

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

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THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
MOGOTIO CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017

*Paper laid out by
Lom on 18/10/18 (pm)*





NG-NGCDF

National Government Constituencies Development Fund
Mogotio Constituency
P.O Box 75-20105
Mogotio

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Email: mogotioNGCDF2015@gmail.com |

Website:

31ST July, 2017

Our ref: MNGCDF /HDBRD/2016-2017/001

THE CHIEF EXECUTIVE OFFICER,
NGCDF BOARD,
P.O.BOX.46682-00100
NAIROBI.



Dear Sir,

RE: FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2016/2017 FOR MOGOTIO NGCDF

The above subject refers.

Enclosed find the Financial Statements for Mogotio NGCDF for the year ending 2016/2017 for your action.

God bless you.

Yours faithfully,

George Kamau
Fund Account Manager
Mogotio NGCDF

FUND ACCOUNT MANAGER
MOGOTIO CONSTITUENCY DEV
FUND
P.O. Box 75-20105 MOGOTIO
Date..... Sign.....

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MOGOTIO
CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017**

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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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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-CDF) 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 *Mogotio National Government Constituency Development Fund* day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	George Kamau
3.	Accountant	Kennedy Alubi
4.		

(d) Fiduciary Oversight Arrangements

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

(e) Mogotio NGCDF Headquarters

P.O. Box 75-20105
Mogotio Sub-County Headquarters Compound
Kipsogon Road
Mogotio, KENYA

MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2017

(f) Mogotio NGCDF Contacts

Telephone: (254)715988808
E-mail: mogotioNGCDF2015@gmail.com
Website: www.ngcdf.go.ke

(g) Mogotio NGCDF Bankers

1. Equity Bank Limited
Eldama Ravine Branch
P.O. Box 75104
Eldama Ravine

Account: 1310262100064

(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

MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

For the year ended June 30, 2017

II. FORWARD BY THE CHAIRMAN-MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE.

INTRODUCTION

Mogotio Constituency is one of the six Constituencies in Baringo County. The other five Constituencies are Eldama Ravine, Baringo North, Baringo south, Baringo Central and Tiaty. The Constituency has 3 wards namely: Mogotio, Kisanana and Emining. Administratively the Constituency has 23 locations and 44 sub-locations. The Constituency is delineated IEBC 161. In the financial year 2016/2017, Mogotio Constituency was allocated kshs.81,896,552. The allocation was budgeted as follows:

Budgeted Activity	Amount
Compensation of employees	2,323,864
Use of goods and services	2,923,549
Committee expenses	2,073,277
Transfer to other government units	45,743,103
Other grants and transfers	28,782,759
Social security benefits	50,000
TOTAL	81,896,552

The average budget absorption rate stood at 99% which is excellent. The absorption rate was favourable as a result of prompt release of funds by NGCDF Board and the training done to NGCDF Committees and PMCs to sensitize them on the need for faster utilization of funds. The key areas of focus were as follows:

Sector specific allocations were as follows:

Primary school	Kshs .55,093,103.40	Bursary	Kshs.29,974,003.8
Secondary schools	Kshs.22,500,000	Water	Kshs .350,000
Health institutions	Kshs.800,000	Security	Kshs.5,550,000
Tertiary institutions	Kshs.500,000	Roads	Kshs..800,000
Agriculture	Kshs.250,000	Emergencies	Kshs.9,867,000
Environment	kshs.900,000		

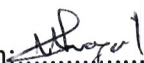
The allocation includes balances brought forward from the previous year of Kshs.56,617,727.80. From this analysis, it is clear that education sector took the largest percentage at 48%. This is in line with the mandate of NGCDF to focus on National Government functions. The Mogotio NGCDF will continue to support infrastructure development in the education sector and security being the major functions of National Government.

As we continue implementing NGCDF projects there are a number of emerging issues and challenges. Key among them are:

- a) The case of ongoing projects in the sectors that have been devolved
- b) Uncertainty brought about by unending court cases
- c) The relationship between the two levels of government
- d) Insufficient funds and politics

Way forward

There is need to increase the NGCDF funding to address more needs and build capacity of implementing agencies. The NGCDF will continue to engage all stakeholders in the implementation of projects.

Sign: 
Chairman, Mogotio NGCDF

Date: 31-07-2017

FUND ACCOUNT MANAGER
MOGOTIO CONSTITUENCY DEVELOPMENT FUND
P.O. Box 75-20105 MOGOTIO
Date:

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MOGOTIO
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

II. STATEMENT OF NGCDF 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 NGCDF shall prepare financial statements in respect of that NGCDF. 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 *Mogotio NGCDF* is responsible for the preparation and presentation of the *NGCDF's* financial statements, which give a true and fair view of the state of affairs of the *NGCDF* 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 *NGCDF*; (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 *NGCDF*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

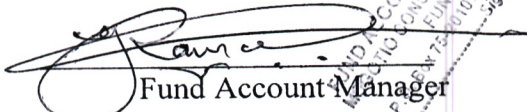
The Accounting Officer in charge of the *Mogotio NGCDF* accepts responsibility for the *NGCDF's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *NGCDF's* financial statements give a true and fair view of the state of *NGCDF's* transactions during the financial year ended June 30, 2017, and of the *NGCDF's* financial position as at that date. The Accounting Officer charge of *Mogotio NGCDF* further confirms the completeness of the accounting records maintained for the *NGCDF*, which have been relied upon in the preparation of the *NGCDF's* financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the *Mogotio NGCDF* confirms that the *NGCDF* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the *NGCDF'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 *NGCDF'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 *Mogotio NGCDF's* financial statements were approved and signed by the Accounting Officer on 31st July 2017.


Mogotio NGCDFC Chairman


Fund Account Manager

Stamp: NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - MOGOTIO CONSTITUENCY
ACCOUNTING OFFICER
31/07/2017

REPUBLIC OF KENYA

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NAIROBI



OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Mogotio Constituency set out on pages 6 to 24, which comprise the statement of assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts 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 and Section 11 of the National Government Constituency Development 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 - Mogotio Constituency as at June 30, 2017, and (of) its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with National Government Constituencies Development Fund Act, 2015

In addition, as required by Article 229 (6) of the Constitution, based on the procedures performed, I confirm that, nothing 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. Non acknowledgement of Bursary

An expenditure of Kshs.44,321,003.80 was incurred on other grants and other payments during the period under review. Out of this amount, an expenditure of Kshs.29,919,503.80 was incurred on bursary to Secondary Schools and Tertiary Institutions. However, out of the total funds disbursed, only Kshs.1,553,844 had been acknowledged leaving a balance of Kshs.28,365,659.80 unaccounted for.

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

In the circumstances, it was not possible to confirm the disbursed funds reached the intended beneficiaries.

2. Stalled Projects

A review of project implementation status report as at 30 June 2017 revealed seventeen projects relating to 2015/2016 financial year valued at Kshs.9,650,000 were incomplete as at that date and it was also noted that no funding had been provided for their completion during the year under review (2016/2017). Consequently, the projects have stalled and no explanation was given for failure to fund the projects to completion as required by NGCDF Act, 2015.

3. Irregular Expenditure

During the year under review, the Constituency Development Fund Committee (CDFC) funded ongoing projects at a cost of Kshs.2,000,000 from emergency reserve. This was contrary section 8 (3) of the NGCDF Act, 2015 which requires funding from the emergency reserve be of an urgent, unforeseen need for expenditure which in the opinion of the committee cannot be delayed until the next financial year without harming the public interest of the constituents.

No explanation was given for irregular funding of the projects from emergency reserve.

4. Failure to File Project Returns

Examination of the project files revealed that no summaries of project expenditure returns had been made for reconciling funds disbursed with the supporting documents. In this regard, it was observed that Project Management Committees for various projects did not submit expenditure returns totaling Kshs.4,251,724.50.

In the circumstances, it was not possible to ascertain whether the expenditure incurred was a proper charge to public funds.

5. Unaccounted for Expenditure

Kabuswo Cattle Dip Project Management Committee was allocated Kshs.150,000 through payment voucher no.109, and cheque no.2560 dated 26 July 2016 for purchase of 2 acres of land for construction of a cattle dip. However, the following anomalies were noted:

- i. The project was not funded to completion since the total estimate was Kshs.450,000 and only Kshs.150,000 had been disbursed.
- ii. No sale agreement between the land vendor and Kabuswo cattle dip Project Management Committee was produced for audit and it was therefore not possible to ascertain whether the land had been identified and paid for
- iii. No expenditure returns or bank statements were produced for audit examination and it was therefore not possible to establish whether the amount had been spent or not.

In the circumstances, the propriety of the expenditure could not be confirmed

6. Lack of Risk Management Policy

During the period under review, the Mogotio NG-CDFC did not have in place a customized Risk Management Policy as required by Treasury circular No. 3/2009 of 23 February 2009 and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks such as:

- Assessing the likelihood or occurrence of risks.
- Estimating the significance of risks.
- Identifying business risks relevant to financial reporting objectives.
- Deciding about actions to address those risks.

No explanation was given for failure to have a risk management policy in place.

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

Key audit matters are those 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 section, I have determined that there were no Key Audit Matters to communicate in my report.

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 Cash Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Fund 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 of Kenya. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement 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.

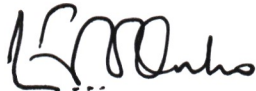
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- 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 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 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


15 August 2018

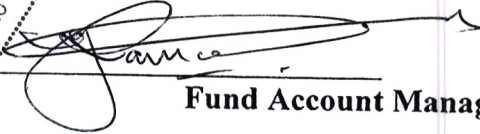
MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2017

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017	2015-2016
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	82,158,620	99,252,235
Proceeds from Sale of Assets	2		-
Other Receipts	3	153,000	-
TOTAL RECEIPTS			99,252,235
PAYMENTS			
Compensation of employees	4	1,957,232	1,847,405
Use of goods and services	5	8,142,213	3,133,228
Committee Expenses	6	2,347,000	3,284,096
Transfers to Other Government Units	7	78,393,103	34,900,000
Other grants and transfers	8	47,691,004	24,750,134
Social Security Benefits	9	49,600	48,000
Acquisition of Assets	10	-	
Other Payments	11	-	
TOTAL PAYMENTS		138,580,152	67,962,863
SURPLUS/DEFICIT		(56,268,532)	31,289,372

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MOGOTIO NGCDF financial statements were approved on 31st July 2017 and signed by:


Chairman –Mogotio NG CDFC


Fund Account Manager

FUND ACCOUNT MANAGER
MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
P.O. Box 15-30105 MOGOTIO
Date:

MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND


Reports and Financial Statements

For the year ended June 30, 2017

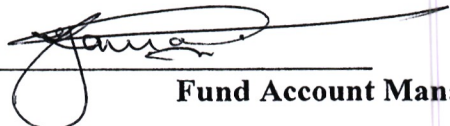
V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2016-2017	2015-2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	349,196	56,617,728
Cash Balances (cash at hand)	12B	-	-
Outstanding Imprests	12C	-	-
TOTAL FINANCIAL ASSETS		349,196	56,617,728
REPRESENTED BY			
Fund balance b/fwd 1st July 2015	13	56,617,728	25,328,356
Surplus/Deficit for the year		(56,268,532)	31,289,372
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		349,196	56,617,728

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MOGOTIO NGCDF financial statements were approved on 31st July 2017 and signed by:



Chairman – Mogotio NGCDFC



Fund Account Manager

MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND

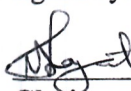
Reports and Financial Statements


For the year ended June 30, 2017

VI. STATEMENT OF CASHFLOW

Receipts for operating income		2016-2017	2015-2016
		Kshs	
Transfers from CDF Board	1	82,158,620	99,252,235
Other Receipts	3	153,000	-
Total		82,311,620	99,252,235
Payments for operating expenses			
Compensation of Employees	4	1,957,232	1,847,405
Use of goods and services	5	8,142,213	3,133,228
Committee Expenses	6	2,347,000	3,284,096
Transfers to Other Government Units	7	78,393,103	34,900,000
Other grants and transfers	8	47,691,004	24,750,134
Social Security Benefits	9	49,600	48,000
Acquisition Assets	10	-	-
Other Payments	11	-	-
		-	-
Adjusted for:			
Adjustments during the year		-	-
Net cash flow from operating activities		(56,268,532)	31,289,372
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(56,268,532)	31,289,372
Cash and cash equivalent at BEGINNING of the year	13	56,617,728	25,328,356
Cash and cash equivalent at END of the year		349,196	56,617,728

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MOGOTIO NGCDF financial statements were approved on 31st July 2017 and signed by:


 Chairman Mogotio NGCDFC


 Fund Account Manager

MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
 MOGOTIO NGCDFC
 P.O. BOX 20105 MOGOTIO
 DISTRICT OF UTAHARA
 UTAHARA COUNTY

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	81,896,552	58,017,728	139,914,280	138,776,348	1,137,932	99
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts from year 2014- 2015	-	153,000	153,000	153,000	-	100.00
TOTAL	81,896,552	58,170,728	140,067,280	138,929,348	1,137,932	
PAYMENTS						
Compensation of Employees	2,323,864	699,200	3,023,064	1,957,232	1,065,832	65
Use of goods and services	2,923,549	2,455,304	5,378,853	8,142,213	(2,763,360)	151
Committee Expenses	2,073,277	2,172,337	4,245,614	2,347,000	1,898,614	55
Transfers to Other Government Units	45,743,103	36,050,000	81,793,103	78,393,103	3,400,000	96
Other grants and transfers	28,782,759	16,743,887	45,526,646	47,691,004	(2,164,358)	105
Social Security Benefits	50,000	50,000	100,000	49,600	50,400	50
Acquisition of Assets	-	-	-	-	-	0
Other Payments - audit	-	-	-	-	-	0
TOTALS	81,896,552	58,170,728	140,067,280	138,580,152	1,487,128	99

The MOGOTIO NNGCDEF financial statements were approved on 31st July 2017 and signed by:



Chairman Mogotio NGCDEF



Fund Account Manager

ACCOUNT MANAGER
 FUND ACCOUNTING
 MOGOTIO NGCDEF

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 *NGCDF* and all values are rounded to the nearest shilling. 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 *NGCDF*.

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the *NGCDF* 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 *NGCDF* 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.

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 *NGCDF* 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 *NGCDF*'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 *NGCDF*'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 July 30, 2017.

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY
Reports and Financial Statements
For the year ended July 30, 2017

IX. NOTES TO THE FINANCIAL STATEMENTS

1.1.1.1.1.1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2016-2017	2015-2016
	Kshs	Kshs
AIE NO.A855171	36,853,449.00	20,000,000
AIE NO.A855714	39,810,344.10	30,000,000
AIE NO.A820619	200,000.00	49,252,235
AIE NO.A796442	1,200,000	
AIE NO.A825803	4,094,827.00	
TOTAL	82,158,620.10	99,252,235

1.1.1.1.1.1.2 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	xxx	xx
Receipts from sale of office and general equipment	xxx	xx
Receipts from the Sale Plant Machinery and Equipment	xxx	xx
Total	xxx	xx

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.3 OTHER RECEIPTS

	2016-2017	2015-2016
	Kshs	Kshs
Interest Received		
Rents	xxx	xxx
Receipts from Sale of tender documents	xxx	xxx
Other Receipts from NGCDF tractor services	xxx	xxx
	153,000.00	0
Total	153,000.00	00

1.1.1.1.1.1.4 COMPENSATION OF EMPLOYEES

	2016-2017	2015-2016
	Kshs	Kshs
Basic wages of contractual employees	1,957,232.00	1,847,405
Basic wages of casual labour		
Personal allowances paid as part of salary	xxx	xxx
House allowance		
Transport allowance	xxx	xxx
Leave allowance	xxx	xxx
Gratuity	xxx	xxx
Other personnel payments	xxx	xxx
Total	1,957,232.00	1,847,40

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY
Reports and Financial Statements
For the year ended July 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.5 USE OF GOODS AND SERVICES

	2016-2017	2015-2016
	Kshs	Kshs
Utilities, supplies and services	120,000.00	39,700
Communication, supplies and services	470,000.00	189,620
Domestic travel and subsistence	90,900.00	595,600
Printing, advertising and information supplies & services	907,626.00	611,300
Rentals of produced assets	0	0
Training expenses	775,000	0
Hospitality supplies and services	240,000.00	116,266
Fuel,oil & lubricants	800,000.00	0
Specialized materials and services	0	34,310
Office and general supplies and services	1,609,820.00	608,208
Other operating expenses	2,143,685.00	554,482
Routine maintenance – vehicles and other transport equipment	905,376.00	84,350
Routine maintenance – other assets	0	13,889
Computer accessories	79,806.00	160,500
Total	8,142,213.00	3,133,228

1.1.1.1.1.1.6 COMMITTEE EXPENSES

	2016-2017	2015-2016
	Kshs	Kshs
Committee allowances		3,284,096
Committee expenses	2,347,000.00	0
Total	2,347,000.00	3,284,09

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY
Reports and Financial Statements
for the year ended July 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.7 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016-2017	2015-2016
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	xx	xx
Transfers to secondary schools (see attached list)	55,093,103.40	12,950,000
Transfers to tertiary institutions (see attached list)	22,500,000.00	21,150,000
Transfers to health institutions (see attached list)	0	500,000
TOTAL	800,000.00	300,000
	78,393,103.40	34,900,000

1.1.1.1.1.1.8 OTHER GRANTS AND OTHER PAYMENTS

	2016-2017	2015-2016
	Kshs	Kshs
Bursary – secondary schools (see attached list)	19,632,826.90	12,046,063
Bursary – tertiary institutions (see attached list)	10,286,676.90	Xxx
Bursary – special schools (see attached list)	54,500.00	Xxx
Mock & CAT (see attached list)	Xxx	Xx
Water projects (see attached list)	350,000.00	4,525,000
Agriculture projects (see attached list)	250,000.00	243,071
Electricity projects (see attached list)	Xxx	Xx
Security projects (see attached list)	5,550,000.00	Xxx
Roads projects (see attached list)	800,000.00	800,000
Sports projects (see attached list)	-	1,876,000
Environment projects (see attached list)	900,000.00	800,000
Emergency projects (see attached list)	9,867,000.00	4,460,000
Other grants		
Total	47,691,003.80	24,750,134

1.1.1.1.1.1.9 SOCIAL SECURITY BENEFITS

	2016-2017	2015-2016
	Kshs	Kshs
Employer contribution to NSSF	49,600.00	48,000
Total	49,600.00	48,000

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY
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For the year ended July 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.10 ACQUISITION OF ASSETS

Non -Financial Assets

	2016-2017	2015-2016
	Kshs	Kshs
Purchase of Buildings	XX	XX
Construction of Buildings	XX	XX
Refurbishment of Buildings	XX	XX
Purchase of Vehicles and Other Transport Equipment	XX	XX
Overhaul of Vehicles and Other Transport Equipment	XX	XX
Purchase of Household Furniture and Institutional Equipment	XX	XX
Purchase of Office Furniture and General Equipment	XX	XX
Purchase of ICT Equipment, Software and Other ICT Assets	XX	XX
Purchase of Specialised Plant, Equipment and Machinery	XX	XX
Rehabilitation and Renovation of Plant, Machinery and Equip.	XX	XX
Acquisition of Land	XX	XX
Acquisition of Intangible Assets	XX	XX
Total	XX	XXX

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY
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For the year ended July 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.1.11 OTHER PAYMENTS

specify 2016-2017
Kshs 2015-2016
Kshs

xxx xxx

12A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016-2017	2015 -2016
	Kshs	Kshs
<i>Equity Bank limited, Account No.1310262100064</i>	349,196.30	56,617,728
<i>Name of Bank, Account No.</i>		
Total	349,196.30	56,617,728

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B: CASH IN HAND

	2016-2017	2015-2016
	Kshs	Kshs
Location 1	xxx	xxx
Location 2	xxx	xxx
Location 3	xxx	xxx
Other Locations (<i>specify</i>)	xxx	xxx
Total	xxx	xxx

[Provide cash count certificates for each]

12C: 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>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
Total				xxx

[Include an annex of the list is longer than 1 page.]

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY**Reports and Financial Statements****For the year ended July 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***13. BALANCES BROUGHT FORWARD**

	2016-2017	2015-2016
	Kshs	Kshs
1. <i>Equity Bank limited,</i> <i>Account No.1310262100064</i>	56,617,727.80	25,328,356
Cash in hand	xxx	-
Imprest	xxx	-
Total	56,617,727.80	25,328,356
<i>[Provide short appropriate explanations as necessary]</i>		

14. PRIOR YEAR ADJUSTMENTS

	2016-2017	2015-2016
	Kshs	Kshs
Bank accounts	xxx	
Cash in hand	xxx	
Imprest	xxx	
Total		

CONSTITUENCIES DEVELOPMENT FUND – MOGOTIO CONSTITUENCY
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15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016-2017	2015-2016
	Kshs	Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	xxx	xxx

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	xxx	xxx
Middle management	xxx	xxx
Unionisable employees	xxx	xxx
Others (<i>specify</i>)	xxx	xxx
	xxx	xxx

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	xxx	xxx
Amounts due to other grants and other transfers (see attached list)	xxx	xxx
Others (<i>specify</i>)	xxx	xxx
	xxx	xxx

15.4 PMC account balances (see Annex 5)

	Kshs	Kshs
PMC account balance (see attached list)	11,631,874.01	-
	11,631,874.01	-

MOGOTIO CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements
For the year ended July 30, 2017

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	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						

MOGOTIO CONSTITUENCY DEVELOPMENT FUND

**Reports and Financial Statements
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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 2015	Outstanding Balance 2014	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						

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
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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 2015	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities							
1.							
2.							
3.							
	Sub-Total						
Amounts due to other grants and other transfers							
4.							
5.							
6.							
	Sub-Total						
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total						

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/2017	Historical Cost (Kshs) 2015/2016
Land		
Buildings and structures	6,300,000	6,300,000
Transport equipment	14,450,646	14,450,646
Office equipment, furniture and fittings	988,760	988,760
ICT Equipment, Software and Other ICT Assets	162,799	162,799
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
Total	21,902,205	21,902,205

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
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For the year ended June 30, 2014 (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 / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>3.0 Statements of Receipts and Expenditure</p> <p>3.1 Receipts</p>	<p>The statement of Receipt and Payments for the previous year 2013/2014 reflected a surplus of kshs.36,962,536. This implies that there were unspent funds of the same amount to carry forward to the subsequent Financial Year 2014/2015. Apparently the management of mogotio CDF did not provide evidence of new proposals to the CDF Board to utilize the unspent funds as required by the CDF act 2013. Further, the amount was not incorporated as a balance brought</p>	<p>The National Government Constituencies Development Fund Act 2015, section 27, 28 and 29 explain the process of identification and submission of project proposals to the CDF Board for approval and funding. Section 39 (2) gives the manner in which the funds are disbursed by the Board to the Constituencies.</p> <p>The amount indicated as surplus of Ksh.36, 962,536 were meant for approved projects of which the Board had delayed</p>	<p>George kamau Fund account Manager</p>	<p>Resolved</p>	

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	forward in the statement of receipts and payments for the financial year 2014/2015	<p>disbursement of Funds to the Constituency.</p> <p>The Financial Year 2013/2014 and 2014/2015 funding were therefore overlapping in the sense that Funds meant for FY2013/2014 were expended in the FY 2014/2015.</p> <p>The projects under which an amount of Kshs. 36,962,536 relate to have been provided and of which funds were expended in the FY2014/2015.</p> <p>The funds remained unspent as a result of delays occasioned by the CDF Board in disbursement of the funds. The Board forbids</p>			

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>reallocation of funds in the manner recommended without a proper reason. The affected project committees were advised through public barazas to wait for their funds and reallocating funds would have caused a lot of disquiet in the Constituency. The unspent funds of kshs 36,962,536 in the FY 2013/2014 therefore were spent on approved projects without any irregularity.</p>			
4.0 Inaccuracies in the Financial	4.0 Inaccuracies in the Financial Statements Criteria	The necessary adjustments have been effected and submitted for your review	George kamau Fund account Manager	Resolved	

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	State- ments Criteria				
5.	Unvouch- ed Expendi- ture - 3, 320, 000.00	5. Unvouch- ed Expendi- ture - 3, 320, 000.00	The following payment vouchers are hereby availed to you for audit purposes. The payment vouchers were not availed during the time of the audit by the Sub-county Treasury as a result of filing challenges occasioned by inadequate staffing.	Resolved	
6.0	State- ment of Financia	However, the relevant cashbook, bank statement and bank reconciliation statements for the transactions for the period July 2014 to June 2015 were not	George kamau Fund account Manager	Resolved	

MOGOTIO CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>I Assets 6.1 Cash and Cash Equivalent</p>	<p>provided for audit review.</p>	<p>to Equity Bank Ltd – Eldama Ravine. This was allowed vide letter referenced: CDF BOARD/MOGOTIO/VOL1 (08).The Account could not be closed immediately because of some unpresented cheques already in the hands of beneficiaries/ payees. The balances in the Cooperative Bank Ltd Account Number 0114119311900 were transferred to Equity Bank Account number 1310262100064 on 25th March 2015. A sum of Ksh. 4,237,136.80 was transferred to the new CDF</p>			

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>Account with Equity Bank Ltd (EFT form attached). I have attached the Bank Statement for Equity Bank account for the month of April 2015 Showing the deposit.</p> <p>The Bank reconciliation statements for Account 01141193119000 for the period July 2014 to June 2015 have also been provided for your review.</p>			
6.2 Failure to Prepare Bank Reconcil	6.2 Failure to Prepare Bank Reconciliation Statements	Failure to prepare the two monthly Reconciliation Statements was as a result of inadequate staffing at the Sub-county Treasury. The Sub-county Treasury had only two	George kamau Fund account Manager	Resolved	

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
iation Statements		<p>staff members who were overwhelmed by the volume of work. The CDF office has tried to address these challenges by releasing the CDF staff to assist in carrying out clerical work at the Sub-county Treasury in order to release the Sub-county Treasury staff to do more technical work including the preparation of the Bank Reconciliation Statement.</p> <p>This office undertakes to ensure that the monthly Bank Reconciliation Statements are prepared earnestly and promptly to minimize control risks.</p> <p>The Bank Reconciliation Statement for the months of</p>			

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
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For the year ended June 30, 2014 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
6.3 stale cheques - Kshs. 996,240.00	6.3 stale cheques - Kshs. 996,240.00	<p>July 2014 and August 2014 and the Cash book have been prepared and submitted for your review.</p> <p>Your audit team should expect to see marked improvement in this area.</p>			
6.3 stale cheques - Kshs. 996,240.00	6.3 stale cheques - Kshs. 996,240.00	<p>Mogotio CDF does not maintain a bank Account No. 1146690452, however this office admits that indeed there were stale cheques amounting to kshs.996,240 for account no.1310262100064.The cheques were released to the beneficiaries/payees who failed to present them to the bank on time. The cheques went stale</p>	George kamau Fund account Manager	Resolved	

MOGOTIO CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>during the period in which the CDF Committees term had lapsed thus rendering it difficult to initiate the process of cancelling the cheques and writing back the cheques to the cashbook which starts with a minute resolution. With the formation and gazettelement of the Mogotio NGCDF Committee, the process will be hastened and the situation rectified.</p>			

MOGOTIO CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>7.0 Acquisition of Assets.</p> <p>Procurement irregularities in acquisition of motor vehicles - kshs. 15,133,286</p>	<p>Failure to adhere procurements rules</p> <p>The Mogotio CDF Committee did not contravene any law while funding the mentioned projects. The necessary documentation from the CDF Board approving the five projects have been provided for your review. The Mogotio CDF Committee will strive to ensure that all projects funded are approved and that there is adherence to the law as it continues to implement the CDF programme</p>	George kamau Fund account Manager	Resolved	
8. Unapproved		The Mogotio CDF Committee did not contravene any law while funding the mentioned	George kamau Fund account Manager		

MOGOTIO CONSTITUENCY DEVELOPMENT FUND

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For the year ended June 30, 2014 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Expenditure on Projects - Kshs.5,6 86,759. 00		projects. The necessary documentation from the CDF Board approving the five projects have been provided for your review. The Mogotio CDF Committee will strive to ensure that all projects funded are approved and that there is adherence to the law as it continues to implement the CDF programme.			

MOGOTIO CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)



**MOGOTIO NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT
FUND**

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)

