

REPUBLIC OF KENYA



Paper laid
By Hon. Chn. Aden Duha (MP)
24/10/2018
Wednesday

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OFFICE OF THE AUDITOR-GENERAL

REPORT



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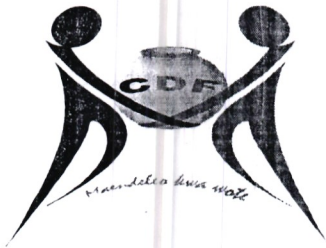
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND RUNYENJES
CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017



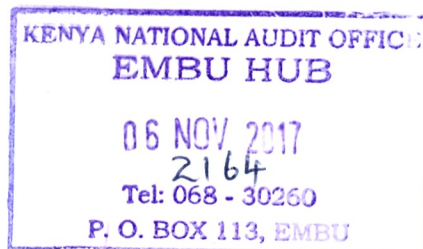
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
RUNYENJES CONSTITUENCY**

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)**



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

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

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

KEY CONSTITUENCY INFORMATION AND MANAGEMENT

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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.

Key Management

The *RUNYENJES Constituency's NG-CDF* day-to-day management is under the following key organs:

Constituencies Development Fund Board (NG-CDFB)
Constituency Development Fund Committee (NG-CDFC)

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	Paul Thiga
3.	Accountant	Sebastian Kiarie Nthiga

Fiduciary Oversight Arrangements

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

RUNYENJES NG-CDF Headquarters

P.O. Box 518 Runyenjes
CDF Building
Along Embu-Meru Road Next to Runyenjes sub county H/Qs
RUNYENJES, KENYA

***NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY***

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

RUNYENJESNG-CDF Contacts

Telephone: (254) 732 886 705
E-mail: cdfrunyenjes@gmail.com
Website: www.cdfrunyenjes.co.ke

RUNYENJESNG-CDF Bankers

Kenya Commercial Bank
Embu Branch
A/C no. 1158881193

Independent Auditors

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

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- RUNYENJES
CONSTITUENCY**

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

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

**Budget Performance against Actual Amounts for Current Year Based On Economic
Classification and Programmes**

In the financial year 2016/17, Runyenjes CDF was allocated Kshs.81,896,552.72 With
Kshs.7,370,689.65 going to recurrent expenses and the balance to development projects as follows;

Sector	Amount (Kshs)
Primary schools	21,900,000
Secondary schools	600,000
Tertiary institutions	150,000
Security	4,200,000
Bursary	28,663,793
Electricity	13,279,313
Other statutory	13,103,445

A total of Kshs.96,344,078 has been spent on various projects as follows in the financial year
2016/17 as follows;

Item	Amount (Kshs.)
Compensation of employees	1,918,474
Use of goods and services	8,558,989
Transfers to Other Government Units	26,065,592
Other grants and transfers	<u>59,801,023</u>
Total	<u>96,344,078</u>

Key achievements for the Runyenjes NG-CDF

The NG-CDFC has realised the following key achievements in the course of NG-CDF projects
implementation in the year 2016/17;

-The CDFC has paid fees to many students in the form of bursaries leading to higher
retention of students in learning institutions thus enhancing performance.

-Construction and renovation in education institutions leading to improved learning
environments and thus performance.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

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

- Construction and renovation of A.P. lines and chiefs' offices thus leading to enhanced security and officers' morale.

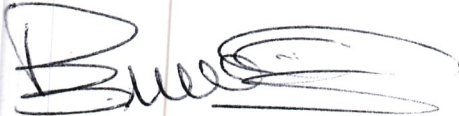
Emerging issues related to the Runyenjes NG-CDF

- Conflict between county governments and NG-CDF in co-funded projects.

Implementation challenges and recommended way forward.

- Insufficient funding to constituency as compared to the requirements.
- Local politics surrounding projects implementation.
- Price fluctuations of materials.
- Poor record keeping by PMC's

Sign



CHAIRMAN NG-CDFC

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

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

STATEMENT OF 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 the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the Runyenjes *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 *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 Runyenjes *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 in charge of the Runyenjes *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 Runyenjes *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 *NG-CDF's* financial statements were approved and signed by the Accounting Officer on

18/8/ 2017.



Fund Account Manager



NG-CDFC Chairman

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-RUNYENJES CONSTITUENCY FOR 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 – Runyenjes Constituency set out on pages 6 to 24, which comprise the statement of financial assets and liabilities as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and statement of summary appropriation: recurrent and development 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 effect of the matters 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-Runyenjes Constituency as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with 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 Other Matter section 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. Accuracy and Completeness of the Financial Statement

The statement of receipts and payments for the year under review did not reflect the 2015/2016 comparative balance in respect to committee expenses. However, the audited financial statements for the financial year 2015/2016 reflects a committee

Report of the Auditor-General on the financial statements of National Government Constituencies Development Fund-Runyenjes Constituency for the year ended 30 June 2017

expense balance of Kshs.1,979,000 resulting in unexplained and unreconciled difference of Kshs.1,979,000.

In the circumstances, the accuracy of the financial statements balances as at 30 June 2017 could not be ascertained.

2. Irregular and Unsupported Electricity Projects Expenditure

The statement of receipts and payments reflects a balance of Kshs.59,801,023 in respect to other grants and transfers which included Kshs.20,279,313 paid to Rural Electricity Authority for implementation of nineteen (19) electricity projects within the Constituency. However, no records were made available to confirm that there was user request in the form of ward committees requests for the electricity projects including how the respective areas were identified and prioritized by the Constituency Development Fund Committee (CDFC) as required by Section 27 (2) of the National Government Constituencies Development Fund Act, 2015. It was therefore not possible to ascertain that the projects were implemented in the most needy areas through prioritization and public participation as required by Section 27 (1) of the NGCDF Act 2015

Further, documents made available for audit review showed that the projects were to be implemented jointly with Rural Electrification Authority by contributing equally towards funding the projects. However, details of the works to be done including design, survey report, scope of work, names of the contractors, contract agreements, duration of the projects and minutes of project implementation committee were not provided for audit review. In addition, no documents were made available to show that project management committee was appointed as required by Section 36 of the NGCDF Act, 2015. It was therefore not possible to ascertain that there was effective monitoring and follow up of the projects.

In the circumstances, the propriety and value for money of the Kshs.20,279,313 electricity projects expenditure as at June 2017 could not be ascertained.

3. Irregular Application of Emergency Funds

Note 6 to the financial statements reflects a balance of Kshs.1,714,100 in respect to emergency projects which include Kshs.482,550 spent on completion of a water tank in Kagaari south water project. Further, the CDFC paid Kshs.231,550 to Eagle Twenty Enterprises for supply of 421 pieces of 1 ¼ inch PVC pipes class C for installation of a subline in Ndamunge Water Project to serve the area between Gitare shopping Centre and Kagaari.

However, the NGCDF Regulations 2016, Section 8(3) defines an emergency as unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents. The expenditure of Kshs.482,550 and Kshs.231,550 both totaling to Kshs.714,100 did not appear to be of emergency nature as they did not meet the conditions set by Section 8(3) of the NGCDF regulations 2016.

In the circumstances, the Fund was in breach of law and the Kshs.714,100 expenditure as at 30 June 2017 was therefore irregular..

4. Unacknowledged Bursaries

Note 6 to the financial statement reflects bursaries totaling to Kshs.25,707,610 comprising of Kshs.15,846,410 and Kshs.9,861,200 disbursed to Secondary Schools and Tertiary Institutions respectively as at 30 June 2017. However, only bursaries totaling Kshs.23,459,945 (91.26%) were acknowledged by the respective beneficiaries through letters of acknowledgement or issue of official receipts leaving a balance of Kshs.2,247,665 (8.74%) unacknowledged by the beneficiary institutions.

Under the circumstance, it has not been possible to ascertain whether the bursaries amounting to Kshs.2,247,665 benefited the intended beneficiaries and were expended as appropriated.

5. Un Procedural Implementation of Projects

Note 6 to the financial statements reflects a balance of Kshs.3,100,000 for security projects comprising of Kshs.2,200,000 to Runyenjes AP Line, Kshs.600,000 to District Criminal Investigation Officer (DCIO) Runyenjes and Kshs.300,000 to Kiangungi Assistant Chief's office. However, records made available for audit review and physical verification of the projects revealed that the projects were implemented without preparing work plan, progress report and certificate of work done to certify payments at every stage. In the absence of the technical documentation, it was not possible to quantify the payments for work done.

In the circumstances, it was not possible to confirm the propriety and value for money for the Kshs.3,100,000 expenditure as at 30 June 2017.

6. Transfer to Secondary School- Stalled Projects

Records made available showed that thirty-one (31) projects with a total budget of Kshs.31,480,000 which were funded during the financial year 2015/2016 had not been completed. However, no budgetary allocation was provided during the year under review to enable completion of these projects contrary to Section- 46(2) of NGCDF Act, 2015. A Physical verification of the thirty-one (31) projects done between 28 August and 8 September 2017 revealed that the projects had stalled due to lack of funding. No reasons were availed as to why these projects were not funded during the year. The stalled projects may lead to possible wasteful expenditure.

As a result, the Constituents have not received value for money in respect to the thirty-one (31) projects worth Kshs.31,480,000 as at 30 June 2017.

7. Delay in Implementation of Projects

Records made available for audit review including the project implementation status showed that Kshs.600,000 was paid on 13 January 2016 in respect to two (2) projects namely Kathari Assistant Chiefs office and Njeruri Assistant chiefs office. However, a

physical verification done on 8 September 2017 revealed that the projects had not started. Although it was explained that the projects delayed due to non-availability of land earmarked to undertake the projects due to legal and other reasons, it was not clear why the NGCDF- Runyenjes Constituency paid funds to such projects without confirming availability of land.

In the circumstances, the Fund is yet to receive value for money equivalent to the Kshs.600,000 payment as at 30 June 2017.

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

Other Matter

1. Budget Control and Performance

The combined summary statement of appropriation reflected budgeted receipts totaling to Kshs.143,451,942 comprising of Kshs.81,896,552 approved budget for 2016/17, Kshs.53,050,362 which was budgeted for in 2015/16 but released in 2016/17 and a cash balance of Kshs.8,505,027 brought forward from 2015/16. However, out of the approved budget of Kshs.81,896,552, for the year only, Kshs.50,948,276 (62.2%) was disbursed during the year resulting in revenue shortfall of Kshs.30,948,276 (37.8%). Further, out of the Kshs.143,451,942 total available budget for the year only Kshs.96,344,078 (67.5%) was spent during the year while Kshs.46,672,314 remained unutilized as at 30 June 2017 as shown below.

Item	Original Budget (Kshs)	Adjustments (Kshs)	Final Budget (Kshs)	Actual (Kshs)	Variance (Kshs)	Performance (%)
Balance b/f		8,505,027	8,505,027	8,505,027	0	
Transfers from CDF Board	81,896,552	53,050,362	134,946,914	103,998,639	30,948,275	77.1%
Other Receipts			0	435,550	(435,550)	- 100.0 %
Projected income	81,896,552	61,555,389	143,451,941	112,939,216	30,512,725	78.7%

Compensation of employees	1,550,000	1,416,173	2,966,173	3,211,423	(245,250)	108.3 %
Use of goods & services	5,820,690	6,679,753	12,500,443	8,156,220	4,344,223	65.2%
Transfers to other Government Units	22,650,000	9,378,244	32,028,244	27,065,592	4,962,652	84.5%
Other Grants & Transfers	51,875,862	44,081,219	95,957,081	58,341,613	37,615,468	60.8%
Other payments			0	4,779	(4,779)	- 100.0 %
Total	81,896,552	61,555,389	143,451,941	96,779,627	46,672,314	67.5%

The residents of Runyenjes Constituency did not therefore get expected services amounting to Kshs.46,672,314. Further, out of the above Kshs.112,939,216 actual funds available during the year, only Kshs.96,344,078 was spent while Kshs.16,159,589 remained unutilized as at 30 June 2017 which also impacted on expected services to the constituents.

2. Un implemented Projects

The management of the Fund approved a development budget of Kshs.74,525,862 which was apportioned among projects in various sectors within the Constituency namely education, sports, bursary, electrification, security, and emergencies.

However, a review of the project implementation status report as at 30 June 2017 revealed that out of the sixty four (64) projects worth Kshs.74,525,862 budgeted to be undertaken during the year under review, only four (4) projects worth Kshs.2,280,000 were completed, forty two (42) projects worth Kshs.61,607,931 were on going while eighteen (18) projects worth Kshs.10,637,931 had not started as shown below.

Sector	Project Status	Amount Allocated (Kshs)	Amount Disbursed (Kshs.)	Number Of Projects
Education	Completed	2,280,000	2,280,000	4
	Ongoing	11,470,000	5,320,000	31
	Not Started	8,900,000	900,000	16
	Total	22,650,000	8,500,000	51
Sport	Completed	0	0	0
	Ongoing	0	0	0
	Not Started	1,637,931	0	1
	Total	1,637,931	0	1
Bursary	Completed		0	0
	Ongoing	28,663,793	17,798,271	1
	Not Started	0	0	0
	Total	28,663,793	17,798,271	1

Security	Completed	0	0	0
	Ongoing	4,100,000	2,900,000	8
	Not Started	100,000	0	1
	Total	4,200,000	2,900,000	9
Electrification	Completed	0	0	0
	Ongoing	13,279,313	13,279,313	1
	Not Started	0	0	0
	Total	13,279,313	13,279,313	1
Emergency	Completed	0	0	0
	Ongoing	4,094,824.59	1,100,000.00	1
	Not Started	0	0	0
	Total	4,094,825	1,100,000	1
	Grand Total	74,525,862	43,577,584	64

The residents of Runyenjes Constituency did not therefore get the expected services equivalent to Kshs.10,637,931 being the budgeted for but unimplemented projects as at 30 June 2017.

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 NGCDF- Runyenjes Constituency's ability to continue as a going concern/ sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting, unless the management either intends 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 Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



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

Nairobi

10 October 2018

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**


Reports and Financial Statements

For the year ended June 30, 2017

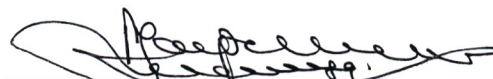
STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016 – 2017 Kshs.	2015 – 2016 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	103,998,639	101,598,394
Other Receipts	2		11,325
TOTAL RECEIPTS		103,998,639	101,609,720
PAYMENTS			
Compensation of employees	3	1,918,474	1,733,827
Use of goods and services	4	8,558,989	4,582,502
Transfers to Other Government Units	5	26,065,592	67,137,931
Other grants and transfers	6	59,801,023	26,279,600
Other Payments	7	-	322,160
TOTAL PAYMENTS		96,344,078	100,056,020
SURPLUS/DEFICIT		7,654,561	1,553,700

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The RUNYENJESNG-CDF financial statements were approved on 18/8/ 2017 and signed by:



Chairman - CDFC



Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

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

STATEMENT OF ASSETS

	Note	2016 – 2017 Kshs.	2015 – 2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8A	15,851,656	8,274,561
Cash Balances (cash at hand)	8B	194,432	162,466
Outstanding Imprests	9	113,500	68,000
TOTAL FINANCIAL ASSETS		16,159,588	8,505,027
REPRESENTED BY			
Fund balance b/fwd 1st July...	10	8,505,027	6,951,327
Surplus/Deficit for the year		7,654,561	1,553,700
NET LIABILITIES		16,159,588	8,505,027

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The RUNYENJES NG-CDF financial statements were approved on 18/8/ 2017 and signed by:


Chairman - CDFC


Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

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

STATEMENT OF CASHFLOW

		2016 – 2017 Kshs.	2015 – 2016 Kshs
Receipts for operating income			
Transfers from CDF Board	1	103,998,639	101,598,394
Other Receipts	2		11,325
		103,998,639	101,609,720
Payments for operating expenses			
Compensation of employees	3	1,918,474	1,733,827
Use of goods and services	4	8,558,989	4,582,502
Transfers to Other Government Units	5	26,065,592	67,137,931
Other grants and transfers	6	59,801,023	26,279,600
Other Payments	7	-	322,160
		96,344,078	100,056,020
Net cash flow from operating activities		7,654,561	1,553,700
NET INCREASE IN CASH AND CASH EQUIVALENT		7,654,561	1,553,700
Cash and cash equivalent at BEGINNING of the year	10	8,505,027	6,951,327
Cash and cash equivalent at END of the year		16,159,588	8,505,027

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The RUNYENJES NG-CDF financial statements were approved on 18/8/ 2017 and signed by:


Chairman CDFC


Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

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						
Balance b/f		8,505,027	8,505,027	8,505,027	-	
Transfers from CDF Board	81,896,552	53,050,362	134,946,914	103,998,639	30,948,275	77.07
Other Receipts						
Total	81,896,552	61,555,389	143,451,941	112,503,666	30,948,275	78.43
PAYMENTS						
Compensation of Employees	1,550,000	2,123,519	3,673,519	1,918,474	1,755,045	52.22
Use of goods and services	5,820,690	8,016,839	13,837,529	8,558,989	5,278,540	61.85
Transfers to Other Government Units	22,650,000	13,465,592	36,115,592	26,065,592	10,050,000	72.17
Other grants and transfers	51,875,862	37,949,439	89,825,301	59,801,023	30,024,278	66.57
Social Security Benefits						
Acquisition of Assets						
Other Payments						
TOTALS	81,896,552	61,555,389	143,451,942	96,344,078	47,107,865	67.16

Commentary on significant underutilization (below 50% of utilization) and any overutilization]

The underutilization noted under other payments resulted from delay in release of funds from NG-CDFB. 36.6% of 2016/17 allocation not received at the close of the 2016/17 financial year.

The RUNYENJESNG-CDF financial statements were approved on 18/8/ 2017 and signed by:



Chairman NG-CDF



Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below:

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 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 NG-CDF.

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.

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.

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)

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.

***NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY***

Reports and Financial Statements

For the year ended June 30, 2017

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.

Comparative figures

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

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- RUNYENJES
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES

Description	A.I.E. NO.	2016 – 2017 Kshs.	2015 – 2016 Kshs
Receipts from NGCDF Board	A825888/A796002	47,550,362	24,799,197
Receipts from NGCDF Board	A829987/A796150	4,094,828	21,654,197
Receipts from NGCDF Board	A825969/A724185	5,500,000	3,145,000
Receipts from NGCDF Board	A855082/A796448	36,853,449	30,000,000
Receipts from NGCDF Board	A839696/A820782	10,000,000	22,000,000
TOTAL		103,998,639	101,598,394

2 OTHER RECEIPTS

Description	2016 – 2017 Kshs	2015 – 2016 Kshs
Other Receipts Not Classified Elsewhere (specify)- Untransferred bal		(0.02)
Reversal-K.C.B./coop bank		5,200
Underpaid chq		500
Reversal-comm. D. txs		5,625
Total		11,325

3 COMPENSATION OF EMPLOYEES

Description	2016 – 2017 Kshs	2015 – 2016 Kshs
Basic wages of contractual employees	1,378,244	1,276,137
Personal allowances paid as part of salary		
Transport allowance	540,230	457,690
Total	1,918,474	1,733,827

4 USE OF GOODS AND SERVICES

Description	2016 – 2017 Kshs	2015 – 2016 Kshs
Utilities, supplies and services	1,581,486	525,872
Training expenses	2,783,650	1,167,260
Insurance costs	65,853	103,985
Fuel ,oil & lubricants	450,000	520,000
Routine maintenance – vehicles and other transport	57,000	276,385
Other Committee Expenses	494,100	485,000
Committee Allowance	3,126,900	1,504,000
Total	8,558,989	4,582,502

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

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

5 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016 – 2017 Kshs.	2015– 2016 Kshs.
Transfers to Primary schools	11,215,592	32,987,931
Transfers to Secondary schools	8,850,000	22,550,000
Transfers to Tertiary institutions	6,000,000	10,600,000
Transfers to Health institutions		1,000,000
TOTAL	26,065,592	67,137,931

6 OTHER GRANTS AND OTHER PAYMENTS

Description	2016 – 2017 Kshs	2015– 2016 Kshs
Bursary -Secondary	15,846,410	10,533,260
Bursary -Tertiary	9,861,200	8,796,340
water	9,000,000	3,000,000
Agriculture (food security)		400,000
Electricity projects	20,279,313	
Security	3,100,000	3,350,000
Roads	0	200,000
Emergency Projects	1,714,100	
Total	59,801,023	26,279,600

7 OTHER PAYMENTS

Description	2016 – 2017 Kshs	2015 – 2016 Kshs
CDF Office project		300,000
Bank charges		22,160.00
TOTAL		322,160

8A: Bank Balances (cash book bank balance)

Name of Bank, Account No. & currency	Account Number	2016 – 2017 Kshs	2015 – 2016 Kshs
KCB Embu branch A/C no. /Equity Bank embu Branch A/c no. 0190270618472	1158881193	15,851,656	8,274,561
Total		15,851,656	8,274,561

8B: CASH IN HAND

	2016 – 2017 Kshs.	2015 – 2016 Kshs.
Other receipts (specify)--Cash with D.A. for office use	194,432	162,466
Total	194,432	162,466

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

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

9 OUTSTANDING IMPRESTS

<i>Name of Officer</i>	<i>Date imprest taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2017)</i>
		Kshs.	Kshs.	Kshs.
<i>Paul N. Thiga</i>		113,500	-	113,500
Total				113,500

10 BALANCES BROUGHT FORWARD

	2016 – 2017 Kshs.	2015 – 2016 Kshs.
Bank accounts	6,951,327	6,008,945
Cash in hand	1,553,700	393,382
Imprest	0	549,000
Total	8,505,027	6,951,327

11 OTHER IMPORTANT DISCLOSURES

11.1: NON CURRENT ASSETS (See Annex 1)

	2016-2017 Kshs.	2015-2016 Kshs.
Fixed Assets	10,090,126	10,090,126
Total	10,090,126	10,090,126

11.2: RECEIVABLES FROM CDF BOARD (See Annex 2)

	2016-2017 Kshs.	2015-2016 Kshs.
Amount Due from CDF Board	30,948,278	53,050,362
Total	30,948,278	53,050,362

11.3: PAYABLES (See Annex 3)

	2016-2017 Kshs.	2015-2016 Kshs.
Amount Due to Projects	47,107,865	61,555,389
Total	47,107,865	61,555,389

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

ANNEX 1 – SUMMARY OF FIXED ASSET REGISTER

Type Asset	Cost	
	2016/17	2015/2016
FURNITURE & FITTINGS	485,072	485,072
PROPERTY, PLANT & EQUIPMENT		
CDF-OFFICE BUILDING	6,066,306	6,066,306
OTHER P,P&E	712,838	712,838
CDF VEHICLE	2,825,910	2,825,910
G. Total	10,090,126	10,090,126

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

**CONSTITUENCIES DEVELOPMENT FUND
INVENTORY OF CDFC ASSETS AS AT 30TH JUNE 2017**

CONSTITUENCY RUNYENJES

FURNITURE & FITTINGS

Type of furniture	Asset Number	Asset Serial Number	Acquisition Date	Cost
Office Table	057/CDF/1	057/CDF/1/01	2004	7,000
Office Table	057/CDF/1	057/CDF/1/02	2004	3,000
Office Table	057/CDF/1	057/CDF/1/03	2004	3,000
L-Shape Tables		057/CDF/1/04-07	27/11/2008	34,483
Office Table		057/CDF/1/08	27/11/2008	60,345
Workstation		057/CDF/1/09	27/11/2008	81,724
Coffee Table		057/CDF/1/10	27/11/08	15,517
Conference Table		057/CDF/1/011-012	01/10/09	20,000
Conference Table		057/CDF/1/013-014	01/10/09	19,000
Office Chair		057/CDF/2/01	2004	700
Office Chair	057/CDF/2	057/CDF/2/01-02	2004	500
Office Chair	057/CDF/2	057/CDF/2/04-08	2008	750
Sofa Set		057/CDF/4/01	27/11/2008	168,276
Office Chair		057/CDF/2/09-037	27/11/08	3,966
H/B Leather Chair		057/CDF/2/038	27/11/08	34,483
L/B Leather Chair		057/CDF/2/039-040	27/11/08	13,362
Secretarial W/A		057/CDF/2/041-042	27/11/08	8,621
High Back Office W/A		057/CDF/2/043-044	27/11/08	10,345
PROPERTY, PLANT & EQUIPMENT				
Type of P,P & E	Asset Number	Serial Number	Acquisition Date	Cost
Cdf-Office Building	057/CDF/3	057/CDF/3/01	2005-2008	6,066,306
Office Cabinet(4drw)	057/CDF/5	057/CDF/5/01-03	27/11/2008	15,517
Exe/Cabinet W/H/Glass	057/CDF/7	057/CDF/7/01	27/11/2008	68,103

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

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

Storage Cupboard wooden		057/CDF/12/01	27/11/2008	16,206.90
Computers	057/CDF/8	057/CDF/8/01-03	13/1/09	66,700
Printer1005/Lj	057/CDF/9	057/CDF/9/01-02	13/1/09	9,500
Fax Machine	057/CDF/10	057/CDF/10/01	13/1/09	17,000
Scanner(Office)	057/CDF/11	057/CDF/11/01	13/1/09	7,500
Kyocera Copier 1635	057/CDF/13	057CDF/13/01	13/1/09	140,000
Ups-650va	057/CDF/14	057/CDF/14/01-03	13/1/09	8,500
Curtains F/H	057/CDF/15	057/CDF/15/01	11/10/08	177,710
Stapler	057/CDF/16	057/CDF/16/01-03	01/12/09	500
Paper Punch	057/CDF/17	057/CDF/17/01-02	01/12/09	600
Flash Disk	057/CDF/19	057/CDF/19/01	2008	1,800
TOYOTA HILUX 4*4 Single Cab	057/CDF/20	057/CDF/20/1-GKA 298U	Apr-10	2,825,910
Public Address System	057/CDF/21	057/CDF/21/01-10	Apr-10	118,700
(Complete With Speakers ,		(AS PER RECEIPT)		
Pwer Cables,Amplifier Etc.				
Honda Generator-2.2kva	057/CDF/22	057/CDF/22/01	21/7/2010	64,500

PREPARED BY: MR. PAUL N. THIGA

CONFIRMED BY: PHINEAS G. KAMWEGA

FUND ACCOUNT MANAGER.....Date.....

NG-CDFC CMAN

DATE...18/8/17

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

ANNEX 2 - ANALYSIS OF ACCOUNTS RECEIVABLES

PROJECT NAME	2016/2017 ALLOC	A.I.E. 1	A.I.E. 2	BALANCE
Emergency	4,094,825	1,100,000		2,994,825
Bursary	28,663,793	14,948,961	2,849,310	10,865,522
Sports	1,637,931			1,637,931
Administration/recurrent-6%	4,913,793	2,000,000	2,913,793	-
Monitoring & Evaluation (M & E) 3%	2,456,897	1,500,000	956,897	-
ELECTRICITY PROJECT	-			-
Rural Electrification Authority	13,279,313	13,279,313		-
PROJECT(S)	-			-
Karurumo pry	300,000			300,000
Kasafari Pry	300,000			300,000
Kavutiri pry	300,000			300,000
Ngeniari pry	200,000			200,000
Kithunguthia pry	200,000			200,000
St Michael pry-Home	100,000		100,000	-
Kianjuki pry	300,000			300,000
Kigaa Pry	300,000	300,000		-
Ndumari Pry	600,000			600,000
Macumo pry	600,000			600,000
Kangondi pry	200,000	200,000		-
Kangondi pry	500,000			500,000
Kathugu pry	500,000			500,000
Gakwegori pry	600,000			600,000
Gichiche pry	400,000	400,000		-
Nthagaiya pry	300,000			300,000
Nyagari pry	500,000			500,000
Ciamanda pry	400,000			400,000
Ugweri Pry	300,000			300,000
Karumiri pry	700,000			700,000

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

Matururi Pry	500,000			500,000
Kithare pry	500,000			500,000
Kianjokoma pry	1,000,000	1,000,000		-
Kariru Pry	300,000			300,000
St phillips	600,000			600,000
Keruri pry	500,000	500,000		-
Ndumari Pry	300,000			300,000
s.a. kyeni pry	1,000,000			1,000,000
Sacred heart pry	1,500,000	1,500,000		-
Gikuuri pry	500,000		500,000	-
kathabaison pry	300,000			300,000
Kivuria pry	300,000	300,000		-
Karue pry	600,000			600,000
Ena pry	600,000			600,000
Consolata pry kevote	400,000		400,000	-
Nduuri asst chief	100,000			100,000
Kanja pry	300,000			300,000
Kubukubu pry	500,000	500,000		-
Muragari pry	300,000			300,000
Mugui pry	300,000		300,000	-
Kathugu pry	220,000	220,000		-
Kanginga pry	500,000			500,000
Karundori pry	800,000			800,000
Karumiri pry	200,000			200,000
Mugui pry	300,000		300,000	-
Gichera pry	300,000			300,000
Rukuriri pry	380,000		380,000	-
Nguyori pry	1,000,000	1,000,000		-
Mbuinjeru pry	300,000			300,000
kevote assistant chief office	100,000			100,000
Mbuinjeru asst chief offc	200,000			200,000

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

Mwenendega asst chief	200,000			200,000
Runyenjes DCIO office	600,000	600,000		-
Runyenjes A.P. Line	2,500,000	1,000,000	1,000,000	500,000
kiangungi asst chief offc	300,000		300,000	-
Mukuuri assistant chief office	100,000			100,000
Kavutiri A.P. line line	100,000			100,000
Mbiruri sec	600,000	600,000		-
Kanja A.E.O.	150,000			150,000
Total	81,896,552	40,948,274	10,000,000	30,948,278

ANNEX 3 - ANALYSIS OF ACCOUNTS PAYABLES

PROJECT NAME	2016/2017 ALLOC	A.I.E. 1	A.I.E. 2	BALANCE
Emergency	4,094,825	1,100,000		2,994,825
Bursary	28,663,793	14,948,961	2,849,310	10,865,522
Sports	1,637,931			1,637,931
Administration/recurrent- 6%	4,913,793	2,000,000	2,913,793	-
Monitoring & Evaluation (M &E) 3%	2,456,897	1,500,000	956,897	-
ELECTRICITY PROJECT	-			-
Rural Electrification Authority	13,279,313	13,279,313		-
PROJECT(S)	-			-
Karurumo pry	300,000			300,000
Kasafari Pry	300,000			300,000
Kavutiri pry	300,000			300,000
Ngeniari pry	200,000			200,000
Kithunguthia pry	200,000			200,000
St Michael pry-Home	100,000		100,000	-
Kianjuki pry	300,000			300,000
Kigaa Pry	300,000	300,000		-
Ndumari Pry	600,000			600,000
Macumo pry	600,000			600,000

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

Kangondi pry	200,000	200,000		-
Kangondi pry	500,000			500,000
Kathugu pry	500,000			500,000
Gakwegori pry	600,000			600,000
Gichiche pry	400,000	400,000		-
Nthagaiya pry	300,000			300,000
Nyagari pry	500,000			500,000
Ciamanda pry	400,000			400,000
Ugweri Pry	300,000			300,000
Karumiri pry	700,000			700,000
Matururi Pry	500,000			500,000
Kithare pry	500,000			500,000
Kianjokoma pry	1,000,000	1,000,000		-
Kariru Pry	300,000			300,000
St phillips	600,000			600,000
Keruri pry	500,000	500,000		-
Ndumari Pry	300,000			300,000
s.a. kyeni pry	1,000,000			1,000,000
Sacred heart pry	1,500,000	1,500,000		-
Gikuuri pry	500,000		500,000	-
kathabaison pry	300,000			300,000
Kivuria pry	300,000	300,000		-
Karue pry	600,000			600,000
Ena pry	600,000			600,000
Consolata pry kevote	400,000		400,000	-
Nduuri asst chief	100,000			100,000
Kanja pry	300,000			300,000
Kubukubu pry	500,000	500,000		-
Muragari pry	300,000			300,000
Mugui pry	300,000		300,000	-
Kathugu pry	220,000	220,000		-

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- RUNYENJES
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

Kanginga pry	500,000			500,000
Karundori pry	800,000			800,000
Karumiri pry	200,000			200,000
Mugui pry	300,000		300,000	-
Gichera pry	300,000			300,000
Rukuriri pry	380,000		380,000	-
Nguyori pry	1,000,000	1,000,000		-
Mbuinjeru pry	300,000			300,000
kevote assistant chief office	100,000			100,000
Mbuinjeru asst chief offc	200,000			200,000
Mwenendega asst chief	200,000			200,000
Runyenjes DCIO office	600,000	600,000		-
Runyenjes A.P. Line	2,500,000	1,000,000	1,000,000	500,000
kiangungi asst chief offc	300,000		300,000	-
Mukuuri assistant chief office	100,000			100,000
Kavutiri A.P. line line	100,000			100,000
Mbiruri sec	600,000	600,000		-
Kanja A.E.O.	150,000			150,000
Funds available for use but yet to be paid to projects and other costs				16,159,588
Total	81,896,552	40,948,274	10,000,000	47,107,865

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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)
1.0	<p>Cash and Cash Equivalent.</p> <p>No reversal of stale cheques of Kshs.143,500</p>	<p>The stale cheques have been reversed in the cashbook</p>	Accountant	Resolved	31/12/16
2	<p>Non acknowledgement of bursary funds from education institutions.</p>	<p>Employed a records officer to assist in following up on the acknowledgements. The bursary acknowledgements drastically improved in the following year. Forwarding letter for bursary cheques improved and clearly demands the beneficiaries to bring back acknowledgements from the learning institutions. A cheques register with the details of all the persons collecting the cheques also maintained.</p>	Dennis Mugendi	Not resolved	31/12/16
3	<p>Unprocessed Land title deeds</p> <p>Runyenjes CDF Purchased land for three primary schools. However, purpose</p>		F.A.M.	Not Resolved	31/12/16

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	of land search, purchase agreements, consent for transfer, valuation report, title deed				
Budgetary performance	Shortfall in receipts of Kshs.45,598,394.	The funds were received in 2015/2017 and were used to implement projects that were not implemented in 2014/2015	FAM	Resolved	31/12/16
Payment for Unimplemented projects					