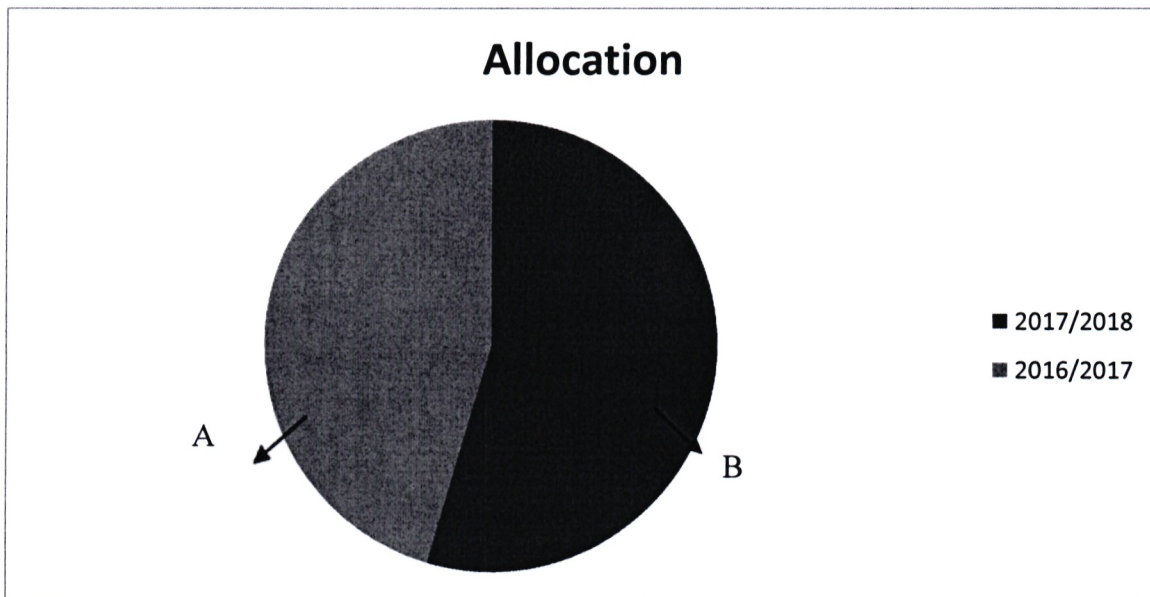
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

**Statement of receipts and payments FY 2017/2018 against FY 2016/2017**



**NB. This is an indicator of a better performed year 2017/2018 compared to 2016/2017**

**FY 2017/2018 COMPARED TO FY 2016/2017 ALLOCATION**



**Key**

**B-FY 2017/2018 Showing great improvement on financial year allocation  
A-FY 2016/2017 Shows allocation of less funds than the current year**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

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**(b) Key achievements during the year 2017/2018.**



Fig. 1.1: Malaa Secondary School. Construction of Dinning Hall



Fig.1.2: Mbooni Chiefs Office. Construction of Chiefs Office



Fig.1.3: Mbooni NG-CDF Office. Construction of office




**(c) Implementation Challenges and Way forward.**

Some implementation challenges include:

- i. Delays in Funds disbursement
- ii. Lack of commitment and managerial skills by the PMCs
- iii. Misappropriation of funds by the PMCs
- iv. Lack of support and technical guidance by the line Ministries

**The way forward;**

- (a) Continuous Capacity building of NG CDF Committee.
- (b) Continuous Capacity building of PMCs
- (c) Continuous Project M&E

  
**JOSHUA MBONDO**  
**CHAIRMAN NG-CDF COMMITTEE**

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

**Reports and Financial Statements  
For the year ended June 30, 2018**

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**III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES**

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

The Accounting Officer in charge of the NGCDF-MBOONI 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, 2018. 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-MBOONI 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, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-MBOONI 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-MBOONI 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-MBOONI Constituency financial statements were approved and signed by the Accounting Officer on 14<sup>TH</sup> September, 2018.



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**Fund Account Manager  
Name: Paul Kimilu**



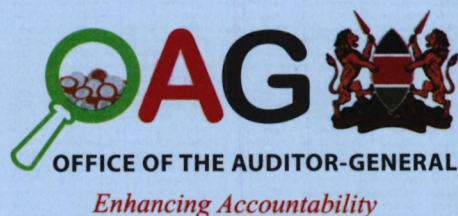
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**Sub-County Accountant  
Name: Jeremiah Murumba  
ICPAK Member Number 20540**



# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MBOONI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2018**

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

#### **Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Mbooni Constituency set out on pages 9 to 35, which comprise of the statement of assets as at 30 June, 2018, 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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Mbooni Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

#### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Mbooni 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 opinion.

---

*Report of the Auditor-General on National Government Constituencies Development Fund - Mbooni Constituency for the year ended 30 June, 2018*



## **Key Audit Matters**

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

## **Other Matter**

### **Budgetary Control and Performance**

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis totalling to Kshs.147,418,173 and Kshs.92,633,690 respectively, resulting to an under-funding amounting to Kshs.54,784,483 or 37% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totalling to Kshs.147,418,173 and Kshs.75,909,302 respectively, resulting to an under expenditure amounting to Kshs.71,508,871 or 49% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

## **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**

#### **Delay in Project Implementation**

The Management incurred an amount of Kshs.37,177,061, under other grants and transfers, to implement various public projects against a budget allocation totalling to Kshs.63,624,475. However, projects totalling to Kshs.26,447,414 were not implemented.

Further, during physical verification of the projects in February, 2019 it was revealed that construction of Kyuu Chief's Camp which was allocated an amount of Kshs.1,000,000 had not been completed.

In the circumstances, I am unable to confirm whether the public will obtain value for money for the delay in implementation of projects for the year ended 30 June, 2018.



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 its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the



activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

### **Auditor-General's Responsibilities for the Audit**

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

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

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




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

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

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

21 December, 2021



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)****MBOONI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2018****IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF board	1	77,788,300	140,195,452
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	190,250
		<b>77,788,300</b>	<b>140,385,702</b>
<b>TOTAL RECEIPTS</b>			
<b>PAYMENTS</b>			
Compensation of employees	4	2,157,905	1,924,500
Use of goods and services	5	5,374,336	7,273,418
Transfers to Other Government Units	6	31,200,000	102,356,640
Other grants and transfers	7	37,177,061	48,035,786
Acquisition of Assets	8	-	6,711,000
Other Payments	9		
<b>TOTAL PAYMENTS</b>		<b>75,909,302</b>	<b>166,301,344</b>
<b>SURPLUS/(DEFICIT)</b>		<b>1,878,998</b>	<b>(25,915,642)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MBOONI Constituency financial statements were approved on 14<sup>th</sup> September, 2018 and signed by:



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**Fund Account Manager****Name: Paul Kimilu**

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**Sub-County Accountant****Name: Jeremiah Murumba****ICPAK Member Number 20540**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**MBOONI CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018**

**V. STATEMENT OF ASSETS**

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	16,929,588	14,845,390
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash &amp; Cash Equivalents</b>		<b>16,929,588</b>	<b>14,845,390</b>
Current receivables-Outstanding imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>16,929,588</b>	<b>14,845,390</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts payables-Retention	12	-	-
<b>NET FINANCIAL ASSETS</b>		<b>16,929,588</b>	<b>14,845,390</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July 2017	13	14,845,390	40,761,033
Surplus/Deficit for the year		1,878,998	(25,915,642)
Prior year adjustments	14	205,200	-
<b>NET LIABILITIES</b>		<b>16,929,588</b>	<b>14,845,390</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MBOONI Constituency financial statements were approved on 14<sup>th</sup> September, 2018 and signed by:



**Fund Account Manager**  
**Name: Paul Kimilu**



**Sub-County Accountant**  
**Name: Jeremiah Murumba**  
**ICPAK Member Number 20540**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)****MBOONI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2018****VI. STATEMENT OF CASH FLOW**

		2017 - 2018	2016 - 2017
<b>Receipts for operating income</b>			
Transfers from NGCDF Board	1	77,788,300	140,195,451
Other Receipts	3	-	190,250
		<b>77,788,300</b>	<b>140,385,701</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	2,157,905	1,924,500
Use of goods and services	5	5,374,336	7,273,418
Transfers to Other Government Units	6	31,200,000	102,356,640
Other grants and transfers	7	37,177,061	48,035,786
Other Payments	9		
		<b>75,909,302</b>	<b>159,590,344</b>
<b>Adjusted for:</b>			
Adjustments during the year	14	205,200	-
<b>Net cash flow from operating activities</b>		<b>2,084,198</b>	<b>(19,204,643)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2		
Acquisition of Assets	8	-	(6,711,000)
<b>Net cash flows from Investing Activities</b>		-	<b>(6,711,000)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>2,084,198</b>	<b>(25,915,643)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>13</b>	<b>14,845,390</b>	<b>40,761,033</b>
<b>Cash and cash equivalent at END of the year</b>		<b>16,929,588</b>	<b>14,845,390</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MBOONI Constituency financial statements were approved on 14<sup>th</sup> September, 2018 and signed by:



**Fund Account Manager**  
Name: Paul Kimilu



**Sub-County Accountant**  
Name: Jeremiah Murumba  
ICPAK Member Number 20540

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MBOONI CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018**

**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 %
<b>RECEIPTS</b>						
Transfers from NGCDF Board	86,810,344	60,607,829	147,418,173	92,633,690	54,784,483	63
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts	-	-	-	-	-	
	<b>86,810,344</b>	<b>60,607,829</b>	<b>147,418,173</b>	<b>92,633,690</b>	<b>54,784,483</b>	<b>63</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,793,600	4,785,467	7,579,067	2,157,905	5,421,162	28
Use of goods and services	4,569,331	15,159,093	19,728,424	5,374,336	14,354,088	27
Transfers to Other Government Units	43,500,000	12,986,207	56,486,207	31,200,000	25,286,207	55
Other grants and transfers	35,947,413	27,677,062	63,624,475	37,177,061	26,447,414	58
Acquisition of Assets	-	-	-	-	-	
<b>TOTALS</b>	<b>86,810,344</b>	<b>60,607,829</b>	<b>147,418,173</b>	<b>75,909,302</b>	<b>71,508,871</b>	<b>51</b>

(a) In the summary statement of appropriation there is no AIA

(b) Commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. On receipts, Transfers from the NG CDF Board is 63% which is due to delays in disbursement of funds from the board and the additional supplementary proposals of ksh 11,379,310.34 which was planned in May 2018.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) - MBOONI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

- ii. On compensation of employees, is 28% which was due to delays in disbursement from the board and the effect of the supplementary proposals which was planned in may 2018 towards the closure of the financial year.
- iii. On use of goods and services, is 27% which was due to delays in disbursement from the board and the effect of the supplementary proposals which was planned in may 2018 towards the closure of the financial year.
- iv. On transfer to other government units, is 55% which was due to delays in disbursement from the board and the effect of the supplementary proposals which was planned in may 2018 towards the closure of the financial year.
- v. On other grants and transfers, is 58% which was due to delays in disbursement from the board and the effect of the supplementary proposals which was planned in may 2018 towards the closure of the financial year.

The NGCDF-MBOONI Constituency financial statements were approved on 14<sup>th</sup> September, 2018 and signed by:



**Fund Account Manager**  
**Name: Paul Kimilu**



**Sub-County Accountant**  
**Name: Name: Jeremiah Murumba**  
**ICPAK Member Number 20540**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018**

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**VIII. 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-MBOONI Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

**3. Reporting Currency**

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

**4. Significant Accounting Policies**

The accounting policies set out in this section have been consistently applied by the Entity for all the years presented.

**a) Recognition of Receipts**

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

**Tax Receipts**

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

**Transfers from the Exchequer**

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



**SIGNIFICANT ACCOUNTING POLICIES**

**External Assistance**

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

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30<sup>th</sup> June 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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

---

**SIGNIFICANT ACCOUNTING POLICIES**

**5. In-kind contributions**

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

**6. Cash and Cash Equivalents**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Funds**

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of NGCDF Act, 2015.



## **SIGNIFICANT ACCOUNTING POLICIES**

### **11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2017 for the period 1<sup>st</sup> July 2017 to 30<sup>th</sup> June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

### **12. Comparative Figures**

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

### **13. Subsequent Events**

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

### **14. Errors**

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

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

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2017-2018	2016-2017
		Kshs	Kshs
NGCDF Board			
AIE NO	A85593	5,500,000	
AIE NO	A892602	30,948,275	
AIE NO	A892786	37,905,172	
AIE NO		3,434,853	
AIE NO	A825590		16,000,000
AIE NO	A825705		5,500,000
AIE NO	A825902		20,000,000
AIE NO	A825950		47,747,175
AIE NO	A829931		4,094,827
AIE NO	A855636		36,853,449
AIE NO	A839709		10,000,000
<b>TOTAL</b>		<b>77,788,300</b>	<b>140,195,452</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2017-2018	2016-2017
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEIPTS**

	2017-2018	2016-2017
	Ksh	Ksh
Interest received	0	0
Rent	0	0
Receipts from sale of tender documents	0	190,250
Other receipts not classified elsewhere	0	0
<b>Total</b>	<b>0</b>	<b>190,250</b>

**4. COMPENSATION OF EMPLOYEES**

Description	2017-2018	2016-2017
	Kshs	Kshs
Basic Wages of contractual employees	2,018,993	1,689,968
<b>Personal allowances paid as part of salary</b>		
PAYE	91,513	129,032
Employer contribution to NSSF	12,000	41,600
NHIF	35,400	63,900
<b>TOTAL</b>	<b>2,157,905</b>	<b>1,924,500</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

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**5. USE OF GOODS AND SERVICES**

<b>Description</b>	<b>2017-2018 Kshs</b>	<b>2016-2017 Kshs</b>
Utilities, supplies and services	487,120	761,718
Electricity	69,815	
Water & sewerage charges		
Office rent		
Communication, supplies and services		
Domestic travel and subsistence	84,600	923,500
Printing, advertising and information supplies & services		57,536
Rentals of produced assets		
Training expenses	694,450	185,000
Hospitality supplies and services		
Other committee expenses	1,287,600	4,170,264
Committee allowance	1,852,400	
Insurance costs		
Specialized materials and services		
Office and general supplies and services	457,306	228,370
Fuel , oil & lubricants	400,000	25,020
Other operating expenses		317,000
Bank service commission and charges	22,345	19,000
Security operations		
Routine maintenance - vehicles and other transport equipment	18,700	586,009
Routine maintenance- other assets		
<b>TOTAL</b>	<b>5,374,336</b>	<b>7,273,418</b>

**6. TRANSFER TO OTHER GOVERNMENT UNITS**

<b>Description</b>	<b>2017-2018 Kshs</b>	<b>2016-2017 Kshs</b>
Transfers to Primary schools	14,000,000	23,780,051
Transfers to Secondary schools	17,200,000	31,974,715
Transfers to Tertiary institutions		46,601,874
Transfers to Health institutions		
<b>TOTAL</b>	<b>31,200,000</b>	<b>102,356,640</b>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

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**7. OTHER GRANTS AND OTHER PAYMENTS**

<b>Description</b>	<b>2017-2018 Kshs</b>	<b>2016-2017 Kshs</b>
Bursary –Secondary	14,629,300	7,115,141
Bursary –Tertiary	10,683,200	6,285,000
Bursary-Special schools	287,500	105,000
Mocks & CAT		1,800,000
Water		3,500,000
Social Halls projects		1,618,663
Construction of CDF office	5,362,519.40	6,639,122
Security	2,000,000	7,000,000
Roads and Bridges		5,328,533
Sports	331,700	
Environment		500,000
Emergency Projects	3,882,842	8,144,327
<b>TOTAL</b>	<b>37,177,061</b>	<b>48,035,786</b>

**8. ACQUISITION OF ASSETS**

<b><u>Non Financial Assets</u></b>	<b>2017-2018 Kshs</b>	<b>2016-2017 Kshs</b>
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	6,711,000
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	0
Purchase of Specialised Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
<b>Total</b>	<b>0</b>	<b>6,711,000</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

**9. OTHER PAYMENTS**

	2017-2018	2016-2017
	Kshs	Kshs
Strategic plan	3,000,000	0
ICT Hub	0	0
TIVET	0	0
<b>TOTAL</b>	<b>3,000,000</b>	<b>0</b>

**10 A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)**

Name of Bank, Account No. & currency	2017-2018	2016-2017
	Kshs	Kshs
<i>EQUITY BANK, WOTE BR-0670262509102</i>	16,929,588	14,845,390
<b>Total</b>	<b>16,929,588</b>	<b>14,845,390</b>
<b>10B: CASH IN HAND</b>		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations ( <i>specify</i> )	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<i>[Provide cash count certificates for each]</i>		



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	N/A	0	0	0
<b>Total</b>				<b>0</b>

**12. RETENTION**

	<b>2017 - 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Supplier 1	0	0
Supplier 2	0	0
Supplier 3	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

*[Provide short appropriate explanations as necessary]*

**13. BALANCES BROUGHT FORWARD**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Ksh</b>	<b>Kshs</b>
Bank Accounts	14,845,390	40,732,033
<b>TOTAL</b>	<b>14,845,390</b>	<b>40,732,033</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

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**14. PRIOR YEAR ADJUSTMENTS**

	2017- 2018	2016-2017
	Kshs	Kshs
Bank accounts(Reversed Cheques not replaced)	205,200	0
Cash in hand	0	0
Imprest	0	0
<b>Total</b>	<b>205,200</b>	<b>0</b>

**15. OTHER IMPORTANT DISCLOSURES**

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

	2017- 2018	2016-2017
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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

	Kshs	Kshs
Staff Salary	0	0
Staff gratuity	225,662	0
Others ( <i>specify</i> )	0	0
	<b>225,662</b>	<b>0</b>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

---

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

	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	5,421,162	6,138,000
Use of goods and services	14,354,088	22,592,362
Amounts due to other Government entities (see attached list)	25,286,207	6,009,399
Amounts due to other grants and other transfers (see attached list)	23,447,414	14,298,508
Acquisition of assets	0	0
Others ( <i>Strategic plan</i> )	3,000,000	0
<b>Total</b>	<b>71,508,871</b>	<b>49,038,269</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
MBOONI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

---

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

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

	<b>2017- 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account Balances (see attached list)	20,240,934.25	0
<b>Total</b>	<b>20,240,934.25</b>	<b>0</b>



**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	A	b	c	d=a-c		
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Construction of civil works</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
10.						
11.						
12.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

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

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
		a	b	c	d=a-c		
<b>Staff salary</b>							
1.							
2.							
3.							
<b>Sub-Total</b>							
<b>Staff Gratuity</b>							
4. Betty Nzilani Mutua	J	98,549	1/8/2017	0	98,549		
5. Jackson Kyalo David	H	13,876	1/5 /2018	0	13,876		
6. Joseph Musembi Mutuku	H	13,876	1/5/2018	0	13,876		
7. Patrick King'oo Musyoka	G	12,257	1/5/2018	0	12,257		
8. Samuel Wasua Mwangosi	E	40,427	1/10/2017	0	40,427		
9. Jackson Kalii Musoo	E	8,984	1/5/2018	0	8,984		
10.Tabitha Ngula	D	37,693	1/10/2017	0	37,693		
<b>Sub-Total</b>		<b>225,662</b>		<b>0</b>	<b>225,662</b>		
<b>Unionisable Employees</b>							
11.							
12.							
13.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
14.							
15.							
16.							
<b>Sub-Total</b>							
<b>Grand Total</b>							



**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

**ANNEX 3 – UNUTILIZED FUNDS**

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
<b>Compensation of employees</b>	Payment of staff salaries and statutory	5,421,162	6,138,000	Delays in fund disbursement from the NG-CDF Board
<b>Use of goods &amp; services</b>	Purchase of fuel, printing, stationary, travel & office tea	14,354,088	22,592,362	Delays in fund disbursement from the NG-CDF Board
<b>Amounts due to other Government entities</b>	Payment to improve infrastructure in primary and secondary schools	25,286,207	6,009,399	Delays in fund disbursement from the NG-CDF Board
<b>Sub-Total</b>		<b>45,061,457</b>	<b>34,739,761</b>	
<b>Amounts due to other grants and other transfers</b>	Payment to security, social halls, bursaries & emergency projects	23,447,414	14,298,508	Delays in fund disbursement from the NG-CDF Board
<b>Sub-Total</b>		<b>23,447,414</b>	<b>14,298,508</b>	
<b>Sub-Total</b>				
<b>Acquisition of assets</b>			0	
<b>Others (Strategic plan)</b>	Development of constituency strategic plan	3,000,000	0	Delays in fund disbursement from the NG-CDF Board
<b>Sub-Total</b>		<b>3,000,000</b>	<b>0</b>	
<b>Grand Total</b>		<b>71,508,871</b>	<b>49,038,269</b>	

**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

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

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land	-	-	-	-
Buildings and structures	-	-	-	-
Transport equipment	11,101,552	-	-	11,101,552
Office equipment, furniture and fittings	478,337	207,000	-	685,337
ICT Equipment, Software and Other ICT Assets	350,800	12,000	-	362,800
Other Machinery and Equipment	22,040,000	-	-	22,040,000
Heritage and cultural assets	-	-	-	-
	<b>33,970,689</b>	<b>219,000</b>	<b>-</b>	<b>34,189,689</b>



**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2018**

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Kitoto Primary school	Equity	0670269067300	1,365	0
Mukuku primary school	Equity	0670272221490	439,330	0
Kyamuata primary school	Equity	0670276211187	9,505	0
Kilungu primary school	Equity	0670271869098	65,580	0
Kako primary school	Equity	0670197625104	1,001,614.25	0
Muambani primary school	Equity	0670199844758	1,920	0
Nthunthini primary school	Equity	0670262679350	180	0
Itulu primary school	Equity	0670264360084	85	0
Utuneni secondary school	Equity	0670269096606	15,730	0
Mbooni boys sec school	Equity	0670269126775	2,119	0
Yangua mixed day sec school	Equity	0670262593890	465	0
KMTC Mbooni	Equity	0670264428040	1,126,901	0
Nduluku social hall	Equity	0670270983453	60,655	0
Kalawa Assistant chiefs office	Equity	0670269373999	1,085	0
Mataa chiefs office	Equity	0670269095648	1,700	0
Waia Dos office/AP Line	Equity	0670271867740	780	0
Ngungi primary school	Equity	0670269070589	600,305	0
Kikuswi primary school	Equity	0670277306247	600,000	0
Lungu primary school	Equity	0670269057792	601,860	0
Kivani primary school	Equity	0670277322914	300,500	0
Ndauni sec school	Equity	0670277341152	200,000	0
Kathamba primary school	Equity	0670269066213	302,515	0
Wambiti primary school	Equity	0670269142384	32,490	0
Miau sec school	Equity	0670269220024	2,554,360	0
Itulu sec school	Equity	0670269108123	2,502,715	0
Muthwani sec school	Equity	0670264374786	10,950	0

**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Kalawa girls sec school	Equity	0670269070796	1,310	0
Mbukoni sec school	Equity	0670269197946	25,810	0
Ititu girls sec school	Equity	0670269108439	2,003,610	0
Kitundu primary school	KCB	1183963041	183,721.40	0
Kithangaini primary sch	KCB	1183891695	417.5	0
Kitithini primary school	KCB	1208266071	18,740.00	0
Kyamithenge Primary School	KCB	1178438996	630	0
Kasyelia Primary School	KCB	1225400813	690.00	0
Kyome Primary School	KCB	1226552021	40,050.00	0
Kaseki Primary school	KCB	1207340405	40,329.50	0
Kilenge Primary School	KCB	1207318256	545.00	0
Ukala Primary School	KCB	1171020856	39,170.00	0
Mukaatini Secondary School	KCB	1171020376	2,069.50	0
Kiteta Boys Secondary School	KCB	1170670245	404.50	0
Yandue Dispensary	KCB	1155291891	-1,120.00	0
Utwiini Dispensary	KCB	1155434854	4,774.50	0
Mbooni Social Hall	KCB	1166834999	0.00	0
Kithungo Adminstration Police Line	KCB	1201195187	995.00	0
Mbooni west Police station	KCB	1206723289	130.00	0
Syumbe Primary School	KCB	1233551868	599,050.00	0
Manzuvi Primary School	KCB	1154864464	600,330.00	0
Kakima Primary School	KCB	1184026307	0.00	0
Wanzauni primary school	KCB	1233857622	662,750.00	0
Mulooni Primary School	KCB	1178461025	607,735.60	0
Mbooni County Primary School	KCB	123327613	0.00	0
Kusyethuku Primary School	KCB	1233391631	599,050.00	0
Teachers Advisory Centre Hall (TAC) Mbooni West, Education Office	KCB	1233364969	0.00	0



**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)****Reports and Financial Statements****For the year ended June 30, 2018 (Kshs'000)**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2017/18</b>	<b>Bank Balance 2016/17</b>
Kilyungi Primary School	KCB	1154939227	601,800.00	0
Muvuti Primary School	KCB	1233633724	599,050.00	0
Mwenyeani Primary School	KCB	1233978721	126,303.00	0
Uvi Primary School	KCB	1233823655	299,050.00	0
Ngaakaa Primary School	KCB	1152088815	10,805.00	0
Wambuli Primary School	KCB	1171472455	1,985.00	0
Munyuuka Primary School	KCB	1183891288	46,544.50	0
Kyanguma Secondary school	KCB	1117330990	23,490.00	0
Kitoo Secondary School	KCB	1117698831	3,000.00	0
Utangwa Secondary School	KCB	1233303465	663,665.00	0
Wanzauni Chiefs office	KCB	1233643487	999,670.00	0
Kyuu Chiefs Office	KCB	1233685988	999,670.00	0
<b>TOTAL</b>			<b>20,240,934.25</b>	<b>0</b>

**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs'000)**

**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/OBSERVATION FROM AUDITOR	MANAGEMENT COMMENTS	FOCAL POINT PERSON TO RESOLVE THE ISSUE(Name and Design)	TIME FRAME (Put a date when you expect the issue to be resolve <sup>ed</sup> )
CDF/EH/MBO/37/2016/2017/(1)				
	<p><b>Inaccuracies in the Financial Statements.</b>            Inaccuracies were noted in the financial statements            i).Unexplained prior adjustments of Kshs.14,845,390(2016/2017) and of Ksh.40,761,033 (2015/2016)            ii).Note 9 reflects a difference of Ksh.29,000</p>	<p>The issue was discussed with Audit team and amendment were carried out and audited Financial statements were forwarded to Audit Office vide letter ref.NG-MCDF/AUD/9 dated 3<sup>rd</sup> July 2018.</p>	<p>Paul Kimilu            Fund Account Manager</p>	<p>5 days</p>
	<p><b>Bank Balance</b>            Unpresented cheques totaling to Kshs.242,000</p>	<p>The response was done and stale cheques were written back in the subsequent financial year. A copy of bank reconciliation month of April 2018 was forwarded to the audit team</p>	<p>Paul Kimilu            Fund Account Manager</p>	<p>5 days</p>



**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**

**Reports and Financial Statements**

**For the year ended June 30, 2018 (Kshs'000)**

	<p><b>Budgetary control and performance.</b> Unexplained variances between the approved budget and expenditure resulting to unrealized receipts of Ksh.34,002,628 or 16%.</p>	<p>The observation was discussed with the audit team and response was done.</p>	<p>Paul Kimilu Fund Account Manager</p>	<p>5 days</p>
	<p><b>Implementation of projects.</b> In respect of projects budgeted and not fully implemented at the end of the year.</p>	<p>The observation was discussed with the audit team and response was done.</p>	<p>Paul Kimilu Fund Account Manager</p>	<p>5 days</p>