

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

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REPORT

OF

*Paper laid by Lome
on 18/10/18 (pm)*

THE AUDITOR-GENERAL

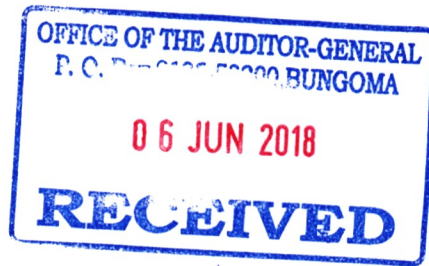
ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
WEBUYE EAST CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2017**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
WEBUYE EAST CONSTITUENCY**

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



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
WEBUYE EAST CONSTITUENCY**

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- WEBUYE EAST
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WEBUYE EAST CONSTITUENCY

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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

- i. Constituencies Development Fund Board (NGCDFB)
- ii. NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC)

c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	George Shibanda
3.	Accountant	Samuel Motari

d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of Webuye East Constituency. 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) WEBUYE EASTNGCDF Headquarters

NGCDF Office Building.
P.O Box 404-50205
Webuye



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WEBUYE EAST
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

f) WEBUYE EASTNGCDF Contacts

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E-mail: webuyeeast@NGCDF.go.ke
Website: www.webuyeeast.go.ke

g) WEBUYE EASTNG-CDF Bankers

Kenya Commercial Bank
P.O Box 332
WEBUYE

h) Independent Auditors

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

i) Principal Legal Adviser

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



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WEBUYE EAST
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**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NG-CDFC)**

The NGCDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The constituency was allocated Ksh 81,896,551 in the financial year 2016/2017. Education programmes were allocated Ksh 39,216,144 which 47.8% of the entire budget followed by Bursary schemes at Ksh 20,474,138 or 25% of the total budget. The NG-CDF has improved the Education and Security infrastructures of Webuye East. Literacy levels have gone up as a result of bursary disbursement. Other sectors under consideration included, security, and environment and office.

The constituency successfully completed the CDF office and a total of 120 classrooms which has enhanced learning in various institutions in the constituency. Several students were awarded bursary. However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approval of proposals and reallocations

The NG-CDFCs wish that the issues of having the project on going for more than 2years be stopped and the NG-CDF board to reduce the rate of staff turnovers in Constituencies i.e. FAM transfers. There was involvement of the public in project Identification which increased project ownership. This will be enhanced in the next financial year in order to achieve more citizen ownership.

Sign 

CHAIRMAN NG-CDFC



REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- WEBUYE EAST 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 -Webuye East Constituency set out on pages 7 to 19, which comprise the statement of financial assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 Webuye East Constituency Development Fund as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229(6) of the Constitution, except for the matters 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

Unsupported Land Acquisition

Included under transfer to other government entities figure of Kshs.39,216,144 is an amount of Kshs.1,100,000 in respect of acquisition of two (2) acres of land for a primary school in the constituency. However, the title deed of the acquired land was not availed for audit verification.

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

In the circumstances, it was not possible to confirm ownership by National Government Constituencies Development Fund -Webuye East Constituency of the land purchased and as a result, the propriety of the expenditure of Kshs.1,100,000 incurred on the purchase cannot be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund- Webuye East 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 section, I have determined that there are no other Key Audit Matters to communicate in my report.

Other Matter

1. Budgetary Control and Performance

During the year under review, the Fund in aggregate spent Kshs.84,755,732 against a budgeted amount of Kshs.85,313,641 resulting to an under-absorption of Kshs.557,909 or 1% of the budget as highlighted below:

Receipt/Expense Item	Final Budget Kshs.	Actual on Comparable Basis Kshs.	Budget Utilisation Difference Kshs.	% of Utilisation
Receipt	85,313,643	85,313,643	-	100%
Payments				
Compensation of Employees	3,283,251	3,082,374	200,877	93.90%
Use of goods and services	5,122,584	5,080,439	42,145	99.20%
Transfers to Other Government Units	39,216,144	39,216,144	-	100%
Other grants and transfers	26,568,965	26,254,078	314,887	98.80%
Acquisition of Assets	11,122,697	11,122,697	-	100%
Total	85,313,641	84,755,732	557,909	99.40%

Therefore the level of absorption for the year under review was satisfactory.

2. Project Implementation Status

The CDF was to implement a total of 38 projects through various Project Management Committees (PMCs) during the financial year under review. Further analysis indicates that 12 or 32% of the projects were ongoing while 26 or 68% of the projects had been completed as at the time of audit as highlighted below:

	Sector	Total Project Cost Kshs.	Ongoing	Completed	Total	% of Complete Projects
1	Education	40,994,334	12	17	29	59%
2	Bursary	20,474,138	-	1	1	100%
4	Security	1,500,000	-	1	1	100%
5	Environment	150,000	-	1	1	100%
6	CDF Offices	8,200,000	-	1	1	100%
7	Sports	500,000	-	1	1	100%
8	Emergency	4,094,828	-	2	2	100%
9	M&E	1,000,000	-	1	1	100%
10	Administration	4,983,251	-	1	1	100%
	Total	81,896,551	12	26	38	68%
	%		32%	68%		

Consequently, the Fund did not achieve its project completion targets during the year under review and could therefore not fully provide its constituents with all the services planned and budgeted for the year..

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 as a going concern and sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management is aware of the intention to either liquidate the Fund or cease its operations.

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

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

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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.

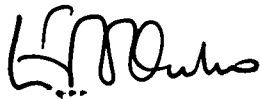
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 NG-CDF's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and 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

11 July 2018

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WEBUYE EAST
CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

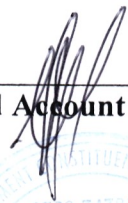
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017	2015-2016
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	81,896,551	118,517,370
Other receipt		116,000	
TOTAL RECEIPTS		82,012,551	118,517,370
PAYMENTS			
Compensation of employees	2	3,082,374	1,582,454
Use of goods and services	3	5,080,439	9,421,749
Transfers to Other Government Units	4	39,216,144	85,203,146
Other grants and transfers	5	26,254,078	13,319,024
Acquisition of Assets	6	11,122,697	24,132,668
TOTAL PAYMENTS		84,755,732	133,659,041
DEFICIT		(2,743,181)	(15,141,671)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Webuye East NGCDF financial statements were approved on 27-7-2017 and signed by:



Chairman - NGCDFC


Fund Account Manager




NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WEBUYE EAST
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For the year ended June 30, 2017

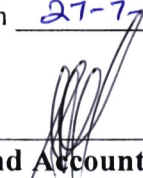
V. STATEMENT OF ASSETS

	Note	2016-2017	2015-2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	7	557,909	3,301,092
TOTAL FINANCIAL ASSETS		557,909	3,301,092
REPRESENTED BY			
Fund balance b/fwd 1st July 2016	8	3,301,092	18,442,763
Deficit for the year		-2,743,181	-15,141,671
NET LIABILITIES		557,909	3,301,092

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Webuye East NG-CDF financial statements were approved on 27-7-2017 and signed by:



Chairman - NGCDFC



Fund Account Manager



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WEBUYE EAST
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VI. STATEMENT OF CASHFLOW

Receipts for operating income		2016-2017	2015-2016
Transfers from CDF Board	1	81,896,551	118,517,370
Other receipt		116,000	
Total		82,012,551	118,517,370
Payments for operating expenses			
Compensation of Employees	2	3,082,374	1,582,454
Use of goods and services	3	5,080,439	9,421,749
Transfers to Other Government Units	4	39,216,144	85,203,146
Other grants and transfers	5	26,254,078	13,319,024
Total		73,633,035	109,526,373
Net cash flow from operating activities		8,379,516	8,990,997
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	6	11,122,697	(24,132,668)
Net cash flows from Investing Activities		11,122,697	(24,132,668)
NET INCREASE IN CASH AND CASH EQUIVALENT		(2,743,181)	(15,141,671)
Cash and cash equivalent at BEGINNING of the year	8	3,301,092	18,442,763
Cash and cash equivalent at END of the year		557,909	3,301,092

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Webuye East NGCDF financial statements were approved on 27-7-2017 and signed by:


Chairman NGCDF


Fund Account Manager



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
WEBUYE EAST CONSTITUENCY**

Reports and Financial Statements

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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 Utilisati
	a	b	c=a+b	d	e=c-d	f=d/c%
RECEIPTS						
Transfers from CDF Board	81,896,551	3,301,092	85,197,643	85,197,643	-	100.00
Other receipt	-	116,000	116,000	116,000	-	100.00
TOTAL	81,896,551	3,301,092	85,313,643	85,313,643	-	100.00
PAYMENTS						
Compensation of Employees	3,283,251	-	3,283,251	3,082,374	200,877	93.90%
Use of goods and services	3,478,189	1,644,395	5,122,584	5,080,439	42,145	99.20%
Transfers to Other Government Units	38,716,144	500,000	39,216,144	39,216,144	-	100%
Other grants and transfers	26,568,965	-	26,568,965	26,254,078	314,887	98.80%
Acquisition of Assets	9,850,000	1,272,697	11,122,697	11,122,697	-	100%
TOTAL	81,896,551	3,417,092	85,313,643	84,755,732	557,908	99.40%

The WEBUYE EAST NGCDF financial statements were approved on 27-7-2017 and signed by:

[Handwritten Signature]

Chairman NGCDF

[Handwritten Signature]

Fund Account Manager



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WEBUYE EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

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

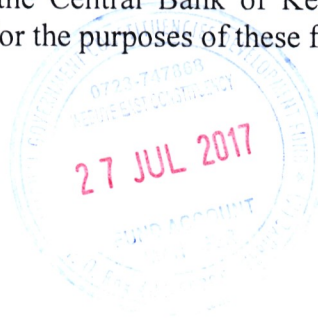
The NGCDF recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the NGCDF. In addition, the NGCDF recognises all expenses when the event occurs and the related cash has actually been paid out by the NGCDF.

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,



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WEBUYE EAST CONSTITUENCY

Reports and Financial Statements

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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.

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 June 30, 2017.



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
WEBUYE EAST 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 Kshs	2015 - 2016 Kshs
Normal allocation		
A796236	-	10,000,000
A 796269	-	10,000,000
A 796467	-	20,000,000
A 724219	-	24,000,000
A820724	-	27,000,000
A825559	-	27,517,370
A855110	36,853,449	-
A855572	35,128,817	-
A839534	4,094,828	-
A839720	5,819,457	-
TOTAL	81,896,551	118,517,370

2. COMPENSATION OF EMPLOYEES

Description	2016-2017 Kshs	2015-2016 Kshs
Basic wages of contractual employees	2,336,054	1,138,214
Basic wages of casual labour	-	162,240
House allowance	-	217,500
Employer contribution to NSSF	220,080	64,500
Gratuity	526,240	-
Total	3,082,374	1,582,454



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
WEBUYE EAST CONSTITUENCY**

Reports and Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. USE OF GOODS AND SERVICES

Description	2016 - 2017	2015-2016
	Kshs	kshs
Utilities, supplies and services	260,806	5,000
Office rent	503,400	659,600
Communication, supplies and services	40,000	157,710
Printing, advertising and information supplies & services	200,000	800,000
Training expenses	716,355	408,531
Other committee expenses	786,600	5,328,273
Committee allowance	992,500	626,721
Insurance costs	-	347,902
Office and general supplies and services	-	166,967
Fuel, oil& lubricants	700,000	480,000
Routine maintenance – vehicles and other transport equipment	257,304	441,045
Other operating expenses	623,474	-
Total	5,080,439	9,421,749

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016-2107	2015-2016
	Kshs	Kshs
Transfers to primary schools	24,164,215	37,809,921
Transfers to secondary schools	15,051,929	41,995,004
Transfers to tertiary institutions	-	2,658,221
Transfers to health institutions	-	2,740,000
TOTAL	39,216,144	85,203,146



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
WEBUYE EAST CONSTITUENCY**

**Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. OTHER GRANTS AND OTHER PAYMENTS

	2016-2017	2015-2016
	Kshs	Kshs
Bursary – secondary schools	8,232,844	1,667,100
Bursary – tertiary institutions	12,262,234	3,171,474
Sports	165,000	-
Security projects	1,500,000	3,000,000
Emergency Projects	4,094,000	5,480,450
Total	26,254,078	13,319,024

6. ACQUISITION OF ASSETS

Non-Financial Assets	2016-2017	2015-2016
	Kshs	Kshs
Construction of Buildings	10,233,775	18,837,656
Purchase of Vehicles and Other Transport Equipment	-	4,912,130
Purchase of Office Furniture and General Equipment	888,922	382,882
Total	11,122,697	24,132,668

7.0 BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2016-2017	2015-2016
	Kshs	Kshs
Kenya Commercial Bank A/c 1147722935	557,909	3,301,092
Total	557,909	3,301,092

8.0 BALANCES BROUGHT FORWARD

	2016-2017	2015-2016
	Kshs	Kshs
Bank accounts	3,301,092	18,442,763
Total	3,301,092	18,442,763



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9.0 OTHER IMPORTANT DISCLOSURES

ANNEX 1 - SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost	Historical Cost
	(Kshs)	(Kshs)
	2016/2017	2015/2016
Buildings and structures	30,943,058	20,709,283
Transport equipment	8,107,630	8,107,630
Office equipment, furniture and fittings	1,479,399	590,477
ICT Equipment, Software and Other ICT Assets	292,600	292,600
Total	40,822,687	29,699,990

ANNEX 2 –PMC BANK BALANCES AS AT 30TH JUNE 2017

FINANCIAL YEAR	PMC	BANK	A/C NO	BANK BALANCE 2016/2017	BANK BALANCE 2015/2016
2016/2017	LUGULU PAG PRIMARY	KCB BANK	1136889825	868,849	90,905
2016/2017	LUGUSI FYM PRY. SCHOOL	KCB BANK	1153757478	1,900	2,131
2016/2017	LUTACHO SEC SCHOOL	KCB BANK	1128838397	2,303	2,303
2016/2017	MAGEMO FRIENDS SEC SCHOOL	KCB BANK	1178344983	2,538,074	-
2016/2017	MASIBAYI PR. SCHOOL	KCB BANK	1136573828	53,525	53,640
2016/2017	MIKUVA FYM PRY SCHOOL	KCB BANK	1138932304	2,500	-
2016/2017	MIKUVA SEC SCHOOL	KCB BANK	1182218639	11,267	11,383
2016/2017	MISEMWA FYM SCHOOL	KCB BANK	1170973663	3,329	3,328
2016/2017	NABUYOLE SECONDARY SCHOOL	KCB BANK	1177989255	468,456	104,755
2016/2017	MAHANGA PEFA PRIMARY SCHOOL	KCB BANK	1135608903	1,490	11,490
2016/2017	NJATA DEB PRI SCHOOL	KCB BANK	1183257503	1,913	1,912
2016/2017	ONDOTI PR SCH	KCB BANK	1183093608	227,009	500
2016/2017	SAMBU CENTRAL PRY. SCHOOL.	KCB BANK	1157483461	2,650	113,478
2016/2017	SAMBU PAG PRY. SCHOOL.	KCB BANK	1178116662	4,665	4,664
2016/2017	SAMBU PAG PRY. SCHOOL.	KCB BANK	1178116662	267,256	-
2016/2017	SANGO DEB PRIMARY SCHOOL	KCB BANK	1177936461	44,346	789,270
2016/2017	ST JOSEPHS RC PRIMARY SCHOOL	KCB BANK	1107179475	2744	2,744



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2016/2017	ST PAUL'S KIBISI PRY SCH	KCB BANK	1178268985	18,095	1,697
2016/2017	ST.JOHNS RC SAVANNA PRY.SCHOOL	KCB BANK	1168695473	112,711	225,720
2016/2017	ST.PAULS RC SEC SCHOOL	KCB BANK	1177915839	990,502	1,163,877
2016/2017	NDIVISI PRY SCHOOL	KCB BANK	1210392216	50,000	650,000
2016/2017	MISIKHU BOARDING PRY	KCB BANK		2,000,000	0
2016/2017	ST CECILIA GIRLS SEC SCHOOL	KCB BANK	1176006150	45,000	473,902
2016/2017	MISIKHU POLICE POST	KCB BANK	1170973663	125,0000	250
2016/2017	NABUYOLE PEFA PRY SCHOOL	KCB BANK	1145431747	996,623	38,843
2016/2017	FRIENDS SEC SCHOOL MITUKUYU	KCB BANK		140,000	
2015/2016	ASST. CHIEFS OFFICE SITABICHA	KCB BANK	1177897245	41,293	41,293
2015/2016	BAKISA SA PRY SCHOOL	KCB BANK	1145876722	179,021	179,136
2015/2016	CHIEFS OFFICE MARAKA	KCB BANK	1177833476	105,345	104,600
2015/2016	KHAMOTO PRY. SCHOOL	KCB BANK	1165375893	349	349
2015/2016	LUGULU MIXED BOARDING PRY. SCHOOL.	KCB BANK	1140832867	1,725,698	-
2015/2016	NAMARAMBI PRY SCHOOL	KCB BANK	1133783511	45,000	452
2015/2016	LUKHOBBA DISPENSARY	KCB BANK			-
2015/2016	LUMULI SDA PRY. SCHOOL	KCB BANK	1145945031	1,664	1,664
2015/2016	LWILE PRIMARY	KCB BANK	1136915494	228,222	305,614
2015/2016	MAKUMA SDA PRY. SCHOOL	KCB BANK	1161724338	76,719	186,718
2015/2016	MARAKA PRY. SCHOOL.	COOP BANK	O1139435170500	17,099	-
2015/2016	MANAFWA PRY SCHOOL	COOP BANK	O1141411125200	1240	195,446
2015/2016	MAKUSELWA SECONDARY SCH	KCB BANK	1124093230	1,207	1,207
2015/2016	MIHUU FYM PRY. SCHOOL	KCB BANK	1134996993	160,271	302,386
2015/2016	MITUKUYU FYM PRY SCHOOL	KCB BANK	1164663984	27,927	49,984
2015/2016	MITUKUYU SEC SCHOOL	COOP BANK	O1139435968501	140,000	645,000
2015/2016	MURUMBA RC PRY SCHOOL	KCB BANK	1145474748	8,664	372,685
2015/2016	NAMWATIKHO DISPENSARY	KCB BANK	1145274692	83,335	109,357
2015/2016	NDIVISI GIRLS HIGH SCHOOL	KCB BANK	1145377793	23	1,743,40
2015/2016	SINOKO DISPENSARY	KCB BANK	1145468799	445,504	627,560
2014/2015	D.OS OFFICE NDIVISI	KCB BANK	1144933021	3,045	3,045
2014/2015	MAGEMO FYM. PRY. SCHOOL	KCB BANK	1146088051	1,119	1,119



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2014/2015	MAGEMO FYM. SEC. SCHOOL	KCB BANK	1150745770	1,770	1,770
2014/2015	MIHUU SEC. SCHOOL	KCB BANK	1108078036	179,286	841,550
2014/2015	MAGEMO FRIENDS SEC SCHOOL	KCB BANK	1178344983	79,799	80,029
2014/2015	MISIMO PRY. SCHOOL	KCB BANK	1145921167	1,287	88,842
2014/2015	ASSIST CHIEF MISIMO	KCB BANK	1146199872	103,645.00	103,645
2014/2015	MUSA PRY. SCHOOL.	KCB BANK	1136598618	10,626	10,636
2014/2015	NAMARAMBI SEC. SCHOOL.	KCB BANK	1121894186	1,577	1,577
2014/2015	NAMARAMBI SUB-DISTRICT HOSPITAL..	KCB BANK	1122173369	108,559	78,237
2014/2015	NZOIA PEFA PRY. SCHOOL	KCB BANK	1112478809	3163.00	3163.00
2014/2015	SIPALA PRY. SCHOOL	KCB BANK	1136610626	18,790	18,790.00
2014/2015	SIYILILA PRY. SCHOOL	KCB BANK	1134998171	235	235
2014/2015	ST. MATHEWS SEC. SCHOOL	KCB BANK	1132779774	2,375	2,375
2014/2015	ST.FRANCIS G.H.MAKEMO.	KCB BANK	1109725620	275	275
2014/2015	WABUKHONYI PRY. SCHOOL	KCB BANK	1109557078	1,987	1,987
2014/2015	WANDABWA PRY. SCHOOL	KCB BANK	1129943046	507	507
2014/2015	WEBUYE HEALTH CENTRE	KCB BANK	1157758695	4,500	4500
2014/2015	WEBUYE KMTC.	KCB BANK	1108446736	7,468	9,780
2014/2015	WEBUYE PAG. PRY. SCHOOL	KCB BANK	1135435510	67,794	67,794
2014/2015	MASINDU SEC SCHOOL	KCB BANK	1164805789	550	550
2014/2015	MINYALI SA PRY SCHOOL	KCB BANK	1133892884	2,335	2,335
2014/2015	FROI DEB PRY SCHOOL	KCB BANK	1149602770	1,052	1,052
	TOTAL			10,192,487	6,872,330

10.0 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.BGM/CDF/INSP/5/9 on the external audit	Issue observation from Auditor	Management comments	Focal point person to resolve to resolve the issue (Name and	Status (resolved/not resolved)	Timeframe ; (time frame when I expect the issue to be resolved)



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			designation		
1.0	Budgetary Control and performance-full budget target was not met or utilization of 97%	The fund experienced delays in the disbursement of Authority to incur Expenditure (A.I.E) this majorly contributed to the performance	George Shibanda Fund account manager.	Resolved but no submission done to Public accounts committee yet. All funds Utilized	30 th June 2017
2.0	Project Implementation - 29 projects or 52% implemented, 27 or 48% not implemented	The fund experienced delays in the disbursement of Authority to incur Expenditure (A.I.E) this majorly contributed to the performance	George Shibanda Fund account manager.	Resolved (See table below) but no submission done to Public accounts committee yet.	30 th June 2017

