

REPUBLIC OF KENYA



*Paper laid by the
Loan Party
msip
16/8/2018*

OFFICE OF THE AUDITOR-GENERAL

REPORT



OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
KIBWEZI WEST CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
KIBWEZI WEST 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 – KIBWEZI
WESTCONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2013, amended in 2007 and repealed by the CDF Act of 2013.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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	David Kaberia Murungi
3.	Accountant	Lucy W. Matee
4.		

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of KIBWEZI WEST 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.

(e) KIBWEZI WEST NG CDF Headquarters

P.O. Box 136-90138
Makindu-Kenya
Kibwezi West NG-CDF Building
Makindu sub county head quarter.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

(f) KIBWEZI WEST NG-CDF Contacts

Telephone: (254) 720-104-432
E-mail: cdfkibweziwest@go.ke
Website: www.go.ke

(g) KIBWEZI WEST NG-CDF Bankers

1. Kenya Commercial Bank
P.O. Box 288-90138
Makindu, Kenya

(h) Independent Auditors

Auditor General
Office of 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

**II. FORWARD BY THE CHAIRMAN KIBWEZI WEST NATIONAL GOVERNMENT
CONSTITUENCY DEVELOPMENT FUND COMMITTEE (CDFC)**

We the NGCDF-Kibwezi west are very happy to be part of the large NGCDF family established under the National Government Constituencies Development Fund Act 2015 and regulation 2016. During the Financial Year 2016/2017 we received **Kshs. 120,164,412.00** of which **Kshs. 69,216,135** was a balance of last financial year 2015/2016. As at 1st July 2016 there was a opening balance of **Kshs.38,052,964.00** , in total the funds available for spending in the current financial year was **Kshs. 158,217,376.00** .The total expenditure for the year was **Kshs.147,951,428.05** which is approximately **93.9%** of the total available funds during the financial year. The constituency is yet to **Kshs. 30,948,275.12** being allocation for financial year 2016/2017 and **Kshs. 500,000.00 (audit fee)** being allocation for financial year 2015/2016 from the NG-CDF Board Secretariat.

The National Government Constituency developments funds have played a great role in improving the infrastructure in the education and security .Also through the Bursary it has assisted in retention and completion rate of student's education.

During the financial year we were able to construct a good number of classrooms, dormitories, administration blocks and science laboratories in our schools. Over 90% of our projects are allocated enough funds to completion; hence very few projects will require second phases in the coming financial year. Due to the above we are able to complete our projects within the stipulated time and achieve the set objective of the projects.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NGCDF Project.

The main challenge in the implementation of the project is the delayed disbursement of funds from the NG-CDF Board. Staff turnover is also challenge in performance; we hope that the NGCDF Board will reduce the frequency of transfers of the Fund account managers and release funds in good time.

In conclusion we wish the NG-CDF board well and look forward for continued support and guidance where necessary.

Sign 
CHAIRMAN CDFC



III. 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 agency shall prepare financial statements in respect of that agency. 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 KIBWEZI WEST Constituency Development Fund is responsible for the preparation and presentation of the KIBWEZI WEST NG-CDF financial statements, which give a true and fair view of the state of affairs of the KIBWEZI WEST NG-CDF for and as at the end of the financial year (period) ended on June 30, 2016. 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 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 KIBWEZI WEST 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, 2016, and of the NG-CDF's financial position as at that date. The Accounting Officer charge of the KIBWEZI WEST 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.

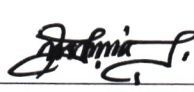
The Accounting Officer in charge of the KIBWEZI WEST NG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NG-CDF 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 KIBWEZI WEST NG-CDF's financial statements were approved and signed by the Accounting Officer on 21/8/17..... 2017.


Fund Account Manager




Chairman CDFC

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund- Kibwezi West Constituency set out on pages 5 to 33, which comprise the statement of assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flow, summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund- Kibwezi West 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 do not comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that public money has not been applied lawfully and in an effective way.

Basis for Adverse Opinion

1. Presentation and Disclosures in the Financial Statements

The financial statements presented for audit have inconsistent page numbers in that pages 9 to 35 have been printed incorrectly as pages 24 to 49. The financial statements, have therefore not been properly identified. Consequently, the financial statements have not been prepared in accordance with the reporting guidelines issued by the Public Sector Accounting Standards Board.

2. Inaccuracies in the Financial Statements

- (i) The statement of receipts and payments reflects expenditure totalling Kshs.1,452,443.60 relating to compensation of employees which differs with the

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

figure of Kshs.1,429,643.60 in the respective Note 4 to the financial statements by Kshs.22,800.

- (ii) Further, social security benefits (Employer contribution to NSSF) of Kshs.22,800 is disclosed at page 30 of the financial statements without a corresponding note number. This expenditure is not reflected in the statement of receipts and payments.
- (iii) In addition, the statement of assets reflects unexplained prior year adjustment of Kshs.66,913, for which, the nature and amount of the error corrected have not been fully disclosed or clearly explained.
- (iv) The following differences have been noted between balances/figures in the financial statements and those in the supporting schedules:

Item	Balance/Figure as per financial statements Kshs	Balance/Figure as per supporting schedule Kshs	Difference Kshs
Use of goods and services			
-Committee expenses	2,055,000	2,776,900	(721,900)
-Domestic travel and subsistence	99,000	275,600	(176,600)
-Training expenses	2,058,799	2,258,799	(200,000)
-Office and general supplies	2,077,729	1,145,895	(931,834)
-Routine maintenance	104,245	338,930	(234,685)
Grants and other transfers			
-Environment projects	4,644,053	4,594,053	50,000

Consequently, the completeness and accuracy of the financial statements for the year ended 30 June 2017 cannot be confirmed.

3. Use of Goods and Services

During the year under review, the Fund spent an amount of Kshs.7,330,919 on use of goods and services. The expenditure included cost of fuel and lubricants of Kshs.624,170 bought from a petrol station as supported by various payment vouchers. The fuel bought could however not be accounted for as the work tickets and detailed orders for vehicle No. GKB 264M were not provided for audit verification.

In addition, the fund paid Kshs.30,000 to John Makovu vide payment voucher number 2245 dated 30 June 2017 being refund of penalties paid to Government Vehicle Check Unit for misuse of motor vehicle GKB 264M. The vehicle was impounded on 3 April 2016 due to irregularities noted by the government check unit.

Consequently, the propriety of the expenditure of Kshs.624,170 included in the expenditure on goods and services for the year ended 30 June 2017 cannot be confirmed.

4. Bank Balance

The statement of assets as at 30 June 2017 reflects a bank balance of Kshs.10,454,920. However, the bank reconciliation statement as at that date reflects cash book balance of Kshs.10,168,917 resulting in unreconciled difference of Kshs.286,003. The reconciliation statement also reflects unpresented cheques totalling Kshs.851,839 out of which cheques amounting to Kshs.283,133 were stale and had not been reversed in the cash book as at 30 June 2017. In addition, the comparative bank balance of Kshs.38,175,023 was supported by an opening cash book balance of Kshs.38,052,964 resulting in an overstatement of Kshs.122,059.

Further, a review of the cash book indicated that AIE no. A855144 of Kshs.69,216,135 was posted in the cash book as Kshs.69,212,132 resulting in an understatement of Kshs.4,003. Expenditure for November 2016 was also over stated by Kshs.126,000 which resulted in overall understatement of the cash book balance by Kshs.130,003.

Consequently, the accuracy of the bank balance of Kshs.10,454,920 as at 30 June 2017 cannot be confirmed.

5. In-eligible Expenditure

The statements of receipts and payments reflects expenditure totalling Kshs.54,576,416.55 in respect of other grants and transfers which include an amount of Kshs.1,500,002 incurred on water projects. Water is a devolved function under the County Government. The expenditure of Kshs.1,500,002 on water was therefore incurred contrary to Section 24 of the National Government Constituency Development Fund Act, 2015. Consequently, the National Government Constituencies Development Fund Board and the Kibwezi West Constituency Development Fund Committee were in breach of the law and therefore the expenditure is in-eligible.

6. Net Financial Position

The statement of assets as at 30 June 2017 reflects net liabilities instead of net financial position of Kshs.10,454,920, being the difference between the brought forward fund balance of Kshs.38,175,023.45, prior year adjustment of Kshs.66,913 and the deficit for the year under review of Kshs.27,787,016.45. No explanation has been provided for this anomaly.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituency Development Fund-Kibwezi West 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 adverse opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance to the audit of the financial statements. Except for matters discussed in the

Basis for Adverse Opinion and Other Matter sections, I have determined that there are no other Key Audit Matters to communicate in my report.

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation shows that the Fund incurred total expenditure of Kshs.147,951,428.05 against an approved budget of Kshs.189,665,650.72 resulting in under expenditure of Kshs.41,714,223.67 or 22% of the approved budget. However, a detailed analysis of the original budget for the year of Kshs.81,896,551.72 and the adjustments (arising from the bank balance available at the beginning of the financial year of Kshs.38,052,964 and the schedule for unremitted receipts from the board of Kshs.69,216,135) amounting to Kshs.107,269,099 results in the final budget figure of Kshs.189,165,650.72 instead of Kshs.189,665,650.72 reflected in the summary statement of appropriation. The resulting variance of Kshs.500,000 has not been reconciled or explained.

2. Projects Implementation

2.1. The following anomalies have been noted in the implementation of projects and programmes:

(i) During the year under review, the fund spent Kshs.80,743,983 on transfers to other government entities and Kshs.54,576,416 on other grants and transfers to implement various projects and programmes. However, there is no evidence that public participation was carried out in each ward to identify the projects or needs of the constituents in order to prioritize them accordingly.

(ii) St. Bakhita Makusu Secondary School was allocated Kshs.2,800,000 during the financial year under review for the construction of a dormitory. The contract was awarded at a sum of Kshs.2,710,000 to Jurob Builders and Constructions Limited. Audit verification revealed that the dormitory constructed was not fully occupied as there were only five students meant to occupy the building as boarders. In addition, the floor was undergoing repairs and only fourteen windows were in place instead of the sixteen windows as indicated in the bills of quantities. Further, the dormitory was not fenced and had no bathrooms and toilets.

(iii) Kibwezi West Technical and Vocational Training building was to be co-funded by the Ministry of Education and the Fund. The requirement was construction of one workshop measuring 11mX16m, three lecture rooms each measuring 8mX6m and office space measuring 5.5MX5.4m all on the ground floor which were to cost Kshs.10,000,000. Verification revealed that there was no office space even in the plan as specified in the directive issued by the Ministry of Education and CDF Board on 10 August 2015. In addition, there was no indication that the land had been allocated for the purpose.

(iv) At Ngakaa Secondary School, the Fund constructed and completed a science laboratory. The contract had been awarded to Centuria Project Limited at a contract sum Kshs.2,835,561. Physical verification of the project showed that the fume chamber had

cracks and not operational, water pipes were leaking at the joints, poor finishing in all the sinks, gutters were poorly done and could not take water to the tanks and the floor had several cracks.

(v) At Wiivia Primary School, the Fund constructed and completed a girls' dormitory at a contract sum of Kshs.2,675,105. Physical verification of the project showed that the dormitory was fitted with only eight windows of 1.4mx1.3m instead of ten windows of 2mx1.4 as indicated in the bill of quantities. Poor floor finishing at the bathrooms and toilets was noted and the gutters were leaking.

(vi) At Ikungu Secondary School, the Fund constructed and completed a science laboratory. The contract had been awarded to Josema Company Limited at a sum of Kshs.2,828,675. Physical verification of the project showed that the worktops on the floor area were not done as per the bill of quantities and the project plan attached in the file. The contractor needed to have included six horizontal worktops as per the plans which did not exist at the time of verification.

(vii) At Kyanginywa Secondary School, the Fund constructed and completed a girls' dormitory. The contract had been awarded at a sum of Kshs.2,719,855 to Centuria Project Limited. Verification of the project showed defects as the roof was leaking, cracked floor and poor painting and landscaping.

2.2. In total, the projects budgeted for during the year ended 30 June 2017 amounted to Kshs.44,551,724. Out of these, projects amounting to Kshs.14,860,076 had been completed, projects amounting to Kshs.9,213,800 were ongoing and projects amounting to Kshs.20,477,848 had not been implemented as of 30 June 2017 as detailed below:

Projects Completed

Project Name	Project Activity	Allocated Amount	Disbursed Amount	Implement at-ion Status	Date of Completion	Remarks
Emergency	To cater for any unforeseen occurrences in the constituency during financial year.		4,094,828	Complete	30.6.2017	Complete and in use
Kwakaleli Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Kiuani Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016

Mwasang'ombe Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Ngaikini Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Mulangoni Primary	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Mwatini Primary School	sunken toilet.		130,000	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Masalani Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Matinga Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min 28/11/2016
Ngukuni Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Ngakaa Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min 28/11/2016
County Commissioners residence	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Masalani Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Itulu Primary School	sunken toilet.		130,000	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016

Itaava Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Mithumoni Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Ndatani Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Yeini Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Muundani Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Katangini Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Mukononi Primary School	sunken toilet.		227,444	Complete	30.6.2017	Funded from emergency through committee Min.28/11/2016
Kevanda Primary	Renovation of 5no. Classrooms.	1,002,816	1,002,816	Complete	30.6.2017	Complete and in use
Mikauni Primary School	Construction of one classroom to completion	804,000	804,000	Complete	30.6.2017	Complete and in use
Yikisemei Pri School	Construction of Six door girls Toilets to completion	438,816	438,816	Complete	30.6.2017	Complete and in use
Kisingo Secondary	Construction of science laboratory to completion	2,872,010	2,872,010	Complete	30.6.2017	Complete and in use
Ndwaani Secondary	Construction of science laboratory to completion	2,847,606	2,847,606	Complete	30.6.2017	Complete and in use
Matiku Secondary	Construction of a dormitory	2,800,000	2,800,000	Complete	30.6.2017	Complete and in use

Ongoing Projects

Project Name	Project Activity	Allocated Amount	Disbursed Amount	Implementation Status	Expected date of Completion	Remarks
NG_CDF OFFICE	Completion of NG-CDF Office, (walling, roofing, plastering, fixing of doors and windows, and painting of second floor.	6,000,000	6,000,000	On going	30.6.2017	On going
Kisayani School for People living with disabilities.	Construction of 2 no classrooms to completion	800,000	800,000	On going	30.6.2017	On going
Kaasya Primary	Construction of one classroom to completion	804,600	804,600	On going	30.6.2017	On going
Muangeni Mixed Secondary	Construction of classroom to completion	804,600	804,600	On going	30.6.2017	On going
Kakili Girls	Construction of classroom to completion	804,600	804,600	On going	30.6.2017	On going

Projects Not Implemented

Project Name	Project Activity	Allocated Amount	Disbursed Amount	Implementation Status	Expected date of Completion	Remarks
Kibwezi township primary	Construction of dormitory to completion	2,840,000	–	NEW	30.6.2017	NEW
Milu Primary School	Construction of one classroom to completion	804,000	–	NEW	30.6.2017	NEW
Kanyungu Primary School	Renovation of classrooms	534,816	534,816	NEW	30.6.2017	NEW
Makasa primary school	Completion of office (painting, plastering, roofing flooring, fixing of doors and windows)	–	700,000	NEW	30.6.2017	Received Kshs.700,000 as Reallocation from Mbulutini Drift.
Katulani primary school	Renovation of 5no. classrooms (plastering, painting, fixing of doors and windows and roofing.	–	600,000	NEW	30.6.2017	Received Kshs.600,000 as Reallocation from Mbulutini Drift.

Matutu primary school	Renovation of 5no.classrooms(plastering,painting,fixing of doors and windows and roofing.	-	-	NEW	30.6.2017	Received Kshs.700,000 as Reallocation from Mbulutini Drift.
Kwa-Mukonyo primary school	Completion of office (painting, plastering, roofing flooring,fixing of doors and windows)	-	330,524	NEW	30.6.2017	Received Kshs.330'524 as Reallocation from Mbulutini Drift.
Kibwezi West ICT Hub.	Installation of satellite antenna,routr,digital access kit and digital ruggedized tablets,WI-FI with outdoor wireless device complete with 12U cabinet with accessories at Kshs.1,169,256.80 per site.The 4 sites are Kibwezi west NG-CDF Office makindu, Kisayani Education Center, Emali AP line and DCC Office Kibwezi.	-	4,400,000	NEW	30.6.2017	Received Kshs. 1,900,000,from Katulani primary,Kshs.2,000,000 ,from ,Kathya ka sec.school and Kshs 500,000 from Kamunyuni weir.as Reallocation funds
Tutini asst.chief Office	Construction of Office to completion.	1,047,605	1,047,605	NEW	30.6.2017	NEW
Kiunduani Chief's Camp	Construction of 4door toilet for People living with disabilities to completion.	300,000	-	NEW	30.6.2017	NEW
Kwambae Primary	Plastering, flooring, fixing of doors and windows of six classrooms.	1,200,000	-	NEW	30.6.2017	NEW
Sekeleni Primary	Renovation of 3no.classrooms	-	500,000	NEW	30.6.2017	Received reallocated funds from Audit fee for the year 2014/2015
Sekeleni Primary	Construction of six door girl's toilet to completion.	300,000	-	NEW	30.6.2017	NEW
Uvileni Primary	Construction of Administration Block to completion	1,900,000	-	NEW	30.6.2017	NEW
Syumile Primary School	Plastering, flooring, doors, windows roofing& painting of	800,000	-	NEW	30.6.2017	NEW

	four classrooms					
Mukameni Pri. School	Construction of one classroom to completion	804,000	-	NEW	30.6.2017	NEW
Ngakaa Primary	Construction of dormitory to completion	2,870,806	-	NEW	30.6.2017	NEW
Emali Cid, Ocpd Office And Armory	Construction of Cid, Ocpd offices and Armoury to completion.	1,847,605	-	NEW	30.6.2017	NEW
Ndatani Primary	Construction of administration block to completion.	1,824,416	1,824,416	NEW	30.6.2017	NEW
Muusini Primary	Construction of one classroom to completion	804,600	804,600	NEW	30.6.2017	NEW
Ndunguni Primary	Renovation of 4 classrooms (roofing, plastering and flooring)	700,000	700,000	NEW	30.6.2017	NEW
Katulani Primary	Construction of Administration block to completion	1,900,000	-	project done by CDF board through CSR	30.6.2017	Funds reallocated to Kibwezi West ICT Hub.
		44,551,724				

Consequently, the constituents of Kibwezi West did not obtain value or intended services in respect of the projects budgeted for but not fully implemented totalling Kshs.29,691,648.

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 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.

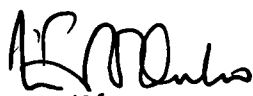
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 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 sustaining 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 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

25 July 2018

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
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	120,164,411.60	133,331,352.50
Proceeds from Sale of Assets	2	0	-
Other Receipts	3		11,000.00
TOTAL RECEIPTS		120,164,411.60	133,342,352.50
PAYMENTS			
Compensation of employees	4	1,452,443.60	1,086,324.00
Use of goods and services	5	7,330,919.00	11,732,632.50
Transfers to Other Government Units	6	80,743,983.35	48,494,381.00
Other grants and transfers	7	54,576,416.55	31,716,053.55
Acquisition of Assets	8	3,847,665.55	12,767,524.00
Other Payments	9	0	533,333.00
TOTAL PAYMENTS		147,951,428.05	106,330,248.05
SURPLUS/DEFICIT		(27,787,016.45)	27,012,104.45

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KIBWEZI WEST NG-CDF financial statements were approved on 21/8/ 2017 and signed by:



Chairman - CDFC

Fund Account Manager



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

V. STATEMENT OF ASSETS

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	10,454,920.00	38,175,023.00
Cash Balances (cash at hand)	10B	0	0
Outstanding Imprests	11	0	0
TOTAL FINANCIAL ASSETS		10,454,920.00	38,175,023.00
REPRESENTED BY			
Retention	12	0	0
Fund balance b/fwd 1st July...	13	38,175,023.45	11,162,919.00
Surplus/Deficit for the year		(27,787,016.45)	27,012,104.45
Prior year adjustments	14	66,913.00	
NET LIABILITIES		10,454,920.00	38,175,023.45

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KIBWEZI WEST NG-CDF financial statements were approved on 21/8/ 2017 and signed by:



Chairman - CDFC


Fund Account Manager



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

Reports and Financial Statements

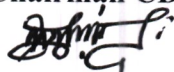
For the year ended June 30, 2017

VI. STATEMENT OF CASHFLOW

Receipts for operating income		2016 - 2017	2015 - 2016
Transfers from CDF Board	1	120,164,411.60	133,331,352.50
Other Receipts	3	0	11,000.00
Total receipts		120,164,411.60	133,342,352.50
Payments for operating expenses			
Compensation of Employees	4	1,452,443.60	1,086,324.00
Use of goods and services	5	7,330,919.00	11,732,632.50
Transfers to Other Government Units	6	80,743,983.35	48,494,381.00
Other grants and transfers	7	54,576,416.55	31,716,053.55
Other Payments	9	0	533,333
Adjusted for:			-
Adjustments during the year	14	66,913.00	
Net cash flow from operating activities		(23,872,437.90)	39,779,628.45
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	-
Acquisition of Assets	9	3,847,665.55	12,767,524.00
Net cash flows from Investing Activities		-3,847,665.55	(12,767,524.00)
NET INCREASE IN CASH AND CASH EQUIVALENT		(27,720,103.45)	27,012,104.45
Cash and cash equivalent at BEGINNING of the year	15	38,175,023.45	11,162,919.00
Cash and cash equivalent at END of the year		10,454,920.00	38,175,023.45

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KIBWEZI WEST NG-CDF financial statements were approved on 21/8/2017 and signed by:

Chairman CDFC



Fund Account Manager



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

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Transfers from CDF Board	81,896,551.72	107,769,099.00	189,665,650.72	158,217,375.60	31,448,275.12	83.4%
Proceeds from Sale of Assets	0	0	0	0	0	0
Other Receipts	0	0	0	0	0	0
PAYMENTS						
Compensation of Employees	2,469,000.00	1,049,866.00	3,518,866.00	1,452,443.60	2,066,422.40	41.3%
Use of goods and services	4,901,689.60	2,837,519.00	7,739,208.60	7,330,919.00	408,289.60	94.7%
Transfers to Other Government Units	31,261,685.85	74,995,460.00	106,257,145.85	80,743,983.35	25,513,162.50	76.0%
Other grants and transfers	37,264,176.27	24,566,968.45	61,831,144.72	54,576,416.55	7,254,728.17	88.3%
Acquisition of Assets	6,000,000.00	4,319,285.55	10,319,285.55	3,847,665.55	6,471,620.00	37.3%
TOTALS	81,896,551.72	107,769,099.00	189,665,650.72	147,951,428.05	41,714,222.67	78.0%

(a) All our revenue was a disbursement from the National Government Constituencies Development Fund Board.

(b) All category of spending during the financial year were above 50% except acquisition of assets and compensation of employees which was 37.3% and 41.3% respectively at close of the financial year but at the time of the report the staff gratuity were paid. Construction of the first floor of the NGCDF office is in progress and not paid

The KIBWEZI WEST CDF financial statements were approved on 21/8/ 2017 and signed by:



Chairman CDF



Fund Account Manager



VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *NG-CDF* 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*

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

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

6. Budget

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

7. Comparative figures

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

8. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2016.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

IX. NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from CDF board-AIEs' Received

Description		2015 - 2016	2014 - 2015
		Kshs	Kshs
CDF Board			
AIE NO	A829599	4,094,827.60	52,519,865.50
AIE NO	A 855144	69,216,135.00	12,511,487.00
AIE NO	A855501	36,853,449.00	21,300,000.00
	A839728	10,000,000.00	40,000,000.00
			7,000,000.00
(other constituency e.g., parent constituency)		0	0
TOTAL		120,164,411.60	133,331,352.50

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	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Total	0	0

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2016 - 2017 Kshs	2015 - 2016 Kshs
Interest Received		-
Rents		-
Receipts from Sale of tender documents	0	11,000.00
Other Receipts Not Classified Elsewhere	0	
Total	0	11,000.00

4. COMPENSATION OF EMPLOYEES

	2016 - 2017 Kshs	2015 - 2016 Kshs
Basic wages of contractual employees	1,200,803.60	932,724.00
Basic wages of casual labour	82,000.00	-
Personal allowances paid as part of salary		
House allowance		144,000.00
Employee contribution to NSSF	22,800.00	9,600.00
Transport allowance		
Leave allowance		-
Other personnel payments	146,840.00	
Gratuity	0	
Total	1,452,443.60	1,086,324.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Utilities, supplies and services	113,034.00	8,787,845.00
Committee expenses	2,055,000.00	2,944,787.50
Domestic travel and subsistence	99,000.00	
Printing, advertising and information supplies & services		
Rentals of produced assets		-
Training expenses	2,058,799.00	-
Hospitality supplies and services		-
Insurance costs	198,942.00	-
Specialized materials and services		
	2,077,729.00	
Office and general supplies and services		
Other operating expenses		
Routine maintenance – vehicles and other transport equipment		
Fuel and Lubricants	624,170.00	
Routine maintenance – other assets	104,245.00	
Total	7,330,919.00	11,732,632.50

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016 - 2017 Kshs	2015- 2016 Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	27,904,861.35	16,184,885.00
Transfers to secondary schools (see attached list)	42,839,122.00	31,203,496.00
Transfers to tertiary institutions (see attached list)	10,000,000.00	336,000.00
Transfers to health institutions (see attached list)	-	770,000.00
TOTAL	80,743,983.35	48,494,381.00

7. OTHER GRANTS AND OTHER PAYMENTS

	2016 - 2017 Kshs	2015- 2016 Kshs
Bursary – secondary schools (see attached list)	21,802,444.00	6,589,244.55
Bursary – tertiary institutions (see attached list)	8,850,360.00	4,495,570.00
Bursary – special schools (see attached list)	0	0
Mock & CAT (see attached list)	0	0
Water projects (see attached list)	1,500,002.10	8,443,865.00
Agriculture projects (see attached list)	0	0
Electricity projects (see attached list)	0	0
Security projects (see attached list)	7,291,513.25	6,487,374.00
Roads projects (see attached list)	490,000.00	-
Sports projects (see attached list)	4,644,052.60	
Environment projects (see attached list)	4,644,052.60	
Emergency projects (see attached list)	5,403,992.00	5,700,000.00
Total	54,576,416.55	31,716,053.55

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets

	2015 - 2016	2015 - 2016
	Kshs	Kshs
Purchase of Buildings	0	0
	2,452,660.00	7,135,720.00
Construction of Buildings		0
Refurbishment of Buildings	0	0
		5,232,804.00
Purchase of Vehicles and Other Transport Equipment	0	
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	1,395,005.55	0
		399,000.00
Purchase of ICT Equipment, Software and Other ICT Assets	0	
Purchase of Specialized Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
Total	3,847,665.55	12,767,524.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

	2016 - 2017 Kshs	2015 - 2016 Kshs
Specify		533,333.00
	0	533,333.00

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016 - 2017 30/6/2017 Kshs	2015 - 2016 30/6/2016 Kshs
KCB MAKINDU A/C 1148787925	10,454,920.00	38,175,023.00
Total	10,454,920.00	38,175,023.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10B: CASH IN HAND

	2015 - 2016 Kshs	2014 - 2015 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]

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	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

12. RETENTION

S/ NO	PAYEE	AMOUNT 2016/2017	AMOUNT 2015/2016
1	Josema Company ltd	471,620	XXXX
2			XXXX
3			XXXX
	TOTAL AMOUNT	471,620	

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
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**Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	38,052,964.00	11,162,919.00
Cash in hand	0	0
Imprest	0	0
Total	38,052,964.00	11,162,919.00

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts (Cash Book over cast and prior reversed cheques not replaced i.e. (-122,059+188,972)	66,913.00	0
Cash in hand	0	0
Imprest	0	0
Total	66,913.00	0

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015- 2016 Kshs	2014 - 2015 Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0
	0	0

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	0	0
Middle management	0	0
Unionisable employees	0	0
Others (<i>staff gratuity before taxation</i>)	967,539.00	0
	967,539.00	0
	967,539.00	0

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	24,813,162.00	0
Amounts due to other grants and other transfers (see attached list)	13,142,692.00	0
Others (<i>specify</i>)	0	0
	37,955,854.00	0
	37,955,854.00	0

15.4: PMC account balances (See Annex 5)

	Kshs	Kshs
PMC account Balances (see attached list)	35,518,790.50	xxx
	35,518,790.50	xxx
	35,518,790.50	xxx

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIBWEZI WEST
CONSTITUENCY**

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

15.5: Amount Due From NG-CDF Board

	Kshs	Kshs	
Financial Year 2015/2016 (Audit fees)	500,000.00		xxx
Financial Year 2016/2017	30,948,275.12		
	<hr/> 31,448,275.12 <hr/>		xxx

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2017

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2017 d=a-c	Outstanding Balance	Comments
Construction of buildings						
1. JOSEMA CONSTRUCTION LIMITED	16,400,000.00		9,928,380.00	6,471,620.00		Construction of NGCDF OFFICE
2.						
3.						
Sub-Total	16,400,000.00		9,928,380.00	6,471,620.00		
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	16,400,000.00		9,928,380.00	6,471,620.00		

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2017

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2017	Comments
		a	b	c	d=a-c		
Staff							
1. TITUS K. SAMMY						200,376.00	Gratuity
2. PRUDENCE M. STEPHEN						178,106 .00	Gratuity
3. BENARD K. MAUNDU						175,572.00	Gratuity
4. JONES N. KITUSI						175,572.00	Gratuity
5. JOHN M. MAKOVU						40,370.00	Gratuity
Sub-Total						769,996.00	
Employees Tax on gratuity							
1. TITUS K. SAMMY						55,102.00	Tax on Gratuity
2. PRUDENCE M. STEPHEN						45,800.00	Tax on Gratuity
3. BENARD K. MAUNDU						42,807.00	Tax on Gratuity
4. JONES N. KITUSI						42,807.00	Tax on Gratuity
5. JOHN M. MAKOVU						11,028.00	Tax on Gratuity

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2017	Comments
Sub-Total						197,543.00	
Grand Total						967,539.00	

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
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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 2016	Outstanding Balance 2017	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities							
1.	Kisayani School for People living with disabilities.					800,000.00	
2.	Milu Primary School					804,000.00	
3.	Kanyungu Primary School					534,816.00	
4.	Kwambae Primary					1,200,000.00	
5.	Sekeleni Primary					300,000.00	
6.	Uvileni Primary					1,900,000.00	
7.	Katulani Primary					1,900,000.00	
8.	Kibwezi Township					2,840,000.00	
9.	Ndatani Primary					1,824,416.00	
10.	Muusini Primary					804,600.00	
11.	Ndunguni Primary					700,000.00	
12.	Ngakaa Primary					2,870,806.00	
13.	Syumile Primary School					800,000.00	
14.	Mukameni Primary. School					804,000.00	
15.	Makasa primary school					700,000.00	

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Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2017	Comments
16. Katulani primary school						600,000.00	
17. Matutu primary school						700,000.00	
18. Kwa Mukonyo primary school						330,524.00	
19. Kibwezi west ICT HUB						4,400,000.00	
Sub-Total						24,813,162.00	
Amounts due to other grants and other transfers							
1. Kiunduani Chief's Camp						300,000.00	
2. Tutini Asst.Chief's Office						1,047,605.00	
3. Emali Police station						1,847,605.17	
4. Sports Environment						1,637,931.00	
5. Emergency						1,637,931.00	
6. Emergency						200,000.00	
7. CDF. Office						6,471,620.00	
Sub-Total						13,142,692.17	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	0	0
Buildings and structures (Kibwezi West NG-CDF OFFICE)	9,588,380.00	7,135,720.00
Transport equipment (GKB 264 M)	5,232,804.00	5,232,804.00
Office equipment, furniture and fittings	1,395,005.55	0
ICT Equipment, Software and Other ICT Assets	399,000.00	399,000.00
Other Machinery and Equipment	0	0
Heritage and cultural assets	0	0
Intangible assets	0	0
Total	16,615,189.55	12,767,524.00

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2017

	PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
1	KIAMBANI SECONDARY SCHOOL CDF ACC.	KCB	1163983691	380,470.35	
2	KISINGO SECONDARY SCHOOL CDF ACC.	KCB	1127761897	1,690,417.30	
3	IKUNGU SECONDARY SCHOOL CDF ACC.	KCB	1113950420	1,956,826.30	
4	YINDALANI PRIMARY SCHOOL CDF ACC.	KCB	1151248703	205,410.00	
5	NGAKAA SECONDARY SCHOOL CDF ACC.	KCB	1135674833	1,397,288.05	
6	NGAIKINI SECONDARY SCHOOL CDF ACC.	KCB	1117249395	655,973.00	
7	KISAYANI SCHOOL FOR PLWD	KCB	1206873477	779,780.00	
8	NDWAANI SECONDARY SCHOOL CDF ACC.	KCB	1211181197	2,808,385.00	
9	MIKAUNI PRIMARY SCHOOL CDF ACC.	KCB	1210911620	783,780.00	
10	KEVANDA PRIMARY SCHOOL CDF ACC.	KCB	1184072760	986,460.45	
11	KAASYA PRIMARY SCHOOL CDF ACC.	KCB	1162919086	785,074.50	
12	MUANGENI SECONDARY SCHOOL CDF ACC.	KCB	1209593637	785,380.00	
13	KAKILI GIRLS SECONDARY SCHOOL CDF ACC.	KCB	1176116398	785,628.15	
14	SYUMILE SECONDARY SCHOOL CDF ACC.	KCB	1162871695	1,999,414.60	
15	IKOYO SECONDARY SCHOOL CDF ACC.	KCB	1151101265	555,147.15	
16	YIKISEMEI PRIMARY SCHOOL CDF ACC.	KCB	1204794243	443,816.00	
17	ST. BAKHITA MAKUSU SECONDARY	KCB	1122992653	512,528.10	
18	MAKINDU DIVISIONAL HQS CDF PROJECT ACC.	KCB	1204811660	146,361.45	

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	PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
19	KYANGINYWA AP LINE CDF PROJECT ACC.	KCB	1204418233	577,913.45	
20	KATHYAKA AP LINE CDF PROJECT ACC.	KCB	1204406111	784,600.00	
21	NG'ETHA POLICE POST CDF PROJECT ACC.	KCB	1203866194	119,500.00	
22	EMALI AP LINE CDF PROJECT ACC.	KCB	1203790805	102,749.45	
23	KWA MARIA EARTH DAM CDF PROJECT ACC.	KCB	1176236717	1,512,828.65	
24	MITENDEU SECONDARY SCHOOL CDF ACC.	KCB	1175027510	105,991.00	
25	GOODSHEPHERD GIRLS SEC SCHOOL CDF ACC.	KCB	1107169429	273,650.15	
26	MIKUYUNI SECONDARY SCHOOL CDF ACC.	KCB	1133039960	388,629.55	
27	MIKUYUNI PRIMARY SCHOOL CDF ACC.	KCB	1174743719	459,690.50	
28	ST.SIMON MBUINZAU SEC SCHOOL CDF ACC.	KCB	1151149314	1,989,330.15	
29	KISAYANI GIRLS SEC SCHOOL CDF ACC.	KCB	1170330738	723,805.75	
30	TUTINI SEC SCHOOL CDF ACC.	KCB	1204429294	375,465.60	
31	MATIKU SEC SCHOOL CDF ACC.	KCB	1116453169	427,074.20	
32	MULALA PRIMARY HGM SCHOOL CDF ACC.	KCB	1156264944	747,692.00	
33	UTHANGATHI PRIMARY SCHOOL CDF ACC.	KCB	1132541085	3,536.30	
34	MULALA GIRLS SECONDARY SCHOOL CDF ACC.	KCB	1130488284	64,716.60	
35	ILINGONI PRIMARY SCHOOL CDF ACC.	KCB	1203857772	985,795.00	
36	KATULANI PRIMARY SCHOOL CDF ACC.	KCB	1204566828	131,827.50	
37	MATINGA PRIMARY SCHOOL CDF ACC.	KCB	1160358060	3,358.50	
38	MUTHUMONI PRIMARY SCHOOL CDF ACC.	KCB	1183604416	206,141.00	

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	PMC		Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
39	YIENI PRIMARY SCHOOL CDF ACC.		KCB	1136983643	232,511.40	
40	KANYILILYA PRIMARY SCHOOL CDF ACC.		KCB	1204027072	60,320.00	
41	WIIVIA PRIMARY SCHOOL CDF ACCOUNT		KCB	1204482330	404,365.50	
42	KWA MUKONYA PRIMARY SCHOOL CDF ACC.		KCB	1203855672	30,094.50	
43	KANYUNGU SECONDARY SCHOOL CDF ACC.		KCB	1159079234	784,787.35	
44	KATHYAKA PRIMARY SCHOOL CDF ACC.		KCB	1126325570	826,933.15	
45	KATHYAKA SECONDARY SCHOOL CDF ACC.		KCB	1164460773	106,849.70	
46	MUUNDANI PRIMARY SCHOOL CDF ACCOUNT		KCB	1151183490	409,992.00	
47	NDEINI PRIMARY SCHOOL CDF ACC.		KCB	1137276487	82,508.95	
48	KIONI SECONDARY SCHOOL CDF ACC.		KCB	1203885954	96,263.14	
49	KYANGINYWA SECONDARY SCHOOL CDF ACC.		KCB	1112943358	385,467.55	
50	MAKUSU PRIMARY SCHOOL CDF ACC.		KCB	1150176784	133,560.80	
51	KYANDULU PRIMARY SCHOOL CDF ACC.		KCB	1135315264	400,875.00	
52	MATINGA SECONDARY SCHOOL CDF ACCOUNT		KCB	1136848703	422,214.05	
53	ITHAMBA AUME PRIMARY SCHOOL CDF ACC.		KCB	1161429360	131,442.20	
54	KAMBOO SECONDARY SCHOOL CDF ACC.		KCB	1150139110	136,928.00	
55	ST.ANNE'S KIBOKO GIRLS SEC SCHOOL CDF ACC.		KCB	1132785642	400,692.20	
56	MATUTU SECONDARY SCHOOL CDF ACC.		KCB	1149204931	497,250.65	
57	KALII SECONDARY SCHOOL CDF ACC.		KCB	1175585386	78,662.65	
58	KIBWEZI WEST SPORTS CDF PROJECTS		KCB	1203046391	2,997.60	

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	PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
59	KIBWEZI WEST ENVIRONMENT CDF PROJECTS	KCB	1204817723	1,819,966.16	
60	KIBWEZI WEST CDF OFFICE PROJECTS	KCB	1176279025	431,672.20	
	TOTAL AMOUNT Kshs.			35,518,790.50	

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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)
EH-AUD/NG - CDF/KIB WEZI W./2015 -2016/7	Cash and Cash equivalent: 1. Financial statement reflecting cash balance of Kshs.38,175,023 while bank reconciliation reflecting Kshs.38,052,964 leading to a variance of Kshs.122,059	Need to explain the variance	David Kaberia Murungi-FAM	Not Resolved-In progress.	30/9/2017
EH-AUD/NG - CDF/KIB WEZI W./2015 -2016/7	Procurement of the CDF Motor vehicle Kshs.5,518,230 documents not availed for audit.	Provision of the procurement documents.	David Kaberia Murungi-FAM	Not Resolved-In progress.	30/9/2017
EH-AUD/NG - CDF/KIB WEZI W./2015 -2016/7	Propriety of the expenditure of Kshs.2,840,000 at Mikuyuni sec school, lack of procurement documents, contract sum	Provision of the procurement documents.	David Kaberia Murungi-FAM	Not Resolved-In progress.	30/9/2017

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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)
WEZI W./2015 -2016/7	Primary school for Kshs.873,931				
EH-AUD/NG - CDF/KIB WEZI W./2015 -2016/7	Lack of proper procurement for pumping and piping of water to Tutini market Kshs. 2,185,000 .	Provision of the procurement documents.	David Kaberia Murungi-FAM	Not Resolved-In progress.	30/9/2017
EH-AUD/NG - CDF/KIB WEZI W./2015 -2016/7	Lack of proper procurement for construction of a sand dam at Kshs. 1,235,000.	Provision of the procurement documents.	David Kaberia Murungi-FAM	Not Resolved-In progress.	30/9/2017
EH-AUD/NG - CDF/KIB WEZI W./2015 -2016/7	Lack of proper procurement for construction of six Roads Drifts at Kshs. 9,297,416	Provision of the procurement documents.	David Kaberia Murungi-FAM	Not Resolved-In progress.	30/9/2017

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For the year ended June 30, 2017

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