

REPUBLIC OF KENYA



Paper laid by
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(Apr), 17/10/2018
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OFFICE OF THE AUDITOR-GENERAL

REPORT



OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
MBEERE SOUTH CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017



KENYA NATIONAL AUDIT OFFICE
EMBU HUB
03 NOV 2017
2063
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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MBEERE SOUTH
CONSTITUENCY**

AMMENDED REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2017**

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
MBEERE SOUTH CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
MBEERE SOUTH CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2017

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013. In 2015, the CDF Act of 2013 was declared unconstitutional and a new Act was enacted in 2015, being the National Government Constituencies Development Fund Act, NG-CDF Act, 2015. The National Government Constituencies Development Fund (NG-CDFA) is under the Ministry of Devolution and Planning. The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

(b) Key Management

The Mbeere South Constituency's National Government Constituency Development Fund day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2017 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Richard M. Maingi
3.	Accountant	Agnes M. Gitari

(d) Fiduciary Oversight Arrangements

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

(e) Mbeere South NG-CDF Headquarters

NG-CDFC Complex Building,
P.O Box 17-60113,
Kiritiri, Embu.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
MBEERE SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017**

(f) Mbeere South NG-CDF Contacts

Telephone: (+254) 724855467
E-mail: mbeeresouthcdf@cdf.go.ke
Website: www.mbeeresouthcdf.go.ke

(g) Mbeere South NG-CDF Bankers

Bank: Sidian Bank
Branch: Embu Branch
Account No: 01007030000803
P.O BOX 1167,
Embu, Kenya.

(h) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 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 CONSTITUENCY DEVELOPMENT FUND-
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II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG-CDFC)

During the current financial year 2016/2017, the NG-CDF Board disbursed Kshs. 56M against the budgeted and approved Kshs. 81M. This gave about an equivalent of 70% of the expected funds.

The kitty had a carry forward of Kshs. 83M that was also made available for the utilization in projects implementations by the NG-CDF Board, at the beginning of the financial year. In total, about Kshs. 140M was available for utilisation, against an expectation of Kshs. 166M, inclusive of financial year 2015/2016 funds. Absorption of the available funds was above average at a rate of about 84%. The NG-CDFC implemented most of the allocated projects to completion. The projects that could not be implemented were only those whose funds had not been received from the NG-CDF Board.

Our major achievement during the financial year was;

- Distribution of bursary awards to the needy students of about Kshs. 20M.
- Extension of water supply to reach almost all schools and security installations.

The NG-CDFC is keen to ensure that projects are accomplished during the particular financial year by emphasising on adequate fund allocation for all the proposed projects.

Challenges:

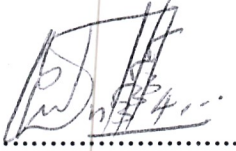
Delays in releasing of funds from the NG-CDF Board mostly occasioned by the threshold of the Kshs. 10 M requirements as bank balance before submitting a claim for further disbursements.

Also, the NG-CDF Board seemed to lack further funds for disbursement especially during the period after 30/06/2017 and the electioneering period. Had these funds released in July 2017, we would have completed the implementation of our projects 100%.

Remedies:

The NG-CDF Board should increase the above threshold to say Kshs. 20M and also endeavour to ensure that funds are released soon after they have been requisitioned.

Our NG-CDFC was honoured to receive an entourage comprising of the Board Directors, the CEO and other secretariat officials during 2016/2017. This visit provided a platform to share ideas, strengths and challenges we are facing. It provided a forum for the Board to understand our budget proposal and also enabled us learn and gain much more from them on best practices and administration of the kitty. All we can say is a big thank you for visiting us and karibu sana wakati mwingine.

Sign: 
Peter W. Mukengwa,
CHAIRMAN NG-CDFC

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
MBEERE SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017**

III. STATEMENT OF NG-CDF MANAGEMENT RESPONSIBILITIES

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

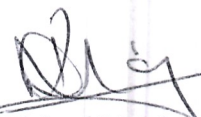
The Accounting Officer in charge of the Mbeere South NG-CDF is responsible for the preparation and presentation of the NG-CDF's financial statements, which give a true and fair view of the state of affairs of the NG-CDF for and as at the end of the financial year (period) ended on June 30, 2017. This 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 NG-CDF; (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 NG-CDF; (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 Mbeere South NG-CDF accepts responsibility for the NG-CDF'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 NG-CDF's financial statements give a true and fair view of the state of NG-CDF's transactions during the financial year ended June 30, 2017, and of the NG-CDF's financial position as at that date. The Accounting Officer charge of the Mbeere South NG-CDF further confirms the completeness of the accounting records maintained for the NG-CDF, which have been relied upon in the preparation of the NG-CDF's financial statements as well as the adequacy of the systems of internal financial control.

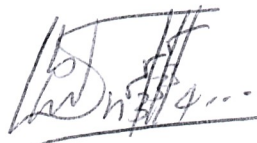
The Accounting Officer in charge of the Mbeere South NG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NG-CDF'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 Mbeere South NG-CDF's financial statements were approved and signed by the Accounting Officer on 10th July, 2017.



**Richard M. Maingi
Fund Account Manager**



**Peter W. Mukengwa
Chairman; NG-CDFC**

REPUBLIC OF KENYA

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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MBEERE SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund – Mbeere South Constituency set out on pages 5 to 31, which comprise the statement of assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Mbeere South Constituency as at 30 June, 2017, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229(6) of the Constitution, except for the matter described in the Basis for Qualified Opinion and Other Matter sections of my report, based on the procedures performed, I confirm that, nothing else has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

Basis for Qualified Opinion

1.0 Cash and Cash Equivalents

The financial statements reflected a cash and cash equivalents balance of Kshs.6,200,614 as at 30 June 2017. However, included in this balance were unrepresented cheques totaling to Kshs.1,350,750 which further included six (6) stale cheques totaling to Kshs.76,075 which had not been reversed in the cash book as at 30 June 2017 as analyzed below;

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund – Mbeere South Constituency for the Year Ended 30 June 2017

Date	Cheque No.	Payee	Amount (Kshs)
18.07.2016	4466	Technical University of Mombasa	10,000
18.07.2016	5020	Lenana School	5,000
30.09.2016	5147	Don Joseph Alumamo	5,000
30.09.2016	5154	St Lukes Kirima Sec	40,000
14.10.2016	5304	Embu County Government	6,075
14.10.2016	5309	Kabete Tech Training Inst	10,000
Total			76,075

Further, the Statement of Assets, the statement of cash flow and Note 14 of the Notes to the financial statements reflects a prior year adjustment of Kshs.151,632 which was not explained or analyzed.

In view of above, the accuracy of the cash and cash equivalents balance of Kshs.6,200,614 at as at 30 June 2017 could not be ascertained.

2.0 Unaccounted for Funds

2.1 Primary Schools Desks

During the year under review, the Constituency Development Fund Committee (CDFC) disbursed Kshs.3,000,000 to Mbeere South Primary School Project Management Committee (PMC) in respect to twenty nine (29) primary schools in 4 wards namely Mavuria, Mbeere, Mbeti South and Mwea. Each of the 29 primary schools was entitled to desks worth Kshs.103,448. However, relevant tender documents and project files were not made available for audit verification and therefore the funds remained unaccounted for as at 30 June 2017. At the close of audit exercise on 23 August 2017, it was alleged that the desks were still lying at the Contractor's premises uncollected but no documents were availed in support of the allegations.

In the circumstance, the propriety of the Kshs.3,000,000 expenditures as at 30 June 2017 could not be ascertained.

2.2 Water Projects

During the year under review, the CDFC disbursed Kshs.9,384,600 for three (3) water projects as follows;

Project	Amount (Kshs)
Malikini Secondary - Musingini Pimary School	3,075,800
Malikini Secondary - Musingini Pimary	1,570,300
Riakanau AP Water Project	<u>4,738,500</u>
Total	<u>9,384,600</u>

However, the minute of meeting held and constitution of the PMCs, procurement of service and works documentation and Bank statements of the three water projects and were not made available for audit verification.

In view of above, the propriety and value for money of the Kshs.9,384,600 expenditure as at 30 June 2017 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Mbeere South 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 qualified opinion.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements, except for the matter described in the Basis for Qualified Opinion and Other Matter sections, I have determined that there are no other Key Audit Matters to communicate in my report.

Other Matter

1.1 Budgetary Control and Performance

The Fund had budgeted to receive Kshs.165,545,479 during the year under review made up Kshs.81,896,552 for the year 2016/2017, Kshs.58,870,035 due but not released in the year 2015/2016 and an additional Kshs.24,778,893 opening cash balance. However available Authority to Incur Expenditure (AIEs) showed that only Kshs.114,818,311 was received from the Board during the year and an additional Kshs.24,778,893 opening cash balance hence the total funds available to the Fund during the year was Kshs.139,597,204. The Fund did not therefore receive an amount of Kshs.25,948,275 being the difference between the Kshs.165,545,479 budgeted receipts for the year and Kshs.139,597,204 receipts during the year.

In the circumstances, the residents of Mbeere South Constituency did not receive promised and expected services equivalent to the undisbursed funds totaling to Kshs.25,948,275.

In addition, out of the Kshs.139,597,204 available to spent during the year, only Kshs.133,548,222 was spent while Kshs.6,200,614 remained unspent as at 30 June 2017.

As a result, the residents of Mbeere South Constituency did not receive planned and expected services equivalent to the unspent funds totaling to Kshs.6,200,614.

1.2 Project Implementation Status

The approved budget for development projects of Kshs.74,525,862 was apportioned among various sectors within the constituency namely Bursary-Secondary & Tertiary Institutions, Mocks/Cats, Primary Schools, Secondary Schools, Health Institutions,

Sports, Security, Roads, Emergency, Environment and CDF Office. The funds allocated amounted to Kshs.74,525,862 which represented 91% of the total budget.

Review of the project implementation status report revealed that 34 projects worth Kshs.39,355,862 were completed and 64 projects worth Kshs.36,310,000 were ongoing as follows;

Sector	Project Status	Amount Allocated (Kshs)	Amount Disbursed (Kshs)	No of Projects
Education	Completed	20,000,000	20,000,000	20
	Ongoing	10,750,000	10,750,000	23
	Not Started	-	-	-
	Sub-Total	30,750,000	30,750,000	43
Emergency	Completed	2,740,000.00	2,740,000.00	07
	Ongoing	1,354,827.59	1,354,827.59	09
	Not Started	-	-	-
	Sub-Total	4,094,827.59	4,094,827.59	16
Health	Completed	274,200	274,200	01
	Ongoing	1,200,000	1,200,000	01
	Not Started	-	-	-
	Sub-Total	1,474,200	1,474,200	02
Water	Completed	100,000	100,000	01
	Ongoing	9,284,600	9,284,600	03
	Not Started	-	-	-
	Sub-Total	9,384,600	9,384,000	04
Security	Completed	-	-	-
	Ongoing	2,750,000	2,450,000	04
	Not Started	-	-	-
	Sub-Total	2,750,000	2,450,000	04
Roads	Completed	-	-	-

	Ongoing	8,278,848	4,215,400	03
	Not Started	-	-	-
	Sub-Total	8,278,848	4,215,400	03
Environment	Completed	637,931.00	637,931	01
	Ongoing	1,000,000.00	1,000,000.00	20
	Not Started	-	-	-
	Sub-Total	1,637,931.00	1,637,931.00	21
Sports	Completed	1,637,931.00	1,637,931.00	02
	Ongoing			
	Not Started	-	-	-
	Sub-Total	1,637,931.00	1,637,931.00	02
Bursary- Secondary & Tertiary	Completed	12,000,000	12,000,000	Various(01)
	Ongoing	-	-	-
	Not Started	-	-	-
	Sub-Total	12,000,000	12,000,000	Various(01)
Mocks/Cats	Completed	2,000,000	2,000,000	01
	Ongoing	-	-	-
	Not Started	-	-	-
	Sub-Total	2,000,000	2,000,000	01
NG-CDF Office	Completed			
	Ongoing	1,991,724.45	1,991,724.45	01
	Not Started	-	-	-
	Sub-Total	1,991,724.45	1,991,724.45	01
	Grand Total	74,525,862	71,636,014	

As at 30 June 2017, 64 projects worth Kshs.36,310,000 were ongoing. In the circumstance, it was not possible to ascertain that the Fund would implement all projects as budgeted.

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 continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Fund's or to cease operations, or have no realistic alternative but to do so.

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. 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.

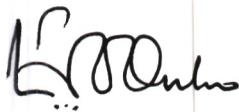
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 Company'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's 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.



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

Nairobi

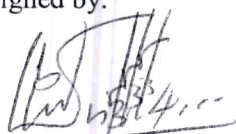
16 August 2018

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
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IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016 - 2017	2015- 2016
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	114,818,311.60	85,565,892.75
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		114,818,311.60	85,565,892.75
PAYMENTS			
Compensation of employees	4	3,033,050.00	1,592,555.00
Use of goods and services	5	7,563,189.00	5,005,354.00
Transfers to Other Government Units	6	58,572,089.00	22,442,809.00
Other grants and transfers	7	61,355,941.00	40,114,322.00
Acquisition of Assets	8	130,000.00	1,763,131.00
Other Payments	9	2,893,952.45	-
TOTAL PAYMENTS		133,548,221.45	70,918,171.00
SURPLUS/DEFICIT		(18,729,909.85)	14,647,721.75

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Mbeere South NG-CDF financial statements were approved on 10th July, 2017 and signed by:



Peter W. Mukengwa
 Chairman; NG-CDFC



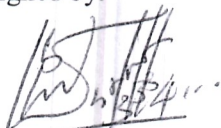
Richard M. Maingi
 Fund Account Manager

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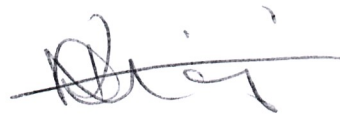
V. STATEMENT OF ASSETS

	Note	2016 - 2017 Kshs	2015- 2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	6,200,614.40	24,778,892.65
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		6,200,614.40	24,778,892.65
REPRESENTED BY			
Retention	12	-	-
Fund balance b/fwd 1st July...	13	24,778,892.65	9,423,773.90
Surplus/Deficit for the year		(18,729,909.85)	14,647,721.75
Prior year adjustments	14	151,631.60	707,397.00
NET LIABILITIES		6,200,614.40	24,778,892.65

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Mbeere South NG-CDF financial statements were approved on 10th July, 2017 and signed by:



Peter W. Mukengwa
 Chairman; NG-CDFC



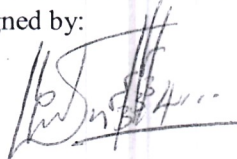
Richard M. Maingi
 Fund Account Manager

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VI. STATEMENT OF CASHFLOW

Receipts for operating income	NOTE	2016 - 2017	2015- 2016
Transfers from CDF Board	1	114,818,311.60	85,565,892.75
Other Receipts	3	-	-
		114,818,311.60	85,565,892.75
Payments for operating expenses			
Compensation of Employees	4	3,033,050.00	1,592,555.00
Use of goods and services	5	7,563,189.00	5,005,354.00
Transfers to Other Government Units	6	58,572,089.00	22,442,809.00
Other grants and transfers	7	61,355,941.00	40,114,322.00
Other Payments	9	2,893,952.45	-
Adjusted for:			
Adjustments during the year	14	151,631.60	707,397.00
Net cash flow from operating activities		18,448,278.25	17,118,249.75
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	130,000.00	1,763,131.00
Net cash flows from Investing Activities		130,000.00	1,763,131.00
NET INCREASE IN CASH AND CASH EQUIVALENT		18,578,278.25	15,355,118.75
Cash and cash equivalent at BEGINNING of the year	13	24,778,892.65	9,423,773.90
Cash and cash equivalent at END of the year		6,200,614.40	24,778,892.65

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Mbeere South NG-CDF financial statements were approved on 10th July, 2017 and signed by:



Peter W. Mukengwa
 Chairman; NG-CDFC



Richard M. Maingi
 Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-MBEERE SOUTH CONSTITUENCY

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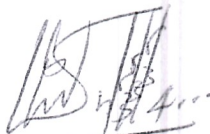
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	81,896,551.69	83,648,927.65	165,545,479.34	139,597,204.25	25,948,275.09	84.33
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL	81,896,551.69	83,648,927.65	165,545,479.34	139,597,204.25	25,948,275.09	84.33
PAYMENTS						
Compensation of Employees	1,971,760.00	2,974,077.00	4,945,837.00	3,033,050.00	1,912,787.00	61.33
Use of goods and services	5,398,929.65	5,973,963.65	11,372,893.30	7,563,189.00	3,809,704.30	66.50
Transfers to Other Government Units	30,750,000.00	41,982,089.00	72,732,089.00	58,572,089.00	14,160,000.00	80.53
Other grants and transfers	41,784,137.59	31,452,570.00	73,236,707.59	61,355,941.00	11,880,766.59	83.78
Acquisition of Assets	0.00	0.00	-	130,000.00	(130,000.00)	
Other Payments	1,991,724.45	1,266,228.00	3,257,952.45	2,893,952.45	364,000.00	88.83
TOTAL	81,896,551.69	83,648,927.65	165,545,479.34	133,548,221.45	31,997,257.89	80.67

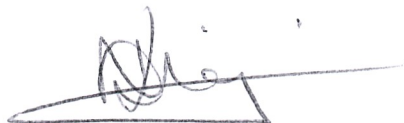
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
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- (a) The kitty received 84% of the expected allocated funds. The difference represents about 16 % of the funds receivable from the Board, Kshs. 25M.
- (b) The Kitty managed to utilise 81% of the expected allocation funds during the current year. This was almost an equivalent of what the kitty received in terms of disbursements from the Board during the same period.

The Mbeere South NG-CDF financial statements were approved on 10th July, 2017 and signed by;



**Peter W. Mukengwa
Chairman; NG-CDFC**



**Richard M. Maingi
Fund Account Manager**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
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TRIAL BALANCE AS AT 30TH JUNE 2017			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	6,200,614	
	Cash Balances	-	-
	Outstanding Imprest	-	-
Payments			
	Compensation of Employees	3,033,050	
	Use of goods and services	7,563,189	
	Transfers to Other Government Units	58,572,089	
	Other grants and transfers	61,355,941	
	Acquisition of Assets	130,000	
	Other Payments	2,893,952	
	Adjusted for:	(151,632)	
Receipts			
	Transfers from the Board		114,818,312
	Proceeds from sale of assets		-
	Others receipts		-
Fund Balance b/fwd			24,778,893
TOTAL		139,597,204	139,597,204

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
MBEERE SOUTH CONSTITUENCY**
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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 and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the NG-CDF. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the NG-CDF.

2. Recognition of revenue and expenses

The NG-CDF recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the NG-CDF. In addition, the NG-CDF recognises all expenses when the event occurs and the related cash has actually been paid out by the NG-CDF.

3. In-kind contributions

In-kind contributions are donations that are made to the NG-CDF 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 NG-CDF includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. 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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
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Reports and Financial Statements

For the year ended June 30, 2017

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. 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 NG-CDF 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.

6. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The NG-CDF's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the NG-CDF's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

7. Comparative figures

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

8. 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 June 30, 2017.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
MBEERE SOUTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2016 - 2017	2015- 2016
		Kshs	Kshs
Normal allocation	AIE NO...		
	A796133		27,565,892.75
	A820982		29,000,000.00
	A820937		29,000,000.00
	A825937	50,947,987.00	
	A829929	4,094,827.60	
	A855212	36,853,449.00	
	A855531	7,922,048.00	
	A839737	15,000,000.00	
TOTAL		114,818,311.60	85,565,892.75

2. PROCEEDS FROM SALE OF ASSETS

	2016 - 2017	2015- 2016
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

3. OTHER RECEIPTS

	2016 - 2017	2015- 2016
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

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

4. COMPENSATION OF EMPLOYEES

Description	2016 - 2017	2015- 2016
	Kshs	Kshs
Basic wages of contractual employees	1,462,547.00	618,875.00
Basic wages of casual labour	-	444,000.00
Personal allowances paid as part of salary		
House allowance	336,000.00	204,000.00
Transport allowance	342,000.00	276,000.00
Leave allowance	12,000.00	-
Other personnel payments	362,600.00	-
Employer contribution to NSSF	170,640.00	49,680.00
Gratuity	347,263.00	-
Total	3,033,050.00	1,592,555.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
 MBEERE SOUTH CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2016 - 2017	2015- 2016
	Kshs	Kshs
Utilities, supplies and services	138,966.00	254,279.00
Communication, supplies and services	109,670.00	67,460.00
Domestic travel and subsistence	113,500.00	238,800.00
Printing, advertising and information supplies & services	53,802.00	142,390.00
Training expenses	2,344,800.00	-
Hospitality supplies and services	218,526.00	122,510.00
Other committee expenses	1,589,900.00	646,408.00
Committee allowance	711,500.00	2,113,000.00
Insurance costs	222,933.00	235,000.00
Office and general supplies and services	143,155.00	-
Fuel ,oil & lubricants	524,000.00	604,100.00
Other operating expenses	402,400.00	-
Routine maintenance – vehicles and other transport equipment	873,010.00	524,819.00
Routine maintenance – other assets	<u>117,027.00</u>	<u>56,588.00</u>
Total	<u>7,563,189.00</u>	<u>5,005,354.00</u>

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

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016 - 2017	2015- 2016
	Kshs	Kshs
Transfers to primary schools	32,780,000.00	15,935,360.00
Transfers to secondary schools	24,132,089.00	6,107,449.00
Transfers to tertiary institutions	220,000.00	400,000.00
Transfers to health institutions	1,440,000.00	-
TOTAL	58,572,089.00	22,442,809.00

7. OTHER GRANTS AND OTHER PAYMENTS

	2016 - 2017	2015- 2016
	Kshs	Kshs
Bursary -Secondary	19,712,425.00	5,996,650.00
Bursary -Tertiary	10,226,000.00	4,862,425.00
Bursary-Special schools	-	-
Mocks & CAT	1,349,890.00	1,400,000.00
Water	9,284,600.00	20,000,000.00
Agriculture (food security)	0	-
Electricity projects	0	-
Security	7,530,000.00	3,650,000.00
Roads	4,215,400.00	-
Sports	1,637,931.00	4,205,247.00
Environment	2,122,048.00	-
Emergency Projects (specify)	5,277,647.00	-
Total	61,355,941.00	40,114,322.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
 MBEERE SOUTH CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2016 - 2017 Kshs	2015- 2016 Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	1,763,131.00
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	130,000.00	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	130,000.00	1,763,131.00

9. OTHER PAYMENTS (Specify)

	2016 - 2017 Kshs	2015- 2016 Kshs
Improvement of office/ office grounds	2,893,952.45	-
	2,893,952.45	-

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016 - 2017 Kshs	2015- 2016 Kshs
K-Rep Bank, Embu Branch A/C no. 01007030000803	6,200,614.40	24,778,892.65
	6,200,614.40	24,778,892.65

10B: CASH IN HAND

Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (specify)	-	-
Total	-	-
[Provide cash count certificates for each]	-	-

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
 MBEERE SOUTH CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12 Retention			
Supplier/Contractor	PV no	2016 - 2017	2015- 2016
		Kshs	Kshs
		-	-
TOTAL		-	-

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

13. BALANCES BROUGHT FORWARD

	2016 - 2017 (1/7/2016)	2015- 2016 (1/7/2015)
	Kshs	Kshs
Bank accounts	24,778,892.65	9,423,773.90
Cash in hand		
Imprest	-	-
Total	24,778,892.65	9,423,773.90

14. PRIOR YEAR ADJUSTMENTS

	2016- 2017 Kshs	2015 - 2016 Kshs
Bank accounts	151,631.60	707,397.00
Cash in hand	-	-
Imprest	-	-
Total	151,631.60	707,397.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
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15. OTHER IMPORTANT DISCLOSURES

15.1: Pending Accounts Payable (See Annex 1)

	2016 - 2017 Kshs	2015 - 2016 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<u>-</u>	<u>-</u>

15.2: Pending Staff Payables (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (specify)	-	-
	<u>-</u>	<u>-</u>

15.3: Other Pending Payables (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities	-	24,778,893
Amounts due to other grants and other transfers	4,732,576	-
Others (specify)	1,468,039	-
	<u>6,200,615</u>	<u>24,778,893</u>

15.4: PMC Account Balances (See Annex 4)

	Kshs.	Kshs.
PMC account balances	4,928,004	363,136
	<u>4,928,004</u>	<u>363,136</u>

15.5: Receivable from the Board (See Annex 5)

Normal allocation	25,948,275.05	50,947,987.00
Other	-	-
Total	25,948,275.05	50,947,987.00

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-MBEERE SOUTH CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
		A	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
	Sub-Total						
Middle Management							
4.							
5.							
6.							
	Sub-Total						
Unionisable Employees							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-MBEERE SOUTH CONSTITUENCY
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ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities							
Sub-Total							
Amounts due to other grants and other transfers							
Emergency	To cater for any unforeseen occurrences	5,767,647	N/A	3,485,071	2,282,576	0	
Mocks	To administer standard exam/ or acquire revision materials	2,000,000	N/A	1,350,000	650,000		
Educational forums (2015/2016)	Conduct motivational talks to students	2,000,000	N/A	700,000	1,300,000		Reallocated
Electrification (2015/2016)	Purchase of a transformer for Kiamucinga market	500,000	N/A	Nil	500,000		
Sub-Total		10,267,647		5,535,071	4,732,576	0	
Others (specify)							
Employees Salaries	Payment of staff salaries	3,144,000	N/A	2,491,261	652,739		
NSSF	Payment of staff salaries	77,760	N/A	32,600	45,160		
NHIF	Payment of staff salaries	64,800	N/A	6,540	58,260		
Capacity Building	Payment of Committee sitting allowances	1,800,000	N/A	1,109,923	690,077		
M & E Goods and services	Office administration	393,071.00		371,268	21,803		
Sub-Total		5,479,631		4,011,592	1,468,039	0	
Grand Total		15,747,278		9,546,663	6,200,615		

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-MBEERE SOUTH CONSTITUENCY
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ANNEX 4 – PMC BANK BALANCES AS AT 30TH JUNE 2017

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Security				
Gikiro Sub-Chief Wiring Cdf A/C	Sidian Bank Embu	A01007030000730	-	1,170
Kiambere A.P Line Cdf Project	Sidian Bank Embu	A01007030001251	-	485
Mhondoni Chiefs Office	Sidian Bank Embu	A01007030001331	-	1,538
Mhondoni Police Post	Sidian Bank Embu	A01007030001341	-	128
Gachoka Assistant Chief Office	Sidian Bank Embu	A01007030001581	-	148
Gachoka Police Post	Sidian Bank Embu	A01007030001591	-	200
Rwika Ap Lines	Sidian Bank Embu	A01007030001601	-	148
Mwea Chiefs Office	Sidian Bank Embu	A01007030001621	-	548
Makima Assistant Chiefs Office	Sidian Bank Embu	A01007030002231	-	279
Gachuriri Ap Line Pmc Account	Sidian Bank Embu	A01007020003963	30,844	-
Mutuohare Ap Line	Sidian Bank Embu	A01007030002361	3,510	7,470
Education Primary				
Ngambani Primary School	Sidian Bank Embu	A01007030001211	-	1,398
Nyamboni Primary School	Sidian Bank Embu	A01007030001261	-	1,966
Ikomenie Primary School	Sidian Bank Embu	A01007030001271	-	238
Kamunyang'e Primary School	Sidian Bank Embu	A01007030001281	-	538
Jjm Nyaga Primary School	Sidian Bank Embu	A01007030001301	-	1,900
Kamwimbi Primary School	Sidian Bank Embu	A01007030001391	-	800
Kabururi Primary School	Sidian Bank Embu	A01007030001431	-	36
St Joseph Gachuriri Pry School	Sidian Bank Embu	A01007030001451	-	1,323
Kiamuringa Primary School	Sidian Bank Embu	A01007030001481	-	1,308
Kangetta Primary School	Sidian Bank Embu	A01007030001521	-	3,808
Irari Primary School	Sidian Bank Embu	A01007030001651	-	406
Mayoni Primary School	Sidian Bank Embu	A01007030001751	-	1,529
Kauran Primary School	Sidian Bank Embu	A01007030001781	-	1,572
Machanga Primary School	Sidian Bank Embu	A01007030001831	-	1,038
Aic Ndune Primary School	Sidian Bank Embu	A01007030002221	-	1,909

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-MBEERE SOUTH CONSTITUENCY
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PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Manyatu Primary School	Sidian Bank Embu	A01007030002241	-	379
Muthiru Primary School	Sidian Bank Embu	A01007030002251	-	2,629
Ngeca Primary School	Sidian Bank Embu	A01007030002271	-	69
J N Mwonge Primary School	Sidian Bank Embu	A01007030002311	-	979
Aic Gachurini Primary Sch Pmc A/C	Sidian Bank Embu	A01007030002371	-	240
Mutuohare Primary School Pmc A/C	Sidian Bank Embu	A01007030002411	-	820
Kaninwanthiga Primary School	Sidian Bank Embu	A01007030002151	-	1,159
Ngioni Primary School	Sidian Bank Embu	A01007030001881	1,378	5,338
Rianguu Primary School	Sidian Bank Embu	A01007030002321	21,949	25,909
Igumori Primary School	Sidian Bank Embu	A01007030001871	48	-
Kasioni Primary School Pmc A/C	Sidian Bank Embu	A01007020004031	7,910	-
Kituneni Primary School Pmc A/C	Sidian Bank Embu	A01007020004081	7,910	-
Manyatu Primary School Pmc A/C	Sidian Bank Embu	A01007020004111	8,570	-
Consolata Kilia Primary School Pmc	Sidian Bank Embu	A01007020004151	7,937	-
Education Secondary				
Mutus Sec Project Management Comhm	Sidian Bank Embu	A01007030000781	-	3,370
Deh Kaburuni Secondary School	Sidian Bank Embu	A01007030000951	-	450
St. Paul Karura Sec School	Sidian Bank Embu	A01007030001191	-	1,088
Kamunyange Secondary School	Sidian Bank Embu	A01007030001291	-	1,308
Kitloloni Secondary School	Sidian Bank Embu	A01007030001311	-	1,513
Kiamuringa Secondary School	Sidian Bank Embu	A01007030001421	-	438
Munyoni Secondary School	Sidian Bank Embu	A01007030001461	-	1,756
Kirima Secondary School	Sidian Bank Embu	A01007030001501	-	1,258
Rianjeru Secondary School	Sidian Bank Embu	A01007030001511	-	1,318
Makima Mixed Secondary School	Sidian Bank Embu	A01007030001611	-	249
Kanvonga Secondary School	Sidian Bank Embu	A01007030001641	-	1,406
Mayoni Secondary School	Sidian Bank Embu	A01007030001771	-	3,023
Gatirari Secondary School	Sidian Bank Embu	A01007030001801	-	1,846
Stephen Kisilu Sec Sch Admin Pmc	Sidian Bank Embu	A01007030002011	-	436
Mariani Mixed Day Secondary	Sidian Bank Embu	A01007030002121	-	1,259
Mutuohare Secondary School	Sidian Bank Embu	A01007030002141	-	114
St Barnabas Gitiirari Secondary Sch	Sidian Bank Embu	A01007030002331	-	20,764

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PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
St Claire Girls Secondary School	Sidian Bank Embu	A010070300002261	-	169
St Lukes School For The Deaf	Sidian Bank Embu	A010070300002201	-	2,154
Gachoka Youth Polytechnics-Cdf	Sidian Bank Embu	A010070300001121	-	1,948
Kamiu Day Secondary School	Sidian Bank Embu	A010070300000366	3,005	6,965
Mwanyani Secondary School Pmc	Sidian Bank Embu	A010070300001011	388,487	1,614
Kangungi Secondary School	Sidian Bank Embu	A010070300001361	5,156	9,116
Mbondoni Sec School	Sidian Bank Embu	A010070300001901	64,108	68,068
Mariani Polytechnic Pmc A/C	Sidian Bank Embu	A010070200004071	7,910	-
Health				
Mulukusi Dispensary	Sidian Bank Embu	A010070300001351	-	528
Kamunyangye Dispensary	Sidian Bank Embu	A010070300001471	-	1,538
Gachurini Dispensary	Sidian Bank Embu	A010070300002211	-	3,564
Niharawe Dispensary	Sidian Bank Embu	A010070300002131	143,089	147,049
Niharawe Dispensary Pmc A/C	Sidian Bank Embu	A010070200004061	7,910	-
Roads				
Gateji-Mashamba Road Pmc A/C	Sidian Bank Embu	A010070200004171	3,798,703	-
Wango-Riakanau Road Pmc A/C	Sidian Bank Embu	A010070200004191	414,105	-
Sports				
Gachoka Division Sports (Pmc)	Sidian Bank Embu	A010070300002061	5,478	9,438
Total			4,928,004	363,136

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ANNEX 5 - RECEIVABLE FROM THE BOARD

Name	Brief Transaction Description	Original Amount
Amounts due to other Government entities		a
A.J.C Wango Primary School	Renovation 4 classroom including plastering, flooring and shutting	500,000
Consolata Kilia Primary School	Construction of a classroom to completion	750,000
Gatete Primary School	Completion of 3 classroom including plastering and flooring	400,000
Gitaraka Primary School	Construction of 8 door toilets to completion	350,000
Gwakarigu Primary School	Construction of a classroom to completion	750,000
Iran Primary School	Construction of a classroom to completion	750,000
J.J.M Nyaga Primary School	Completion of an administration block including shutting, plastering and flooring	300,000
Kamaunju Primary School	Construction of a classroom to completion	750,000
Kamakunga Primary School	Renovation of 4 classrooms including plastering and flooring	400,000
Kamunyange Primary School	Construction of 8 door toilets to completion	350,000
Kamweli Primary School	Renovation of 4 classrooms including plastering and flooring	500,000
Kamweyendei Primary School	Construction of 8 door toilets to completion	350,000
Karaba Primary School	Construction of 8 door toilets to completion	350,000
Karuki Primary School	Construction of an administration block up to lintel level.	750,000
Kitololoni Primary School	Completion of 3 classroom including plastering and flooring	550,000
Koma Primary School	Renovation of 4 classrooms including plastering and flooring	400,000
Machang'a Primary School	Construction of 8 door toilets to completion	350,000
Makawani Primary School	Construction of a classroom to completion	750,000
Makutano Primary School	Construction of a dormitory to lintel level	900,000
Mulukusi Primary School	Construction of 8 door toilets to completion	350,000
Munyon Primary School	Construction of 8 door toilets to completion	350,000
Murthithi Primary School	Construction of a classroom to completion	750,000
Ruri Primary School	Construction of a classroom to completion	750,000
Rwethe Primary School	Construction of 8 door toilets to completion	350,000
S. A. Gategi Primary School	Construction of special toilets for the disabled wing	400,000
St. Joseph Primary School	Completion of classroom from window level to completion	500,000
Gaturani Secondary School	Construction of 8 door toilets to completion	350,000

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Name	Brief Transaction Description	Original Amount
Kabururi Secondary School	Completion of 4 classrooms including plastering and flooring	650,000
Kerwa Secondary School	Equipping of the Laboratory including installation of the gas system	500,000
Malikini Secondary School	Completion of dormitory including partitioning of the was rooms and plastering	300,000
Maviani Secondary School	Completion of a Laboratory including roofing, plastering and flooring	550,000
Mwanyani Secondary School	Installation of laboratory gas system	500,000
Niharawe Secondary School	Construction of a kitchen upto lintel level	500,000
Nihingini Secondary School	Construction of a classroom to completion	750,000
S.A Gategi Secondary School	Completion of a Laboratory including plastering and flooring	300,000
St Mary Gataka Secondary School	Construction of 8 door toilets to completion	350,000
Machang'a Primary School	Acquisition of a 10,000 litre water tank	100,000
Munyori Secondary School	Electrification- wiring of the whole school	300,000
Sub-Total		18,800,000
Amounts due to other grants and other transfers		
Emergency	To cater for any unforeseen occurrences	500,000
Karaba Assistant Chiefs Office	Construction of assistant chief's office	500,000
Gachuriri-Mashamba Road E628	4 Kms. Heavy bush clearing Kshs. 800,000.00, Heavy grading Kshs. 576,000.00 and Gravel patching Kshs. 1,443,548.00	2,099,548
Wango-Riakanau Road E625	7.2 Kms. Heavy bush clearing Kshs. 142,500.00, Heavy grading Kshs. 1,036,800.00 and Gravel patching Kshs. 1,200,000.00	1,963,898
Environment	Purchase and Planting of tree seedlings	684,827
Sub-Total		5,748,274
Others (specify)		
Employees Salaries	Payment of staff salaries	1,000,001
Committee Expenses	Payment of Committee sitting allowances	400,000
Sub-Total		1,400,001
Grand Total		25,948,275



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ANNEX 6- 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.

External audit Report Ref No.	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
EH/AUD/GACHO KA CDF/2014 -2015/14					
1.	Not including the progress report on audit issues raised for the qualified opinion in 2013/2014 to comply with IPSAS	Inclusion of audit opinion and findings now being incorporated to financial statements	FAM	Resolved	N/A
2.	Cash and cash equivalents as at 30/06/2015 included un reversed stale cheques totalling Kshs. 323,549.00	Stale cheques reversed and re written	FAM / DA	Resolved	N/A
3.	Statement of assets as at 30/06/2015 reflected a balance brought forward from 2013/2014 of Kshs. 24,777,940 which included an outstanding imprest balance of Kshs. 597,364.00	Outstanding imprest surrendered	FAM	Resolved	N/A
4.	Statement of assets to amend to incorporate the Kshs. 1,763,131 reflected in the financial statements as acquisition of assets	Asset register duly updated	FAM	Resolved	N/A
5.	Proper classification of training expense Kshs. 2,137,652 plus supporting documents for Kshs. 811,000 included there in and names of participating schools	Proper classification done	FAM	Resolved	N/A



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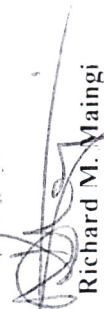
External audit Report Ref No. EH/AUD/GACHO KA CDF/2014-2015/14	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
6.	Variance of Kshs. 750,000 in the financial statements and the ledger in relation to transfers to secondary schools	Variance due to typing error	FAM	Resolved	N/A
7.	Prior year adjustments of Kshs. 368,05 in the statement of assets as at 30/06/2015	Related to office administration expenses	FAM	Resolved	N/A
8	i. Non utilization of the full budget for 2014/2015 financial year ii. 34 non started projects	Relates to receivables from the Board	NG-CDFC	Resolved	N/A

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ANNEX 7 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	2,000,000	2,000,000
Buildings and structures	21,763,131	21,763,131
Transport equipment	3,400,009	3,400,009
Office equipment, furniture and fittings	839,335	839,335
ICT Equipment, Software and Other ICT Assets	433,000	303,000
Other Machinery and Equipment	177,300	177,300
Heritage and cultural assets	N/A	N/A
Intangible assets	N/A	N/A
Total	28,612,775	28,482,775

Prepared by:


Richard M. Maingi
Fund Account Manager
Mbeere South

