

REPUBLIC OF KENYA

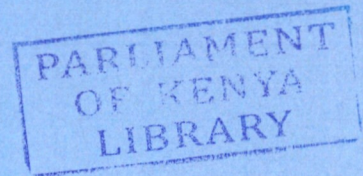


OFFICE OF THE AUDITOR-GENERAL



THE NATIONAL ASSEMBLY PAPERS LAID		DAY: Wed
DATE:	21 NOV 2018	
TABLED BY:	The Hon. Aden Duale MP.	
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REPORT



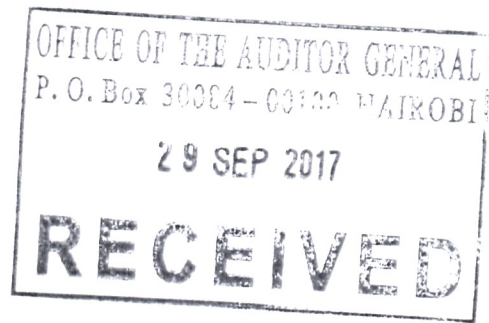
OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
KABONDO KASIPUL CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2017**



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
KABONDO KASIPUL 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)**

**KABONDO KASIPUL CDF
FUND ACCOUNT MANAGER**

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

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NGCDF) was set up under the CDF Act, 2003 now repealed by the NGCDF Act, 2015. The Constituencies Development Fund is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the Constituencies Development Fund. The objective of the fund is to ensure that specific portion of the national annual budget is devoted to the constituency for the purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

(b) Key Management

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

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- 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 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Wilson Juma Ochola
3.	Accountant	Tom Ojwando

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Kabondo Kasipul 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) KABONDO KASIPUL NGCDF Headquarters

Jeroza Building
P.O Bo 84-40223
Kisii- Kisumu Highway.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KABONDO
KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

(f) KABONDO KASIPUL NGCDF Contacts

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(g) KABONDO KASIPUL NGCDF Bankers

1. Co-operative Bank of Kenya
P.O Box
Oyugis

(h) Independent Auditors

The 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


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

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

The NG-CDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NG-CDF have improved the Education and Security infrastructures of Kabondo Kasipul.

However there have been emerging issues like economic, social, legal and global challenges influencing the implementation of NG-CDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approval of proposals, submissions and reallocations.

The NG-CDFCs wish that the issues of having the project on going for more than 2 years be stopped and the NG-CDF board to reduce the rate of staff turnovers in Constituencies i.e. FAM transfers.


Sign.....
CHAIR NGCDFC

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KABONDO
KASIPUL CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

III. 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 NG-CDF. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the **Kabondo Kasipul** NG-CDF is responsible for the preparation and presentation of the NG-CDF's financial statements, which give a true and fair view of the state of affairs of the NG-CDF for and as at the end of the financial year (period) ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NG-CDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the 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 **Kabondo Kasipul** NG-CDF accepts responsibility for the NG-CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NG-CDF's financial statements give a true and fair view of the state of NG-CDF's transactions during the financial year ended June 30, 2017, and of the NG-CDF's financial position as at that date. The Accounting Officer charge of the Kabondo Kasipul 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.

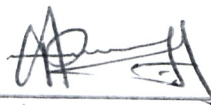
The Accounting Officer in charge of the Kabondo Kasipul NG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF's funds received during the year under audit were used for the eligible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

Approval of the financial statements

The NG-CDF's financial statements were approved and signed by the Accounting Officer on
3/08/2017 2017.



Fund Account Manager
KABONDO KASIPUL NGCDF
FUND ACCOUNT MANAGER



Chairman

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON THE NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KABONDO KASIPUL 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 – Kabondo Kasipul Constituency set out on pages 6 to 19, which comprise the statement of assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation-recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, 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 – Kabondo Kasipul 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 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 public money has not been applied lawfully and in an effective way.

Basis for Adverse Opinion

1. Inaccuracies in Financial Statements

1.1 Statement of Receipts and Payments

- (i) The following differences were noted between several balances reflected in the statement of receipts and payments for the year under review and comparative balances in the 2015/2016 as shown below:

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

Item	Amount in the 2015/16 Audited Accounts Kshs.	Opening Balances in 2016/17 Accounts Kshs.	Difference Kshs.
Committee Allowance	2,908,000	3,138,000	(230,000)
R/maintenance of Vehicles	996,719	766,719	230,000

- (ii) In addition, there are notable differences between the statement of receipts and payments for the year under review and the ledger in respect of several account balances:

Item Under Note 5	Receipts & Payments Statement Balance Kshs	Ledger Balance Kshs	Variance Kshs
Communication, Supplies and Services	267,960	6,960	261,000
Domestic Travel and Subsistence Expenses	608,590	557,590	51,000
Committee Expenses	3,913,400	2,641,400	1,272,00
Routine Maintenance –vehicles and other transport equipment	1,375,593	1,330,500	45,093

Consequently, the accuracy and propriety of the expenditures cannot be confirmed.

1.2 Misstatement of Statement of Appropriation

The following differences were noted between summary statements of appropriation final budget presented in the financial statements and the approved budget as shown below:

Items	Figure in the summary statements of Appropriation Final Budget Kshs	Figure in Budget Estimates Kshs	Variance Kshs
Transfers to Other Government Units	35,996,000	29,575,000	6,421,000
Acquisition of Assets	17,250,000	12,000,000	5,250,000
Total	53,246,000	41,575,000	11,671,000

Budget balances in respect of acquisition of assets and transfers to other Government units presented in the statement of appropriation are overstated by Kshs.11,671,000 relative to the approved estimates. However, no evidence has been presented by management to confirm that the overstatement was authorized as provided for in Section 43 of the Public Finance Management National Government Regulations 2015.

Consequently, the accuracy of the summary statements of appropriation cannot be confirmed.

1.2 Misstatement of Employee Expenses

Included in the financial statements under Note 4 is compensation of employees expenditure totaling Kshs.2,189,401 which includes basic wages of contractual employees totaling Kshs.1,654,982. However, the balance reflected in the ledger is Kshs.1,594,104 leading to a variance of Kshs.60,878. Similarly, the financial statements reflect Kshs.60,878 as contribution by the employer to National Social Security Fund (NSSF) while the ledger reflects a total balance Kshs.121,756 resulting to a variance of Kshs.60,878.

Consequently, the accuracy of the expenditure totaling Kshs.1,654,982 reported to have been incurred on compensation of employees and Kshs.60,878 contribution to NSSF the cannot be confirmed.

1.3 Understated Receipts

Included in the statement of receipts and payments is a sum of Kshs.82,096,552 in respect of transfers from national units which however excludes Kshs.1,300,000 received and recorded in the cash book on 29 November 2016.

Consequently, the accuracy of the receipts of Kshs.82,096,552 from national units for the year under review cannot be confirmed.

1.4 Failure to Provide Trial Balance

Included in the statement of receipts and payments are transfers from NG-CDF Board totaling Kshs.82,096,552 against total expenditure of Kshs.146,094,283 resulting in a deficit of Kshs.63,997,731. Management did not avail a trial balance to confirm the accuracy of these balances. In the absence of a trial balance, it is not possible to confirm the accuracy and validity of key balances on the financial position of NGCDF-Kabondo Kasipul as at 30 June 2017 and its operations for the year then ended.

2. Missing Payment Vouchers

Included in the financial statements under Note 4 is compensation of employees expenditure totaling Kshs.2,189,401 which includes payment vouchers amounting to Kshs.617,025 that were not availed for audit verification contrary, to Section 99 (3) of the Public Finance Management Regulations 2015.

As a result, the occurrence, accuracy and propriety of the expenditure totaling Kshs. 617,025 cannot be confirmed.

3. Unsupported Staff Payables

Included in the financial statements under Note 15 are pending staff payables amounting to Kshs.382,528 owed to seven employees. However, the payment schedule does not include the period during which these salaries remained unpaid and further, the payroll listing supporting the balance was not availed for audit review.

Consequently, the propriety of the expenditure of Kshs.382,528 cannot be confirmed.

4. Unsupported Expenditure on Construction of Office Buildings

Included in Note 8 under acquisition of assets is a sum of Kshs.17,500,000 incurred on construction of office buildings, which includes Kshs.14,500,000 paid to a local construction company vide certificate No.004 of Kshs.18,000,000 approved by the County Works Officer. However, the valuation of work report detailing the nature of works carried out by the contractor during the year was not presented for audit. In addition, although the contract sum was Kshs.30,350,117, the cumulative expenditure incurred on the project as at 30 June 2017 amounted Kshs.34,500,000, which therefore exceeded the contract sum by Kshs.4,149,883 yet the project was not completed.

Consequently, the accuracy and propriety of the expenditure of Kshs.22,149,883 incurred on construction of Office buildings cannot be confirmed and the Fund breached the law.

5. Unsupported Payment for Supply of Building Materials

Included in the financial statements under Note 8 is acquisition of assets balance of Kshs.17,974,718 which includes construction of buildings expenditure amounting to Kshs.17,500,000. However, a sum of Kshs.2,500,000 paid to a local supplier to supply buildings materials was not supported with quotations, Local Purchase Orders, invoices and delivery notes. In addition, it has not been explained why a supplier was paid to supply building materials yet another contractor had been awarded a full contract to construct the office block.

Further, Kshs.500,000 was paid to M/s Tasly Enterprises but the payment voucher was not availed for audit review.

Consequently, the propriety of the expenditure of Kshs.3,000,000 cannot be confirmed.

6. Unsupported PMC Bank Balances

Included in the financial statements under Note 15.3 are Project Management Committee (PMC) accounts balances totaling to Kshs. 109,147 held by project management committees as at 30 June 2017. These balances have not been supported by bank confirmation certificates contrary to, Section 99 (3) of the Public Finance Management - National Government Regulations Act 2015.

Consequently, the validity and accuracy of the expenditure of Kshs. 109,147 cannot be confirmed.

7. Unverified Projects

Included in the financial statements under Note 7 are other grants and other payments of Kshs.75,550,749 which include the following expenditures with anomalies.

7.1 Missing Payment Vouchers for Mocks and Cats Expenditures

Included in mocks and CATs balance of Kshs.5,560,330 is an amount of Kshs.2,960,330 whose payment vouchers were not availed for audit verification.

7.2 Emergency Projects

Included in emergency projects balance of Kshs.10,024,435 is an amount of Kshs.8,074,435 whose project files, tender documents and payment vouchers were not availed for audit verification.

7.3 Roads and Bridges

Included in the roads and bridges expenditure amounting to Kshs.17,782,368 is expenditure totaling Kshs.7,991,560 whose project file, tender documents and payment vouchers were not availed for audit verification.

In view of these anomalies, the accuracy and propriety of total expenditure of Kshs.19,026,325 reported against unverified projects cannot be confirmed.

8. Lack Ownership Documents for Pala Dispensary

Included in the financial statements under Note 6 are transfers to other government units of Kshs.41,117,992 which include transfers to health institutions totaling Kshs.7,305,601 out of which Kshs.400,000 was spent on completion of Pala Dispensary. It was however, realized upon verification of the project that ownership of the land on which the dispensary stands was in dispute. In addition, interviews with committee members revealed that the title deed for the land was held at a bank as security for a loan that had been applied from a commercial bank and was yet to be collected from the bank.

In the absence of the title deed for the land on which the Dispensary is built, ownership of the dispensary by the Fund cannot be confirmed and thus the project cannot be handed over to the County government. There is also a risk of the land being re-possessed and auctioned by the bank in the event that the loan guaranteed is not paid back.

9. Unsupported Expenditure on Use of Goods and Services

Included in the financial statements under Note 5 is use of goods and services expenditure totaling Kshs.9,261,423 which includes expenditure of Kshs.3,812,317 whose payment vouchers were not availed for audit verification.

Consequently, the propriety of the expenditure of Kshs.3,812,317 cannot be confirmed.

10. Unsupported Payment for Environmental Projects

Included in the financial statements under Note 7 are other grants and other payments of Kshs.75,550,749 which include in Kshs.3,637,931 incurred on environmental projects whose project files and the payment vouchers were not availed for audit verification.

Consequently, the occurrence, accuracy and validity of the expenditure of Kshs.3,637,931 cannot be confirmed.

11. Failure to Avail Cash Book

The Fund's management did not avail a cash book covering the period 01 July 2016 to 24 November 2016 for audit review. Although the management stated that the cash book for the said period had been taken by the Ethics and Anti-Corruption Commission (EACC) for investigation, no documentary evidence was provided to confirm this assertion.

In the absence of the cashbook, the validity, accuracy and completeness of transactions made between 01 July 2016 to 24 November 2016 cannot be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Adverse Opinion section, I have determined that there are no Key Audit Matters to communicate in my report.

Other Matter

1. Over-expenditure on Other Grants and Transfers

Included in the financial statements under Note 7 are other grants and other payments of Kshs.75,550,749 which include bursary, security, and school examination costs. The expenditures exceed the budget for the year under review by Kshs.13,693,487. As shown in the table below:

Item	Budget	Actual	Over
	Kshs.	Kshs.	Kshs.
Bursary	22,005,173	31,638,330	9,633,157
Security	3,000,000	3,500,000	500,000
Mocks and CATs	2,000,000	5,560,330	3,560,330
	27,005,173	40,698,660	13,693,487

Documents showing approval of the over-expenditure amounting to Kshs.13,693,487 have not been availed for audit verification and therefore the propriety of the expenditure cannot be confirmed.

2. Use of Goods and Services

Included in the financial statements under Note 5 is use of goods and services expenditure of Kshs.9,261,423 incurred against an approved budget of Kshs.4,607,666 resulting to over-expenditure of Kshs.4,653,757 which, apparently, was not authorized. In addition, the final budget balance under summary statement of appropriation recurrent and development combined is reflected as Kshs.6,995,026 also resulting in a difference of Kshs.2,387,360.

Consequently, the expenditures amounting to Kshs.4,653,757 and 2,387,360 reflected under summary statement of appropriation were incurred against the law

3. Misstatement and Under-absorption of Budget

The budget allocation for employees compensation for the financial year 2016/2017 was Kshs.2,763,024 while the expenditure was Kshs.2,189,401 resulting to under-expenditure of Kshs.573,623. In addition, Note 7 under summary statement of appropriation recurrent and development combined reflects final budget for compensation of employees as Kshs.4,136,024 which sum differs by Kshs.1,373,000 from the approved employees compensation budget for the year.

Consequently, the accuracy of the budget sum of Kshs.1,946,623 cannot be confirmed.

4. Irregular Expenditure on School Examinations

Included in the financial statements under Note 7 are other grants and other payments of Kshs.75,550,749 which include school examination costs of Kshs.5,560,330 out of which an amount of Kshs.1,500,000 was paid but only Kshs.342,000 was incurred on activities related to conducting continuous assessments and mock examinations. In addition, the minutes approving the payment were not availed for audit review contrary to Section 12 (5) of the National Government Constituency Development Fund Act, 2015.

Consequently, the accuracy and propriety of the expenditure of Kshs.1,158,000 cannot be confirmed.

5. Irregular Roads Contract Award and Expenditure

5.1 Included in the financial statements under Note 7 are other grants and other payments totaling Kshs.75,550,749 which include roads and bridges expenditure totaling Kshs.17,782,368 under which the contract for the rehabilitation of Bongu Nyasire – Nyabondo Primary –Wadhliech, Kochola-Ogilo Road and Ringa – Nyaluru Primary – God Agak Sec Road was irregularly awarded to Diro Construction Ltd instead of Baba Bakita Enterprises who were denied the contract on the basis of submitting an invalid NCA Certificate. However, scrutiny of the tender document file for Baba Bakita Enterprise showed that the NCA certificate was still valid until 30 June 2016, the time before which the tender documents were opened and evaluated. On the other hand, Diro Construction Ltd had not availed NCA certificate but an unsigned letter of registration as a contractor by the National Construction Authority. The roads were allocated Kshs.4,000,000 but the contractor was paid Kshs.5,000,000 leading to an over-expenditure of Kshs.1,000,000 which however, had not been budgeted for.

5.2 The contract for the rehabilitation of Ringa – Dudi Primary – Miruka Road, Mikai – Apondo Road and Kamula Kowidi Secondary Road was awarded to Gerabbo Enterprises at Kshs.3,595,880. The criteria for evaluation of bids required bidders to provide a valid National Construction Authority (NCA) certificate which the contractor, contrary to requirements of Section 70 (6) (b) of the Public Procurement and Assets Disposal Act, 2015, did not provide.

Consequently, the award of the tender to the contractor was irregular and the propriety of the expenditure of Kshs.1,000,000 cannot be confirmed and the Fund breached the law.

5.3 Unauthorized Expenditure on Roads

Included in the financial statements under Note 7 is other grants and other payments balance of Kshs.75,550,749 which includes roads and bridges costing Kshs.17,782,368. However, the road contracts were awarded in June 2016 after the activity was devolved to the County Governments, but evidence of the Constituencies Development Fund Board's approval to implement the projects after the set out deadline was not availed for audit. Contrary to section 24 (1) of the National Government Constituencies Development Fund Act, 2015 which states that projects should only be in respect of works and services falling within the functions of the national government under the Constitution.

Consequently, the Fund breached the law and the propriety of the expenditure of Kshs.17,782,368 cannot be confirmed.

6. Unbudgeted Construction of Building

Included in the financial statements under Note 8 is acquisition of assets balance of Kshs.17,974,718 which includes cost of construction of a CDF office building at Kshs.17,500,000 which had, however been budgeted at Kshs.12,000,000 leading to unauthorized over-expenditure of Kshs.5,500,000. This contravened Section 45(3) of the Public Procurement and Disposal Act, 2015 which provides that all procurement processes

shall be - (a) within the approved budget of the procuring entity and shall be planned by the procuring entity concerned through an annual procurement plan.

Consequently, the Fund breached the law and the propriety of the expenditure of Kshs.5,500,000 cannot be confirmed.

7. Delayed Disbursement of AIEs

The Constituency was allocated Kshs.81,896,552.00 in the financial year 2016/2017 but the total Authority to Incur Expenditure (AIEs) received of Kshs.82,096,552 out of which only Kshs.77,896,552 related to allocations for 2016/2017. Therefore a sum shs.4,000,000 was not received during the year under review.

Failure by the Board to disburse allocated funds denied the residents of Kapondo Kasipul use of services planned for their use.

8. Unsupported AIE Disbursements

Included in the transfers from the CDF Board amounting to Kshs.82,096,552 is a sum of Kshs.2,200,000 received on 4 November 2016 which however was not supported by Authority to Incur Expenditure (AIE), contrary to Section 52(1) of Public Finance Management Regulations 2015 which states that no public officer can spend or commit funds until he or she has been properly authorized by means of an AIE.

Therefore, the expenditure was incurred contrary to the law.

9. Overdrawn Cash Book

Included in the statement of assets and liabilities is a cash and cash equivalents balance of Kshs.(2,406,741) as at 30 June 2017. This was a result of the NG-CDF committee approving disbursements of bursary cheques amounting to Kshs.2.4 million despite the fact that the Fund did not have adequate funds at the time contrary to Section 82(7) of the Public Finance Management National Government Regulations 2015. As a result, all the cheques were dishonored which event affected the credibility of the Fund adversely.

Consequently, the Fund breached the law.

10. Non-Operational Water Project

Included in the financial statements under Note 6 are transfers to other government units of Kshs.41,117,992. Out of this sum, transfers to primary schools amounted to Kshs.9,276,360 out of which a total of Kshs.4,568,000 was spent at Kanyangwara Primary School to drill a borehole. Physical verification of the project however revealed that even though the contractor had been paid the whole contract sum, the project was yet to be completed. In addition, water samples results were not provided to confirm whether the water was fit for human consumption.

Consequently, the Fund breached the law and further, the school is yet to get value for money on the investment as the pupils are denied right to water.

11. Excess Expenditure on Construction of Staff Houses

Included in the financial statements under Note 6 are transfers to other government units of Kshs.41,117,992 which include transfers to health institutions totaling Kshs.7,305,601. The approved budget for staff houses in 2015/2016 financial year amounted to Kshs.8,750,000, while the budget for 2016/2017 was not availed for audit review. Hence, the basis upon which the entity spent a total of Kshs.3,801,601 to complete the staff houses thereby resulting into an over-expenditure of Kshs.3,051,601 under health activities is not clear.

Consequently, the propriety of the excess expenditure amounting to Kshs.3,051,601 cannot be confirmed.

12. Irregular Implementation of Devolved Projects

Included in the financial statements under Note 6 and Note 7 are transfers to other government units and other grants and other payments which include devolved projects. A sum of Kshs.7,305,601 was spent on health services and Kshs.4,568,000 on water services all totaling Kshs.11,873,601. However, the services were not within the functions of the National Government. The Fund contravened Section 24 (a) of the NG-CDF Act, 2015 which stipulates that a project in respect of works and services shall be implemented only if it falls within the functions of the national government under the Constitution.

Therefore, the Fund breached the law.

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 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 its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless management to liquidate the Fund or cease operations or have no realistic alternative but intends 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

12 October 2018

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KABONDO
KASIPUL 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	82,096,552	163,946,042
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		82,096,552	163,946,042
PAYMENTS			
Compensation of employees	4	2,189,401	2,229,136
Use of goods and services	5	9,261,423	8,504,207
Transfers to Other Government Units	6	41,117,992	48,197,351
Other grants and transfers	7	75,550,749	43,445,665
Acquisition of Assets	8	17,974,718	17,400,000
Other Payments	9	-	-
TOTAL PAYMENTS		146,094,283	119,776,359
SURPLUS/DEFICIT		(63,997,731)	44,169,683

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kabondo Kasipul NGCDF financial statements were approved on 3/8/ 2017 and signed by:



Chairman - NGCDFC



Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KABONDO
KASIPUL CONSTITUENCY


Reports and Financial Statements

For the year ended June 30, 2017

V. STATEMENT OF ASSETS

	Note	2016 - 2017	2015 - 2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	(2,406,741)	61,590,990
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	1,300,600
TOTAL FINANCIAL ASSETS		(2,406,741)	62,891,590
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July...	13	61,590,990	18,721,907
Surplus/Deficit for the year		(63,997,731)	44,169,683
NET LIABILITIES		(2,406,741)	62,891,590

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kabondo Kasipul NGCDF financial statements were approved on 3/8/17 2017 and signed by:


Chairman - NGCDFC


KABONDO KASIPUL CDF
FUND ACCOUNT MANAGER

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KABONDO
KASIPUL CONSTITUENCY


Reports and Financial Statements

For the year ended June 30, 2017


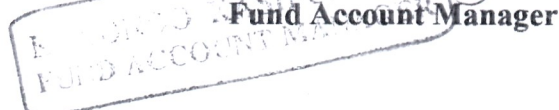
VI. STATEMENT OF CASHFLOW

Receipts for operating income		2016 - 2017	2015 - 2016
Transfers from CDF Board	1	82,096,552	163,946,042
Other Receipts	3	-	
		82,096,552	163,946,042
Payments for operating expenses			
Compensation of Employees	4	2,189,401	2,229,136
Use of goods and services	5	9,261,423	8,504,207
Transfers to Other Government Units	6	41,117,992	48,197,351
Other grants and transfers	7	75,550,749	43,445,665
Other Payments	9	-	-
		128,119,565	102,376,359
Adjusted for:			
Adjustments during the year	14	-	(1,070,600)
Net cash flow from operating activities		(46,023,013)	60,499,082.60
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(17,974,718)	(17,400,000)
Net cash flows from Investing Activities		(17,974,718)	(17,400,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(63,997,731)	43,099,083
Cash and cash equivalent at BEGINNING of the year	13	61,590,990	18,491,907
Cash and cash equivalent at END of the year		(2,406,741)	61,590,990

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kabondo Kasipul NGCDF financial statements were approved on 3/8/ 2017 and signed by:



Chairman NGCDFC


Fund Account Manager


CONSTITUENCIES DEVELOPMENT FUND KABONDO KASIPUL CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

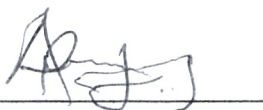
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	82,096,552	61,590,990.00	143,687,542	143,687,542	-	100.0%
TOTAL RECEIPTS	82,096,552	61,590,990	143,687,541.59	143,687,542	-	100.0%
PAYMENTS						
Compensation of Employees	2,763,024	1,373,000	4,136,024	2,189,401	1,946,623	52.9%
Use of goods and services	4,607,666	2,387,360	6,995,026	9,261,423	(2,266,397)	132.4%
Transfers to Other Government Units	26,150,000	9,846,000	35,996,000	41,117,992	(5,121,992)	114.2%
Other grants and transfers	32,375,863	46,934,630	79,310,493	75,550,749	3,759,744	95.3%
Acquisition of Assets	16,200,000	1,050,000	17,250,000	17,974,718	(724,718)	104.2%
TOTAL	82,096,553	61,590,990	143,687,543	146,094,283	(2,406,741)	101.7%


1. Use of goods and services vote was overdrawn due to high cost of maintaining the office land rover.
2. Transfer to other governments units vote was exceeded because we borrowed from other votes as we were waiting for funds that were approved by the board that never came in time (submission)
3. Acquisition of assets votes was given funds from other votes to be refunded when the board releases 4,500,000/= that was resubmitted.
4. Overallly there was over expenditure due to delayed release of 4,500,000/= that was approved by the board as a resubmission

The **KABONDO KASIPUL** NGCDF financial statements were approved on 03-08- 2017 and signed by:

Chairperson



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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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, 2017.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Normal Allocation	A829570	4,094,828	
		2,200,000	
	A839545	2,000,000	-
	A855022	36,853,449	
	A855585	36,948,275	
	A796197		38,887,370
	A796210		12,887,370
	A796423		30,000,000
			26,000,000
	A825789		56,171,301
TOTAL		82,096,552	163,946,042

2. PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from the Sale of Office and General Equipment	-	-
TOTAL	-	-

3. OTHER RECEIPTS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Sale of Tender Documents		-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	-	-

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

4. COMPENSATION OF EMPLOYEES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	1,654,982	1,663,018
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments		
Employer contribution to NSSF	60,878	55,270
Gratuity-contractual employees	473,541	510,848
TOTAL	2,189,401	2,229,136

5. USE OF GOODS AND SERVICES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Utilities, supplies and services	284,712	129,200
Office rent	264,000	114,000
Communication, supplies and services	267,960	88,375
Domestic travel and subsistence	608,590	1,491,800
Printing, advertising and information supplies & services	633,500	265,503
Training expenses	586,700	857,000
Hospitality supplies and services		629,645
Other committee expenses	1,413,400	397,830
Committee allowance	2,500,000	3,138,000
Specialised materials and services	100,000	
Office and general supplies and services	87,200	1,200
Fuel , oil & lubricants	700,000	600,000
Other operating expenses	152,280	7,590
Bank service commission and charges	287,488	17,345
Routine maintenance - vehicles and other transport equipment	1,375,593	766,719
TOTAL	9,261,423	8,504,207

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

6. TRANSFER TO OTHER GOVERNMENT UNITS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Transfers to Primary schools	9,276,360	5,733,931
Transfers to Secondary schools	17,311,031	19,237,000
Transfers to Tertiary institutions	7,225,000	12,000,000
Transfers to Health institutions	7,305,601	11,226,420
TOTAL	41,117,992	48,197,351

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bursary –Secondary	12,498,500	7,083,000
Bursary –Tertiary	13,279,500	7,265,125
Bursary-Special schools	300,000	45,000
Mocks & CAT	5,560,330	1,419,600
Water	80,000	6,062,630
Electricity	4,049,460	-
Security	3,500,000	1,391,213
Roads and Bridges	17,782,368	11,932,422
Sports	3,637,931	500,000
Environment	3,637,931	2,000,000
Bodaboda	1,200,294	1,924,891
strategic plan	-	650,000
Emergency Projects	10,024,435	3,171,784
TOTAL	75,550,749	43,445,665

8. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2016 - 2017	2015 - 2016
	Kshs	Kshs
Construction of Buildings	17,500,000.00	17,000,000.00
Purchase of Bicycles & Motorcycles	474,718.00	-
Purchase of computers, printers and other IT equipment	-	400,000
TOTAL	17,974,718	17,400,000

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

9. OTHER PAYMENTS

There were no other payments in the financial year 2016/2017.

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	Account Number	2016 - 2017	2015 - 2016
		Kshs (30/6/2017)	Kshs (30/6/2016)
Kenya Cooperative Bank, Oyugis Branch . Kabondo Kasipul NG-CDF	A/C no.01141454980500	(2,406,741)	61,590,990.00

10 B

10B: CASH IN HAND)		
	2016 - 2017	2015 - 2016
	Kshs (30/6/2017)	Kshs (30/6/2016)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
TOTAL	-	-

11. OUTSTANDING IMPREST

Name of Officer		Amount Taken	Amount Surrendered	Balance (30/6/2017)
	Date imprest taken	Kshs	Kshs	Kshs
			-	-
		-	-	-
		-	-	-
		-	-	-
				-

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

12. RETENTION

Supplier/Contractor	PV No.	2016 - 2017	2015 - 2016
TOTAL			

13. BALANCES BROUGHT FORWARD

	2016 - 2017	2015 - 2016
	Kshs (1/7/2016)	Kshs (1/7/2015)
Bank accounts	61,590,990	18,491,907
Imprest		230,000.00
TOTAL	61,590,990	18,721,907

14. PRIOR YEAR'S ADJUSTMENTS

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts		
Cash in hand	-	-
Imprest	-	-
TOTAL	-	-

15			
	OTHER IMPORTANT DISCLOSURES		
15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)			
		2016 - 2017	2015 - 2016
		Kshs	Kshs
Construction of buildings		-	-
Construction of civil works		-	-
Supply of goods		-	-
Supply of services		-	-
TOTAL		-	-

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

15. 2. PENDING STAFF PAYABLES (Annex 1)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Middle management	382,528	-
TOTAL	382,528	-

15. 3. PMC ACCOUNTS BALANCES (ANNEX 3)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
	109,147	93,813
TOTAL	109,147	93,813

Pending Staffs Payables (annex 1)

Job Otieno Nyangwara	F	41,842.00
Mathew AwuorDimo	F	41,842.00
Judith AtienoOdundo	H	66,774.00
Japheth OkelloOjijo	G	45,736.00
Peter OtienoOkelo	J	66,774.00
Caroline Adhiambo Illa	H	52,786.00
Geofrey Otieno Odhiambo	H	66,774.00
Sub-Total		382,528.00

ASSETS REGISTER (ANNEX 2)

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

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

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	965,200	965,200
Buildings and structures (office construction)	34,500,000	17,000,000
Transport equipment	6,224,718	5,750,000
Office equipment, furniture and fittings	487,744	487,744
ICT Equipment, Software and Other ICT Assets	407,445	407,445
Total	42,585,107	24,610,389

(ANNEX 3)

PMC ACCOUNTS BALANCES AS AT 30TH JUNE 2016 AND 30TH JUNE 2017					
KABONDO KASIPUL CONSTITUENCY DEVELOPMENT FUND					
PROJECT MANAGEMENT ACCOUNTS					
Project Name/Account Name	Location	Account Number	Bank/Branch	Balance as at 30/June/17	Balance as at 30/June/16
Oriri Primary School	Atela			0	0
Orinde Primary School	Atela	1135204179	KCB-Oyugis	979.00	725.00
Chagere Primary School	Kasewe	1131200438	KCB-Oyugis	535.00	485.00
Abuoye Primary School	Kawuor	1124072349	KCB-Oyugis	2,275.00	115.00
Kogalo Primary School	Kasewe	o1141455803000	Coop-Oyugis	855.00	0.00
Kitare Primary School	Kitare	o1129017113500	Coop-Oyugis	661.85	4,562.50
Kolal Primary School	Ramba	1114261203	KCB-Oyugis	765.00	855.00
Ober Secondary School	Kakelo	1113580755	KCB-Oyugis	2,359.00	359.00
Otel Mixed Secondary School	Kojwach	1156764335	KCB-Oyugis	2,120.00	2,120.00
Kojwach High School	Kojwach	1130868583	KCB-Oyugis	9,739.50	2,566.00
Orera Mixed Secondary School	Ramula	1113756179	KCB-Oyugis	83.00	993.00
Owiro Mixed Secondary School	Ramba	1118832906	KCB-Oyugis	1,371.50	2,487.00
Siany ELCK Mixed Secondary School	Kawuor	o1141455908700	Coop-Oyugis	820	0.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

Otondo Mixed Secondary School	Wangchieng	o1120455127700	Coop-Oyugis	384.91	840.50
Kabondo Kasipul Roads Project Manage		o1141455556000	Coop-Oyugis	0	9,110.00
God Ber Health Centre	Kakelo	1114354538	KCB-Oyugis	1,614.00	1,614.00
Tala Dispensary	Kokwanyo	1120676312	KCB-Oyugis	3,269.00	3,269.00
Kokwanyo Health Centre	Kokwanyo	1127754386	KCB-Oyugis	3,220.00	3,220.00
Ringa Dispensary	Kojwach	1179436628	KCB-Oyugis	52.00	270.00
Awach Dispensary	Kasewe	1129807665	KCB-Oyugis	500.00	42,500.00
Pala Health Centre	Wangchieng	o1141455813400	Coop-Oyugis	1,192.50	0.00
ober Boys Boarding School	Kakelo	113539729	KCB-Oyugis	9,130.00	10,795.00
Kanyangwara Primary School	Kasewe	1156805821	KCB-Oyugis	491.00	631.00
AP Residence Ramula Camp	Kodhoch West	1500271243873	Equity-Oyugis		0
Kasewe Chief's Office	Kasewe	o1141455985200	Coop-Oyugis	51,805.00	0
Kabondo Kasipul Sports Committee		o1141455515800	Coop-Oyugis	6,668.75	1,887.75
Kabondo Kasipul Environmental Proj		o1141455613300	Coop-Oyugis	8,255.50	3,363.00
Kabondo Kasipul CDF Const. Prjt.	Kawuor	o1141455555900	Coop-Oyugis	1,045.00	1,045.00
		Total		109,147	93,813

PROGRESS ON FOLLOW-UP OF AUDITORS RECOMMENDATIONS

Reference Number	Issue/Observation	Management Comments	Focal Point Person to Resolve the Issue(Name and Designation)	Status (Resolved Or Not Resolved)	Time Frame(Put A Date When You Expect the Issue To be Resolved)
REF:KS M/KK/C DF/2014 /15(17)	Budget implementation analysis The approval of the board was 105549481 and only disbursed 53774740 creating a deficit of 52236786	The under expenditure resulted from late disbursement from the CDF board	FAM Kabondo Kasipul	Resolved	1 month
	Irregular reallocations from Nyamwaga PMC to roads and bursary	The reallocations were duly approve by the board it's that the reallocation	FAM Kabondo Kasipul	Resolved	1 week

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
KABONDO KASIPUL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

		file was not requested by the auditors			
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Prepared by:

Wilson Juma Ochola
Fund Account Manager
KABONDO KASIPUL