

REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
NAMBALE CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017

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

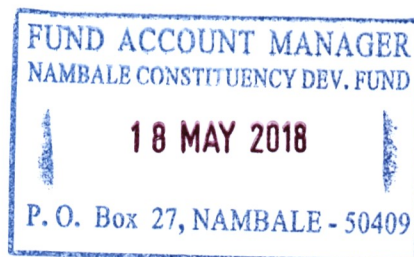


**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
NAMBALE CONSTITUENCY**

AMENDED 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)**



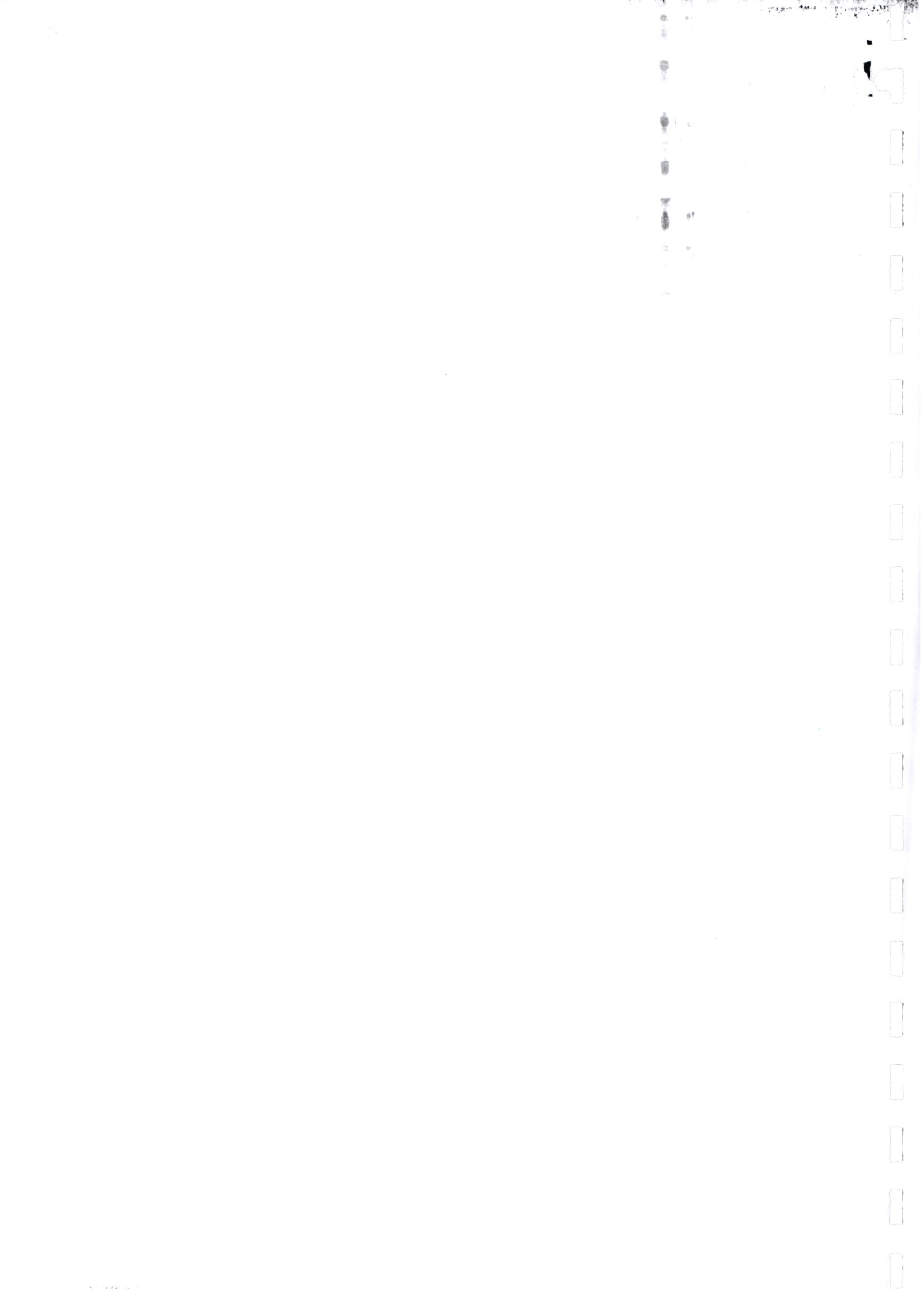


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KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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

(b) Key Management

The NAMBALE Constituency's day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No.	Designation	Name	(d)
1.	Accounting Officer	Yusuf Mbuno	
2.	A.I.E holder	Allan R. Chemayiek	
3.	Accountant	Jorim Ogola	

Fiduciary Oversight Arrangements

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

(e) NAMBALE NGCDF Headquarters

P.O. Box 27-50409
Nambale CDF Building
Off Busia Road, Opposite Nambale Sub county Headquarters
NAMBALE.

(f) NAMBALE NGCDF Contacts

Telephone: (254) 721800337
E-mail: cdfnambale@cdf.go.ke
Website: www.nambale.co.ke

(g) NAMBALE NGCDF Bankers

1. Co-operative Bank of Kenya
Busia Branch
A/C No. 01141235497300

(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

**FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NGCDFC)**


This financial year the transfers from the board greatly improved registering 98.1%, this enabled us implement a good number of projects for the year and previous ones.

Our five year strategic plan has been a great guided within the year and out of it a number of flagship projects have been started/ implemented. Key among them is the successful running of Nambale University Campus under the mentorship of Jaramogi Oginga Odinga University of Science and Technology. Secondly, is the establishment of a model girl's school at Elwanikha Girls secondary School. Besides the above we have also managed to complete a number of classrooms and toilets, and supplied furniture and desks to schools across the constituency.

Some of the emerging issues the Fund is facing include; over dependence of Fund due to high poverty index in the constituency which is estimated to be 68%, and secondly is high enrolment in upcoming schools thus creating high demand of infrastructures.

Major challenges faced by the Fund include; delay in disbursement of funds from the board, infrastructural demands is higher than the amount allocated, and the incomplete devolved projects which have not been given any attention by the county government.

As a way forward, the Board need to release funds in good time, secondly the Board needs to lobby for increase of funding to every constituency and finally the Board to create a linkage with the county government with a view of completing the devolved projects.


.....
CHAIRPERSON NGCDFC

STATEMENT OF NGCDF MANAGEMENT RESPONSIBILITIES

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

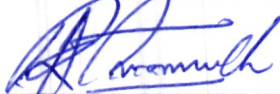
The Accounting Officer in charge of the NAMBALE NGCDF is responsible for the preparation and presentation of the NGCDF's financial statements, which give a true and fair view of the state of affairs of the NGCDF for and as at the end of the financial year (period) ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NGCDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the NGCDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

The Accounting Officer in charge of the NAMBALE NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NGCDF's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF's financial statements were approved and signed by the Accounting Officer on 18th May, 2018.


Fund Account Manager


Chairman



REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Nambale Constituency set out on pages 1 to 13, 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 comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 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, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Nambale 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 the National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that nothing has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective manner.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Nambale 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 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. There were no Key Audit Matters to report in the year under review.

*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund
- Nambale Constituency for the year ended 30 June 2017*

Other Matter

1. Incomplete and Stalled Projects

During the year under review, the Fund incurred a total of Kshs.41,300,657 in respect of transfers to other government entities. However, the following anomalies were noted in implementation of projects;

- i. Construction of latrines at Mungatsi Primary School was found to be incomplete and sub-standard though full payment of Kshs.500,000 had been made.
- ii. Full payment of Kshs.600,000 had been made towards completion of a classroom at Mwangaza primary school. Physical verification of the project revealed that the project was approximately 50% complete and not in use. In addition, the contractor was not on site.
- iii. Full payment of Kshs.250,000 had been made towards completion of a classroom at Maira Primary School. Physical verification of the project revealed that the project remained incomplete and yet the contractor was not on site.

Full payment of Kshs.560,000 had been made towards construction of staff quarters at Tangakona Administration Police camp. Physical verification of the project revealed that the project remained incomplete and yet the contractor not on site.

In the circumstances, the incomplete projects denies the residents of the constituency the services intended.

2. Budgetary Performance

The CDF revenue was budgeted at Kshs.142,144,938 against actual receipt of Kshs.139,477,808 representing an overall under collection of Kshs.2,667,131 (1.9%). Further, the CDF spent a total Kshs.126,091,375 against a budget of Kshs.142,144,938 representing under expenditure of Kshs.16,053,564 representing 11.3% as shown in the table below:

Overall Budgetary Performance (Recurrent and Development Expenditure)				
Receipt/Expense Item	Budgeted	Actual	Variance	
	Kshs.	Kshs.	Kshs.	%
Receipts				
Transfers from CDF Board	142,144,938	139,477,808	2,667,131	1.9%
Sub-total	142,144,938	139,477,808	2,667,131	1.9%
Payments				
Compensation of Employees	2,889,971	2,118,570	771,401	26.7%
Use of goods and services	8,870,395	8,328,435	541,960	6.1%
Transfers to Other Government Units	54,106,062	41,300,657	12,805,405	23.7%
Other grants and transfers	76,278,510	74,343,712	1,934,798	2.5%
Sub-total	142,144,938	126,091,375	16,053,564	11.3%

3. Project Performance

Nambale CDF was to implement a total of 73 projects/programmes costing Kshs.41,689,862 by different sectors during the year under review as shown below. Further analysis indicated that 5 representing 7% of the projects had not started, 39 representing 53% were still on going and 19 representing 40% had been completed as at the time of audit.

Nambale NG-CDF			Implementation Status								
Sector	Budgeted projects		Not Started			Ongoing			Completed		
	No	Kshs	No	Kshs	%	No	Kshs	%	No	Kshs	%
Primary School Infrastructure Project	45	20,630,000				22	12,230,000	49%	23	8,400,000	51%
Secondary School Project	4	13,100,000				1	600,000	25%	3	12,500,000	75%
Tertiary School Projects	1	800,000				1	800,000	100%	-	-	0%
Security Projects	18	4,684,000				15	3,984,000	83%	3	700,000	17%
Sports Activities	1	1,238,062	1	1,238,062	100%						
Environmental Activities	4	1,237,800	4	1,237,800	100%						
Total	73	41,689,862	5	2,475,862	7%	39	17,614,000	53%	29	21,600,000	40%

In the circumstances, the residents of the constituency did not receive services from the planned and budgeted projects.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern/ sustainability of services and using the going concern basis of accounting unless the management either intends to liquidate the corporation or to cease operations, or have no realistic alternative but to do so.

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

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

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement 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 in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. 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 consolidated/ 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 as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements.

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

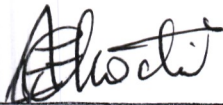
Nairobi

11 July 2018

STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	139,182,411	81,283,871
TOTAL RECEIPTS		139,182,411	81,283,871
PAYMENTS			
Compensation of employees	2	1,879,368	1,804,790
Use of goods and services	3	8,567,637	8,816,254
Transfers to Other Government Units	4	41,300,657	59,363,000
Other grants and transfers	5	74,343,713	21,205,500
TOTAL PAYMENTS		126,091,375	91,189,544
SURPLUS/DEFICIT		13,091,036	(9,905,673)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NAMBALE NGCDF financial statements were approved on 18th May, 2018 and signed by:



Chairman - NGCDF



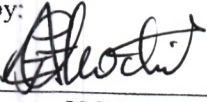
Fund Account Manager



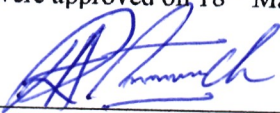
STATEMENT OF ASSETS

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	6	13,386,433	295,397
TOTAL FINANCIAL ASSETS		13,386,433	295,397
REPRESENTED BY			
Fund balance b/fwd 1st July...	7	295,397	10,201,069
Surplus/Defict for the year		13,091,036	(9,905,673)
NET LIABILITIES		13,386,433	295,397

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NAMBALE NGCDF financial statements were approved on 18th May, 2018 and signed by:



 Chairman - NGCDFC



 Fund Account Manager

FUND ACCOUNT MANAGER
 NAMBALE CONSTITUENCY DEV. FUND
 18 MAY 2018
 P. O. Box 27, NAMBALE - 50409

STATEMENT OF CASHFLOW

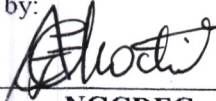
Receipts for operating income

		2016 - 2017	2015 - 2016
Transfers from CDF Board	1	139,182,411	81,283,871
		139,182,411	81,283,871
Payments for operating expenses			
Compensation of Employees	2	1,879,368	1,804,790
Use of goods and services	3	8,567,637	8,816,254
Transfers to Other Government Units	4	41,300,657	59,363,000
Other grants and transfers	5	74,343,713	21,205,500
		126,091,375	91,189,544
Adjusted for:			
Net cash flow from operating activities		13,091,036	(9,905,673)

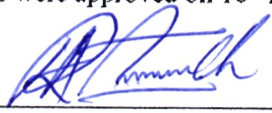
CASHFLOW FROM INVESTING ACTIVITIES

NET INCREASE IN CASH AND CASH EQUIVALENT		13,091,036	(9,905,673)
Cash and cash equivalent at BEGINNING of the year	6	295,397	10,201,069
Cash and cash equivalent at END of the year	7	13,386,433	295,397

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NAMBALE NGCDF financial statements were approved on 18th May, 2018 and signed by:



 Chairman NGCDF



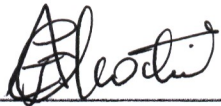
 Fund Account Manager



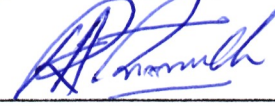
SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	81,896,552	60,248,387	142,144,938	139,477,808	2,667,131	98.1%
TOTAL	81,896,552	60,248,387	142,144,938	139,477,808	2,667,131	98.1%
PAYMENTS						
Compensation of Employees	2,241,200	648,771.30	2,889,971	2,118,570	771,401	73.3%
Use of goods and services	5,110,662	3,759,732.76	8,870,395	8,328,435	541,960	93.9%
Transfers to Other Government Units	34,630,000	19,476,062.01	54,106,062	41,300,657	12,805,405	76.3%
Other grants and transfers	39,914,690	36,363,820.50	76,278,510	74,343,713	1,934,798	97.5%
TOTAL	81,896,552	60,248,387	148,770,800	126,091,375	16,053,564	88.7%

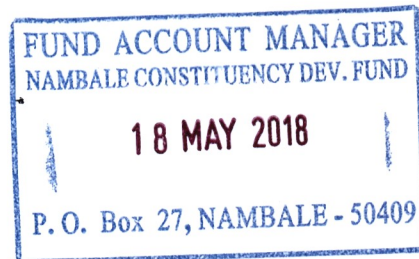
The NAMBALE NGCDF financial statements were approved on 18th May, 2018 and signed by:



Chairman NGCDF



Fund Account Manager



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 NGCDF and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

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

Recognition of revenue and expenses

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

In-kind contributions

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

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.

Pending bills

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

Budget

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

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.

NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Normal allocation			
	A825806	57,285,860	20,533,870
	A 829955	4,094,827	10,000,000
	A 855067	36,853,449	3,750,000
	A 855707	40,948,275	10,000,000
		-	10,000,000
		-	27,000,000
TOTAL		139,182,411	81,283,871

2. COMPENSATION OF EMPLOYEES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	1,681,145	1,598,130
Transport allowance	-	158,100
Employer contribution to NSSF	153,912	120,079
NHIF	44,311	-
Total	1,879,368	1,804,790

USE OF GOODS AND SERVICES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Utilities, supplies and services	356,000	326,700
Communication, supplies and services	287,123	112,299
Domestic travel and subsistence	328,000	423,000
Printing, advertising and information supplies & services	277,500	526,680
Training expenses	-	1,750,000
Hospitality supplies and services	-	326,000
Other committee expenses	1,760,000	2,675,000
Committee allowance	2,780,000	2,050,000
Insurance Costs	204,251	-
Specialised materials and services	519,328	150,000
Fuel ,oil & lubricants	200,000	476,575
Routine maintenance – vehicles and other transport equipment	1,855,435	-
Total	8,567,637	8,816,254

TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016 - 2017	2015- 2016
	Kshs	Kshs
Transfers to primary schools	10,600,000	32,402,000
Transfers to secondary schools	15,718,000	20,390,000
Transfers to tertiary institutions	14,982,657	6,571,000
TOTAL	41,300,657	59,363,000

3. OTHER GRANTS AND OTHER PAYMENTS

	2016 - 2017	2015 -2016
	Kshs	Kshs
Bursary – secondary schools	45,451,200	4,609,500
Bursary – tertiary institutions	20,798,513	9,896,000
Security projects	4,184,000	5,500,000
Sports projects	-	1,200,000
Environment projects	-	1,874,884
Emergency Projects	3,910,000	-
Total	74,343,713	21,205,500

Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016 - 2017	2015 - 2016
	Kshs	Kshs
Cooperative Bank, Busia Branch , Account No. 01141235497300	13,386,433	295,397
	13,386,433	295,397
10B: CASH IN HAND		

4. BALANCES BROUGHT FORWARD

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts	295,397	10,201,069
Total	295,397	10,201,069

5. OTHER PENDING PAYABLES (See Annex 2)

2016	2016-2017	2015-
	Kshs	Kshs
Amounts due to other Government entities (see attached list)	-	19,396,050
Amounts due to other grants and other transfers (see attached list)	2,667,130	36,303,820
Others (<i>specify</i>)	-	4,253,120
	2,667,130	59,952,990.00

9. PMC account balances (See Annex 3)

	Kshs	Kshs
PMC account Balances (see attached list)	4,426,391	42,566
	4,426,391	42,566

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

Reference No. on the external audit Report	Issue/Observations from Auditor	Management Comments	Focal Point to resolve the issue (Name and designation)	Status: (Resolved/ Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	<ul style="list-style-type: none"> • Budget Control and Performance • Project implementation status. • Undisbursed Allocation 	<p>The Fund did not meet its implementation targets because the board did not release funds from 19th February to 19th May 2016 because of transition from Constituency Development Fund to National Government Development Fund</p>	NG-CDF Board	Resolved	30 th June 2017
2.	Land ownership	<ul style="list-style-type: none"> • Lwanyange primary title is ready. • For the remaining four institutions the process of acquiring the titles is at advance stage 	Fund Account Manager	Not Resolved	30 th August 2018



ANNEX 1 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	3,000,000.00	3,000,000.00
Buildings and structures	15,843,060.00	15,843,060.00
Transport equipment	4,950,000.00	4,950,000.00
Office equipment, furniture and fittings	1,404,911.70	1,404,911.70
ICT Equipment, Software and Other ICT Assets	607,470.00	607,470.00
Total	25,805,441.70	25,805,441.70

ANNEX 2 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Amount Due
Amounts due to other grants and other transfers	
Bursary – University Students	2,667,130.00
Grand Total	2,667,130.00

ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2017

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Lupida Pri School	KCB	1105241009	1,260.90	1,500.10
Koshalai Pri Schl	National	01047087398800	1,560.51	500.80
Mungatsi Pri Schl	Cooperative	01139236885200	1,002.20	2,000.20
Namahindi Pri Schl	Family	079000025338	3,040.52	1,078.40
Matili Pri Schl	National	01024085048201	2,347.55	804.30
Segero Pri Schl	Family	079000025319	2,503.50	-
Kajoro Pri Schl	Family	079000025861	3,400.50	101.40
Kapina Pri Schl	KCB	1137029943	1,347.80	-
Sikinga Asst.Chief Office	Cooperative	01141236506300	500.50	-
Nambale Chief Office	Family	079000025320	2,305.40	506.55
Tangakon AP camp	KCB	1178693791	1,308.05	540.40
Nambale Police Division	Family	079000027613	2,350.45	3,570.30
Kwirale Pri Schl	Cooperative	01141237055600	2,060.50	504.10
Musokoto DEB Pri	Cooperative	01148236536300	870.50	306.70
Opedur Pri Schl	Cooperative	01139236210800	600,500.50	500.90
Dulienge Pri Schl	National	01047037540600	2,050.60	1,024.50
Sibembe RC Pri Schl	Cooperative	01139235941700	500,450.70	1,205.50
Sidende Asst. Chief Office	Cooperative	01139235941800	175,000	-
St.Martin Special Schl	Cooperative	01139236509400	200,000	3,450.60
Kajoro Pri Schl	Family	079000025861	103,000.50	1,250.70
Makongeni Pri Schl	Family	079000025340	300,450.50	960.50
Emakina Pri Schl	National	01242037197600	30,400.50	860.80
Sango Pri Schl	Cooperative	01141237687400	600,350.40	670.30
Elwnikha Pri Schl	National	01024036804901	153,000.45	400.80
Khulwanda Pri Schl	National	01047087252100	1,080.60	2,002.10
Mungatsi AP camp	Family	079000025524	500,000.00	-

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Maira Pri Schl	Cooperative	01139236078100	200,400.60	400.70
Maolo Sec Schl	Cooperative	01141231691100	570,004.50	-
Buloma Pri Schl	Family	079000027767	1,600.50	1,040.60
Namaindi Pri Schl	Family	079000025338	90,704.30	-
Musoma Pri Schl	Cooperative	01139235944000	2,570.30	6,580.04
Mabunge Pri Schl	Cooperative	01139236882800	200.65	500.60
Manyole Pri Schl	National	01020036803500	3,070.60	2,040.80
Kacheroi Pri Schl	Cooperative	01139236841900	1,500.50	3,000.45
Mwenge Pri Schl	Family	079000025306	5,670.50	705.70
Nangeni Pri Schl	Cooperative	01139236804200	2,570.80	560.50
Sikinga Pri Schl	Family	079000025314	450.30	240.70
Siera Pri Schl	KCB	1177420651	1,302.40	890.50
Kaludeka Pri Schl	Cooperative	6223706180	840.50	560.40
St Joseph Musokoto sec Schl	Cooperative	01139236238900	505.60	300.50
Katira Pri Schl	Cooperative	01139235934500	2,350.45	1,500.40
Otiiri Pri Schl	National	01224036761101	150,504.50	504.50
Ekisumo Pri Schl	Family	079000025389	200,000.00	-
Total			4,426,390.63	42,566.34

