

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT 09 MAY 2019	
DAY: THURSDAY	
TABLED BY:	HON. ADEN DUALE LEADER OF MAJORITY
CLERK AT THE TABLE:	INZOPU MWALE

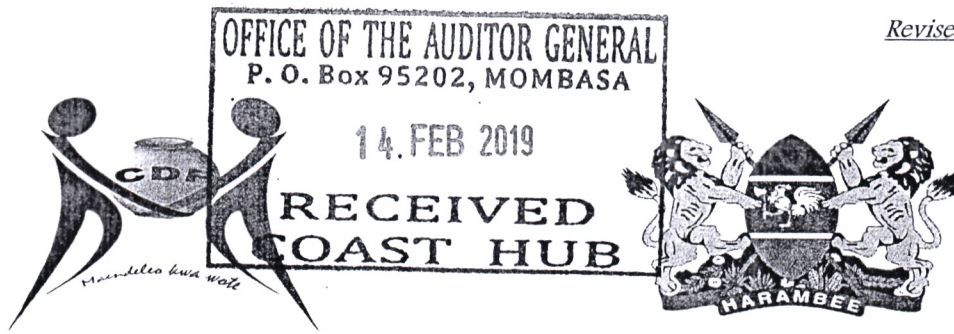
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THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
JOMVU CONSITUENCY

FOR THE YEAR ENDED
30 JUNE 2018



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND JOMVU
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018

Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector
Accounting Standards (IPSAS)

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
JOMVU CONSTITUENCY ·
Reports and Financial Statements
For the year ended June 30, 2018**

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

The mandate of the Fund as derived from sec (3) of NG-CDF Act, 2015 is to:

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

To provide leadership and policy direction for effective and efficient management of the Fund

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

(b) Key Management

The NGCDF JOMVU 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 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Gladys Ngala
3.	Sub-County Accountant	Esther Omondi
4.	Chairman NGCDFC	Alex Namasambu

(d) Fiduciary Oversight Arrangements

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

(e) NGCDFJOMVU Constituency Headquarters

P.O. Box 90646-80100
Next to Kwashee Primary School-Mikindani
Mombasa. Kenya

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(f) NGCDF JOMVU Constituency Contacts

Telephone: (254) 721604647
E-mail: cdfjomvu@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF JOMVU Constituency Bankers

1. Equity Bank of Kenya
Changamwe Branch
P.O. Box 90016-80100
Mombasa, Kenya

(h) Independent Auditors

Auditor General
Office of the 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 CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

I would like to take this opportunity to thank the inventor of the NGCDF Fund for the noble idea that has enabled us drive development to the grassroots not forgetting the Member of Parliament for his leadership, my fellow NGCDFC members and the Fund Account Manager whom we work with closely.

In the financial year 2017/2018 NGCDF Jomvu has shown some improvement in utilisation of available resources which resulted in a surplus of Ksh 10.6 Million in financial year 2017/2018 against a deficit of Ksh. 58.9 Million in 2016/2017.

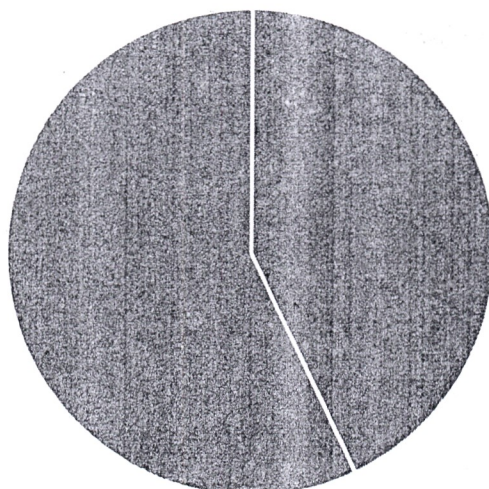
Unfortunately, at the close of the financial year the Constituency had not yet received Ksh. 83,743,380 from the Board thus could not accomplish all projects as planned within the financial year.

In summary the budget performance against actual amounts for current year based on economic classification and programmes can be tabulated as below:

Statement of Receipts & Receipts for 2017/2018 compared to 2016/2017



Receipts and payments



■ 2017/2018 ■ 2016/2017 ■ ■

There has been some decrease in receipts from the Board compared to the financial year 2016/2017.

Achievements

Jomvu has in the years allocated almost half of its allocation to education and has been able to construct one new secondary school and a new primary school from scratch in addition to renovations in a number of schools.

This infrastructure development has changed the face of nearly all schools in the constituency leading to an increase in enrolment and retention of students.

The projects implemented to completion during the financial year include:

- Completion of renovations of KwaJomvu Primary school classrooms
- Construction of KwaJomvu Primary school classrooms after being burnt by fire
- Construction of one classroom in Mreroni Primary School
- Renovation of Miritini World Bank Primary School
- Renovation of Miritini Primary School
- Miritini Complex High School
- Completion of St. Mary's Bangladesh Primary School hall
- Purchase of office vehicle
- Disbursed Bursary totalling to Ksh. 11.9Million to needy students.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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Below are some of the Photographs of the completed projects:

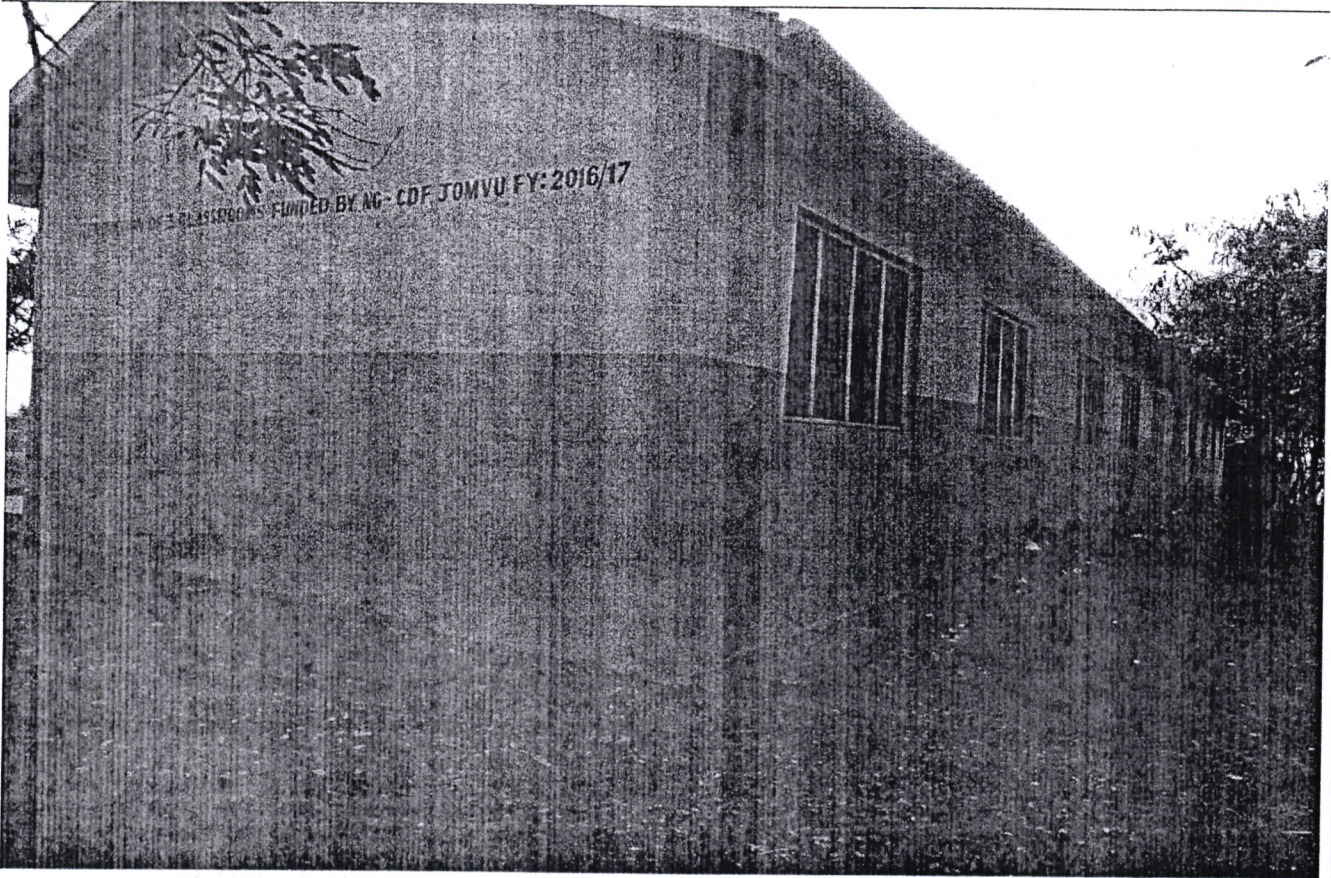


The NGCDFC vehicle

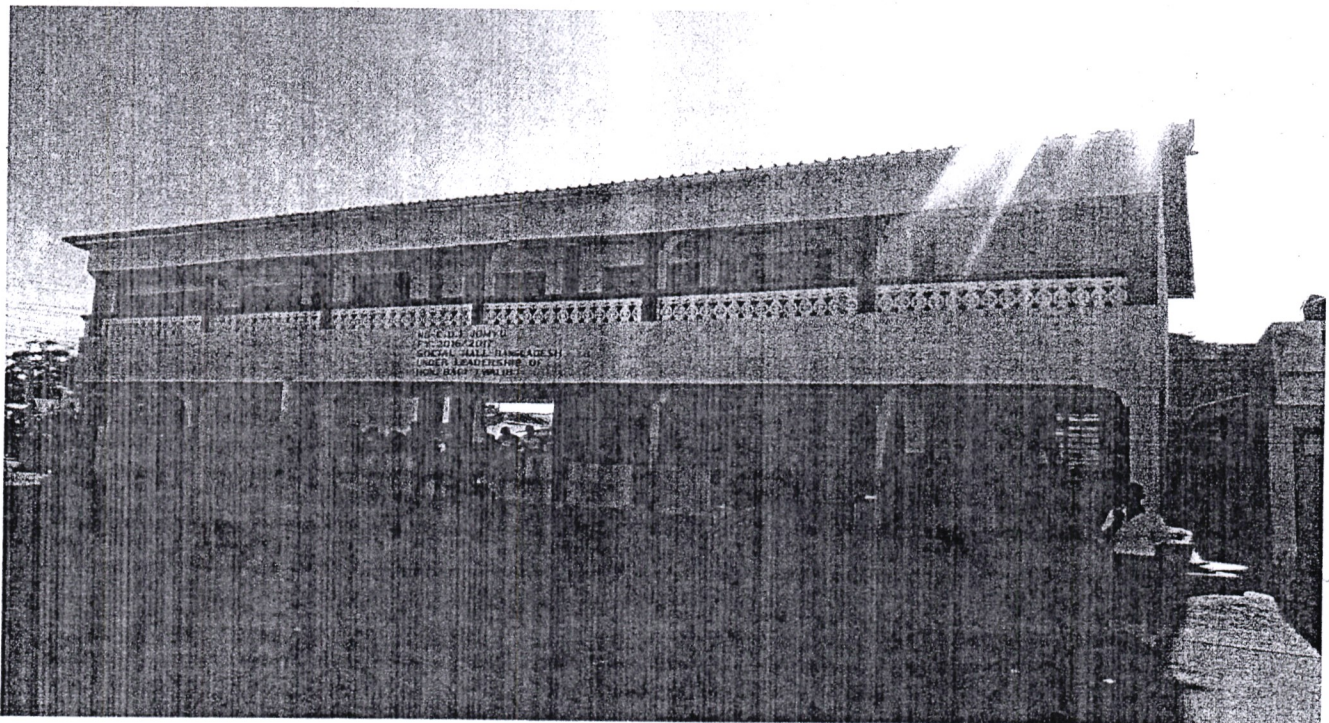


Miritini Complex High school Administration block

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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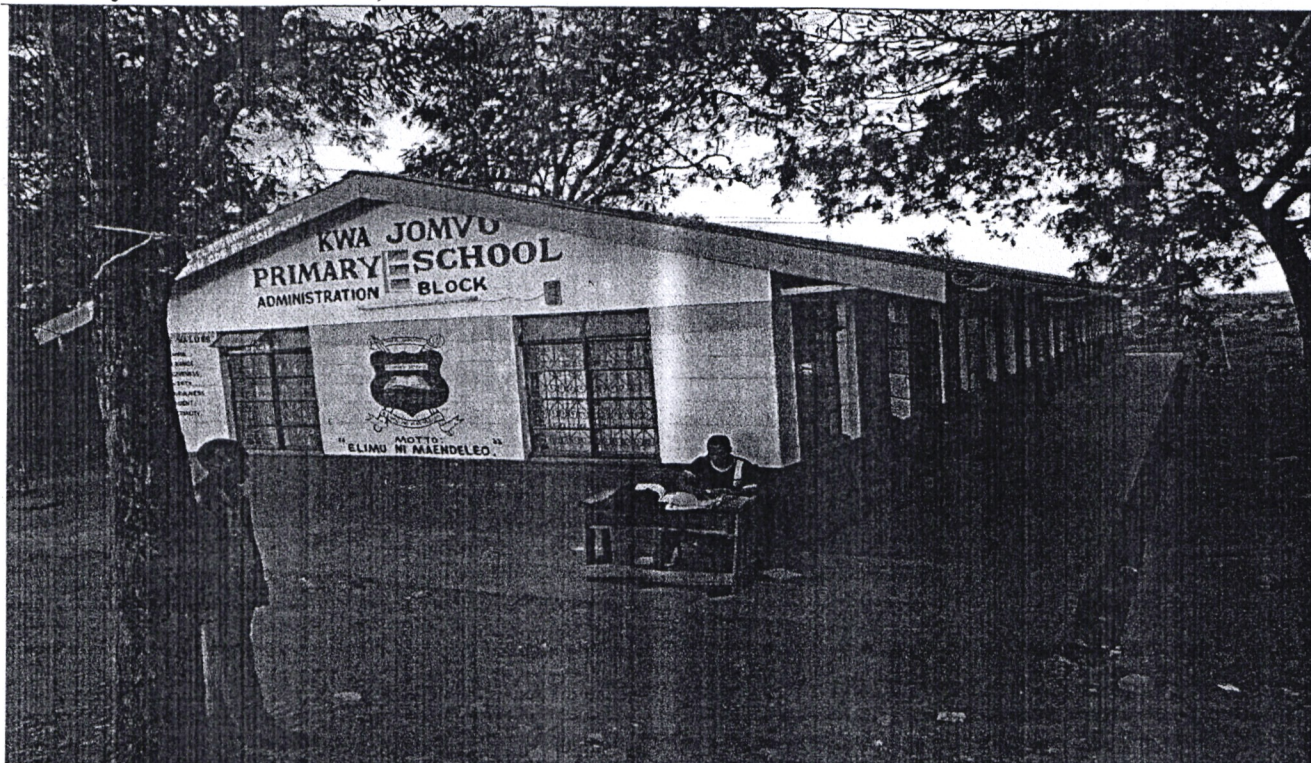


Mireroni Primary school renovated classrooms



St. Mary's Bangladesh Primary school hall

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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KwaJomvu primary school renovated classrooms block

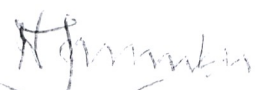
Challenges

Among others Jomvu has faced the following challenges:

- Delays in receipt of funds from the Board
- Cases of insecurity such as thuggery, robbery, drug abuse and other petty crimes.
- Delays in approval of reallocation of projects
- Being a transition year there was a delay in the process of constituting the NGCDF committee thus no operations for a period of like four (4) months.
- Land scarcity has caused delays, projects stalling and many reallocations.
- Delays in getting cost estimates and projects documents because of the devolvement of these services.

Recommendation

For the continuous success of the Fund in Jomvu the Board should disburse the funds timely, consider employment of Engineers in every constituency.

Sign 
CHAIRMAN NGCDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
JOMVU CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. 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 NGCDF-JOMVU Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2018. 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 entity; (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 entity; (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 NGCDF-JOMVU Constituency accepts responsibility for the entity'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 *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-JOMVU Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.


The Accounting Officer in charge of the NGCDF-JOMVU Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity'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 entity'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-JOMVU Constituency financial statements were approved and signed by the Accounting Officer on 31ST JANUARY 2019.



Fund Account Manager
Name: Gladys Ngala



Sub-County Accountant
Name: Esther Omondi
ICPAK Member Number: R/6089

REPUBLIC OF KENYA

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NAIROBI

OFFICE OF THE AUDITOR-GENERAL **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT** **CONSTITUENCIES DEVELOPMENT FUND-JOMVU CONSTITUENCY FOR THE YEAR** **ENDED 30 JUNE 2018**

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund- Jomvu Constituency set out on pages 10 to 36 which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Jomvu Constituency as at 30 June 2018, 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 No.30 of 2015.

Basis for Qualified Opinion

1. Presentation of the Financial Statements

- i) Significant accounting policy no.3 states that the amounts are rounded to nearest shilling. However, some figures in these financial statements are not rounded off to the nearest shilling.
- ii) Note 14 to the financial statements for the year ended 30 June 2018 reflects prior year adjustments for comparative year (2016/2017) of Kshs.20,016 in respect to bank accounts. However, the statement of assets and liabilities reflect Nil balance under note 14.

As a result, the financial statements do not comply with the presentation guidelines prescribed by the Public Sector Accounting Standards Board.

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund- Jomvu Constituency for the year ended 30 June 2018

2. Inaccuracies in the Financial Statements

The statement of receipts and payments for the year ended 30 June 2018 reflected total expenditure of Kshs.53,209,391 whereas recasted total was Kshs.53,263,391 resulting to a variance of Kshs.54,000 and which has not been reconciled or explained.

Consequently, the accuracy and completeness of the total payments of Kshs.53,209,391 for the year ended 30 June 2018 could not be confirmed.

3. Use of goods and services

Note 5 to the financial statements for the year ended 30 June 2018 reflects other operating expenses of Kshs.147,034 out of which an amount of Kshs.67,449 was described as 'others'. However, no details or explanation in respect to expenditure described as others was availed for audit.

In the circumstances, the propriety and completeness of the expenditure of Kshs.67,449 described as others for the year ended 30 June 2018 could not be confirmed.

4. Acquisition of Assets

Note 8 to the financial statements for the year ended 30 June 2018 reflects purchase of vehicles and other transport equipment of Kshs.4,532,000. However, the logbook of the motor vehicle was not availed for audit verification.

In the circumstances, the validity and ownership status of the motor vehicle costing Kshs.4,532,000 as at 30 June 2018 could not be confirmed.

5. Other Grants and Transfers

Note 7 to the financial statements for the year ended 30 June 2018 reflects bursary – secondary schools amounting to Kshs.12,086,293. However, audit revealed the following anomalies totaling Kshs.468,140 in the awarding of bursaries.

No	Description	Amount Kshs.
1	Students without admission numbers	331,380
2	Students awarded twice	84,160
3	Students in same school sharing admission number	52,600
	Total	468,140

The management has not explained why such anomalies took place and the remedy for the same.

In the circumstances, the regularity and completeness of bursary – secondary schools amounting to Kshs.468,140 for the year ended 30 June 2018 could not 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- Jomvu Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary control and Performance

1.1 Receipts Analysis

The fund's revenue budget for the year under review was Kshs.160,357,971 against a total actual receipts of Kshs.76,616,591 resulting to budget under funding of Kshs.83,741,380 or 52.2% as summarized below:

Item	Budgeted amount Kshs.	Actual Receipts Kshs.	Under Collection Kshs.	Under Collection (%)
Transfer from CDF Board	160,003,971	76,262,591	83,741,380	52.2%
Other receipts	354,000	354,000	-	-%
Total	160,357,971	76,616,591	83,741,380	52.2%

The under collection of Kshs.83,741,380 representing 52.2% of the budget is an indication that projects have not been funded as planned. The underfunding of funds may have impacted negatively on the delivery of goods and services to the residents of Jomvu.

1.2 Expenditure Analysis

The fund's overall budget for the year under review was Kshs.160,003,971 against total actual expenditure of Kshs.53,209,391 resulting to budget under absorption of Kshs.106,740,580 or 66.7% as summarized below:

Item	Budgeted amount Kshs.	Actual expenditure Kshs.	Under absorption Kshs.	Under absorption (%)
Compensation of employees	2,550,826	892,748	1,658,078	65%
Use of goods and services	8,471,248	3,186,350	5,284,898	62%

Item	Budgeted amount Kshs.	Actual expenditure Kshs.	Under absorption Kshs.	Under absorption (%)
Transfers to Other Government Units	31,600,000	28,100,000	3,500,000	11%
Other grants and transfers	63,573,276	15,582,293	47,990,983	75.5%
Acquisition of Assets	8,795,387	5,502,000	3,293,387	37%
Other Payments	4,677,027	0.00	4,677,027	100%
Un approved projects	40,336,207	0	40,336,207	100%
Total	160,003,971	53,263,391	106,740,580	66.7

The under absorption of Kshs.106,740,580 representing 66.7% of the budget is an indication that projects have not been implemented as planned. The underutilization of funds may have impacted negatively on the delivery of goods and services to the citizens of Jomvu. This may be an indication of over-budgeting by the National Government Constituencies Development Fund - Jomvu Constituency.

1.3 Project Implementation status

1.3.1 Ongoing Projects

The project status report as at 30 June 2018 availed for audit reflected eight (8) projects with a total budget of Kshs.20,300,000 as summarized below:

No.	Financial Year	Project Name	Activity	Completion %	Project Cost (Kshs)	Remarks
1	2017/2018	Amani Primary School	Removing asbestos and replacing with iron sheets and painting flooring of 3 classrooms	85%	2,800,000	Agreement signed on 5 November 2018 for a duration of 12 (twelve) weeks.
2	2017/2018	Kwa Jomvu Primary School	Removing asbestos and replacing with iron sheets and painting flooring of 3 classrooms	70%	2,800,000	Agreement signed on 5 November 2018 for a duration of 12 (twelve) weeks.
3	2017/2018	Miritini Primary School	Removing asbestos and replacing with iron sheets and painting flooring of 3 classrooms	70%	2,800,000	Agreement signed on 5 November 2018 for a duration of 12 (twelve) weeks

No.	Financial Year	Project Name	Activity	Completion %	Project Cost (Kshs)	Remarks
4	2017/2018	Miritini World bank Primary School	Removing asbestos and replacing with iron sheets and painting flooring of 3 classrooms	80%	2,800,000	Agreement signed on 6th November 2018 for a duration of 12 (twelve) weeks
5	2017/2018	Kwashee Primary School	Removing asbestos and replacing with iron sheets and painting flooring of 3 classrooms	80%	2,800,000	Agreement signed on 5th November 2018 for a duration of 12 (twelve) weeks.
6	2017/2018	St. Mary's Primary School	Construction of perimeter Wall	80%	2,000,000	Agreement signed on 5 November 2018 for a duration of 12 (twelve) weeks.
7	2017/2018	Mreroni Primary School	Construction of one classroom	25%	1,500,000	Agreement signed on 5 November 2018 for a duration of 12 (twelve) weeks.
8	2017/2018	Miritini Secondary School	Removing asbestos and replacing with iron sheets and painting flooring of 3 classrooms	80%	2,800,000	Agreement signed on 5 November 2018 for a duration of 12 (twelve) weeks.
Total					20,300,000	

The expected completion time for the above projects was 25 January 2019. However, as at the time of field audit visit on 30 January 2019, the projects had not been completed. The projects were behind the schedule and their continued delay in completion may affect delivery of goods and service to the residents of Jomvu Constituency and the intended purpose of the projects may not be realized.

1.3.2 Projects Not Started

The project status report as at 30 June 2018 availed for audit reflected seventeen (17) projects approved with a total budget of Kshs.30,236,206.90 had not been started as at 30 June 2018 as summarized below:

No.	Financial Year	Project Name	Activity	Project Cost (Kshs)
1	2016/2017	NG -CDF Offices	Construction of NG-CDF office and toilets in same block.	5,000,000.00
2	2016/2017	Maganda Primary School	Construction of 2 classrooms and 4 toilets	4,500,000.00
3	2017/2018	Mikindani primary school	Renovation of School hall, Painting and flooring.	1,000,000.00
4	2017/2018	Aldina Primary School	construction of two storey building classrooms Kshs.3,000,000, digging a well at Kshs.500,000 soak pit and septic tank at Kshs.500,000	4,000,000.00
5	2017/2018	Miritini Primary School	provision of 100 school desks	500,000.00
6	2017/2018	Kwashee Primary School	provision of 100 school desks	500,000.00
7	2017/2018	Miritini Complex High School	Digging a well of kshs.500,000 and construction of drainage to the soak pit at Kshs.300,000	800,000.00
8	2017/2018	Jomvu ACC & AP Units	Construction of ACC office & AP units	3,400,000.00
9	2017/2018	Mikindani primary school	Renovation of School hall, Painting and flooring.	1,000,000.00
10	2017/2018	Environment	Construction of Gabions in Jomvu Girls High	1,000,000.00
11	2017/2018	Environment	Mkupe	736,206.90
12	2017/2018	Aldina Primary School Project	Construction of 2 No. classrooms	4,000,000.00
13	2017/2018	Kwashee Primary School	Delivery of desks	500,000.00
14	2017/2018	Mikindani Primary School	Renovation of social hall	1,000,000.00
15	2017/2018	Miritini Primary School	Delivery of desks	500,000.00
16	2017/2018	Miritini Complex High School	Construction of a well	800,000.00
17	2017/2018	Jomvu Girls High School	Construction of gabions	1,000,000.00
Total				30,236,206.90

The above state of affairs is an indication of lack of proper planning and prioritizing citizen's needs in the budget making process mechanism. The management has indicated that the delay in starting the construction of NG-CDF offices was due to site challenges and cited problems of land challenges as the reason for delay starting Maganda Primary School and Jomvu ACC & AP units. However, no reason was given for the delay in starting the remaining projects with a budget of Kshs.16,336,206.

In the circumstances, service delivery to the residents of Jomvu Constituency and the intended purpose of the projects may not be realized.

1.3.3 Project Inspection

Audit inspection of seven (7) projects with total allocation of Kshs.15,331,095 during the month of January 2019 indicated the following state of affairs:

No	Project Verified	Project Activity	Amount Kshs.	Observations
1	Mreroni Primary school	Construction of 1 No. Classroom	1,500,000	Works not done as per the Bill of quantities (variation done without approval) as follows: i) Erected 3 columns instead of 4 columns at the front side. ii) Erected 3 columns instead of 4 columns at the back/rear side. iii) Changed dimensions by putting up size 6.4m length by 1.5m width instead of 7.5m length by 2m length. iv) Build 3 walls instead of required 4 walls. Used a wall of existing structure to connect to the classroom and make the fourth wall.(contrary to the BQ). v) BQ required the use of Y16 steel bars and instead the contractor used Y12 steel bar which is of less strength.
2	Kwa Jomvu Primary school	Renovation of 4 No. Classrooms	2,800,000	i) Supply and fixing of new vent blocks was not done. Instead contractor used existing ones that were to be removed as per contract. ii) Supply and fixing of Facial boards not done, instead the contractor used the old existing ones that were to be removed as per contract.
3	Amani Primary school	Renovation of 3 classrooms	2,747,350	The works were complete
4	Kwashee Primary school	Renovation of 3 classrooms	2,772,015	The works were complete
5	St. Marys Bagladesh Primary school	Construction of Perimeter wall	1,998,830	The works were complete
6	Miritini Primary school	Renovation of 3 classrooms	2,784,250	The works were complete
7	Miritini World bank Primary school	Renovation of 3 classrooms	728,650	The works were complete
Total			15,331,095	

The above observations are indication of poor workmanship which casts doubt on project supervision and value for money for public funds. Changing the number of columns, size of the classroom and the size of steel bar to use required approval for the variation. This also required revision of contract sum downwards but the same was not done.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Report on Lawfulness and Effectiveness in use of Public Resources/Basis for Qualified Opinion section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Project Management Committee Bank Balances

Annex 5 to the financial statements for the year ended 30 June 2018 reflects project management committee bank balances amounting to Kshs.41,679,701.21 out of which funds totaling to Kshs.2,775.35 were lying idle in the bank accounts without being used and were not returned to the constituency account contrary to National Government Constituencies Development Fund Act Section 12(8) which states that all unutilized funds of the Project Management Committee shall be returned to the constituency account. The details of the idle funds are summarized below:

No	Project Management Committee	Bank	Account No	Bank balance Kshs.
1	Mtaa Wa Waswahili Borehole Project	Equity	1200199099889	283.35
2	Runyu CDF Borehole Project	Equity	1200264375165	1,420
3	Jomvu Kuu Social Hall	Equity	1200299979826	587
4	Mikindani Streetlights	Equity	1200262612544	485
	Total funds			2,775.35

The idle funds held by the project management committees in the bank accounts are denying the residents of Jomvu the essential services they require. This is an indication of lack of proper planning and prioritizing citizen's needs in the budget making process mechanism.

The management was therefore in breach of the law.

2.0 Failure to Establish Constituency Oversight Committee

Audit revealed that the National Government Constituencies Development Fund - Jomvu Constituency had not constituted a Constituency Oversight Committee contrary to the National Government Constituencies Development Fund Act 2015 Section 53(1) which requires establishment of a Constituency Oversight Committee for projects undertaken under this Act.

In the circumstances, the oversight role of the committee was not undertaken effectively as required by the National Government Constituencies Development Fund Act, 2015.

The management was therefore in breach of the law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Report on Effectiveness of Internal Controls, Risk Management and Governance/Basis for Qualified Opinion sections of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1.0 Pending Accounts Payables

Note 15.1 to the financial statements for the year ended 30 June 2018 reflects pending accounts payables for supply of goods amounting to Kshs.70,000. However, this balance was in respect to unpaid office rent. The management has not explained why the rent had not been paid while the fund had unutilized funds for use of goods and services amounting to Kshs.5,284,898 as at 30 June 2018.

The fund risks being taken to court for non-payment of rent and the accrued rent arrears may attract penalties to the fund.

Further, the pending accounts payables balance of Kshs.70,000 as at 30 June 2018 do not include a provision for penalties or other charges that the debt may attract.

2.0 Pending Staff Payables

Note 15.2 to the financial statements for the year ended 30 June 2018 reflects pending staff payables in respect to gratuity for employees amounting to Kshs.177,344. The management has not explained why the same had not been paid while the fund had unutilized funds for compensation of employees amounting to Kshs.1,658,078 as at 30 June 2018.

The unpaid payables may attract penalty if the fund is taken to court.

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were

operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

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 maintaining effective 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 and for its assessment of the effectiveness of internal control, risk management and governance.

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 Fund either intends to liquidate the Fund 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.

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities,

financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

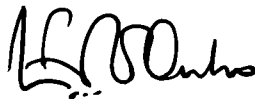
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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.
- 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 National Government Constituencies Development Fund – Jomvu Constituency ability to continue as a going concern or 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 National Government Constituencies Development Fund – Jomvu Constituency to cease to continue as a going concern or 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 National Government Constituencies Development Fund – Jomvu Constituency 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

5 April 2019

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

JOMVU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

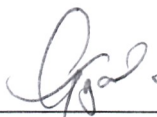
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017 - 2018	2016 - 2017	Restated
		Kshs	Kshs	Kshs
RECEIPTS				
Transfers from CDF board-AIEs' Received	1	63,496,550	84,957,826	84,957,826
Proceeds from Sale of Assets	2	-	-	-
Other Receipts	3	354,000	84,000	84,000
TOTAL RECEIPTS		63,850,550	85,041,826	85,041,826
PAYMENTS				
Compensation of employees	4	892,748	2,439,951	2,439,951
Use of goods and services	5	3,186,350	6,026,374	6,677,172.60*
Transfers to Other Government Units	6	28,100,000	59,500,000	59,500,000
Other grants and transfers	7	15,582,293	75,052,811	75,052,811
Acquisition of Assets	8	5,502,000	343,585	343,585
Other Payments	9	-	734,798.60	-
TOTAL PAYMENTS		53,209,391	144,097,519.60	144,013,619.60
SURPLUS/DEFICIT		10,641,159	(58,971,693.60)	(58,971,693.60)

*The figure was restated due to the revision of the template used where note 5 was merged with note 9. There was also correction of an overstatement of receipts in the financial statements for year 2017/2018 of Ksh. 84,000 which was erroneously added twice to the total receipts for that financial year.

As a result the figure of Ksh.734,798.60 previously recorded as a cashbook under cast in note 9 reduced by Ksh. 84,000 to give Ksh 650,798.60 as an expenditure under goods and services which was added to Ksh. 6,026,374 to give a final figure of Ksh. 6,677,172.60.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-JOMVU Constituency financial statements were approved on 31st January 2019 and signed by:



Fund Account Manager
Name: Gladys Ngala



Sub-County Accountant
Name: Esther Omondi
ICPAK Member Number: R/6089

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

JOMVU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017- 2018	2016 - 2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	23,407,200	12,766,040.79
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalent		23,407,200	12,766,040.79
Current receivable-Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		23,407,200	12,766,040.79
FINANCIAL LIABILITIES			
Accounts payable-Retention	12	-	-
NET FINANCIAL ASSETS		23,407,200	12,766,040.79
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	12,766,041	71,737,734.19
Surplus/Defict for the year		10,641,159	(58,971,693.60)
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		23,407,200	12,766,040.79

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-JOMVU Constituency financial statements were approved on

31st January 2019 and signed by:



Fund Account Manager
Name: Gladys Ngala



Sub-County Accountant
Name: Esther Omondi
ICPAK Member Number: R/6089

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

VI. STATEMENT OF CASHFLOW

Receipts for operating income	Note	2017 - 2018	2016 - 2017	Restated
Transfers from CDF Board	1	63,496,550	85,041,826	84,957,826
Other Receipts	3	354,000	84,000	84,000
		63,850,550	85,125,826	85,041,826
Payments for operating expenses				
Compensation of Employees	4	892,748	2,439,951	2,439,951
Use of goods and services	5	3,186,350	6,026,374	6,677,172.60*
Transfers to Other Government Units	6	28,100,000	59,500,000	59,500,000
Other grants and transfers	7	15,528,293	75,052,811	75,052,811
Other Payments	9	-	734,798.60	-
		47,707,391	144,097,519.60	144,013,519.60
Adjusted for:				
Retentions	12		-	-
Adjustments during the year	14	-	-	20,016
Net cash flow from operating activities		16,143,159	(58,971,693.60)	(58,971,693.60)
CASHFLOW FROM INVESTING ACTIVITIES				
Proceeds from Sale of Assets	2	-	-	-
Acquisition of Assets	8	5,502,000	343,585	343,585
Net cash flows from Investing Activities		5,502,000	343,585	343,585
NET INCREASE IN CASH AND CASH EQUIVALENT		10,641,159	(58,971,693.60)	(58,971,693.60)
Cash and cash equivalent at BEGINNING of the year	13	12,766,041	71,737,734.19	71,737,734.19
Cash and cash equivalent at END of the year		23,407,200	12,766,040.79	12,766,041

*The figure was restated due to the revision of the template used where note 5 was merged with note 9. There was also correction of an overstatement of receipts in the financial statements for year 2017/2018 of Ksh. 84,000 which was erroneously added twice to the total receipts for that financial year.

As a result the figure of Ksh.734,798.60 previously in note 9 reduced by Ksh. 84,000 to give Ksh 650,798 which was added to Ksh. 6,026,374 to give a final figure of Ksh. 6,677,172.60

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-JOMVU Constituency financial statements were approved on

31st January 2019 and signed by:



Fund Account Manager
Name: Gladys Ngala



Sub-County Accountant
Name: Esther Omondi
ICPAK Member Number: R/6089

Reports and Financial Statements
For the year ended June 30, 2018

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	86,810,345	73,193,626	160,003,971	76,262,591	83,741,380	47.7%
Proceeds from Sale of Assets	-	-	-	-	-	0.0%
Other Receipts	-	-	*354,000	354,000	-	100.0%
TOTAL	86,810,345	73,193,626	160,357,971	76,616,591	83,741,380	47.8%
PAYMENTS						
Compensation of Employees	1,934,000	616,826	2,550,826	892,748	1,658,078	35.0%
Use of goods and services	5,878,931	2,592,317	8,471,248	3,186,350	5,284,898	37.6%
Transfers to Other Government Units	27,100,000	4,500,000	31,600,000	28,100,000	3,500,000	88.9%
Other grants and transfers	43,625,000	19,948,276	63,573,276	15,486,293	48,086,983	24.4%
Acquisition of Assets	3,595,387	5,200,000	8,795,387	5,502,000	3,293,387	62.6%
Other Payments	4,677,027	-	4,677,027	-	4,677,027	0.0%
Un approved projects	-	40,336,207	40,336,207	-	40,336,207	0.0%
TOTAL	86,810,345	73,193,626	160,003,971	53,167,391	106,836,580	33.2%


(a) Receipts under absorption

- i. The big position of the funds not yet received from the Board relates to resubmissions and supplementary budgets amounts not yet approved
- ii The Other receipts of Ksh 354,000 represents Ksh 54,000 generated from sale of tender documents and Ksh. 300,000 being a refund of moneys from St. Marys social hall which had been erroneously been paid in excess

(h) Reasons for underutilisation

- i Being a transition year almost all the staff had completed their contracts and only two were left thus only 35% of the Compensation to employees was spent
- ii There has been challenges in spending funds on Maganda Primary school Ksh 4,500,000 as the land developed some challenges thus absorption of 88.9% only in transfers to other Government units
- iii In the other grants Ksh. 25 million for bursary has not been disbursed yet thus utilisation of only 24.4%
- iv There are challenges on the construction and extension of the NGCDF office which are not yet resolved thus all the funds amounting to 12.6 Million are still in the main account in the acquisition of Assets Vote.

The NGCDF-JOMVU Constituency financial statements were approved on 31st January 2019 and signed by:



Fund Account Manager
Name: Gladys Ngala



Sub-County Accountant
Name: Esther Omondi
ICPAK Member Number: R/6089

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 Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-JOMVU Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the Entity for all the years presented.

a) Recognition of Receipts

The Entity recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Entity.

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Entity recognises all payments when the event occurs and the related cash has actually been paid out by the Entity.

Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
JOMVU CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

In-kind contributions are donations that are made to the Entity 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 Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

6. 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.

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. 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 Entity 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.

10. Unutilized Funds

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of NGCDF Act, 2015.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2017 for the period 1st July 2017 to 30th June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

12. Comparative Figures

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

13. 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 30th June 2018.

14. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
JOMVU CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

	A.I.E NO.	2017 - 2018	2016-2017
Normal Allocation		Kshs	Kshs
	A829567	-	4,094,828
	A855611	-	43,009,499
	A839656	-	36,853,499
20.02.18	A855825	5,500,000.00	-
18.04.18	A892911	20,091,378.00	-
30.05.18	A892983	37,905,172.00	-
Receipt from other Constituency - Changanwe		-	1,000,000
Total		63,496,550	84,957,826

2. PROCEEDS FROM SALE OF ASSETS

	2017 - 2018	2016 - 2017
	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		2017 - 2018	2016 - 2017
		Kshs	Kshs
Interest Received		-	-
Rents		-	-
Receipts from sale of tender documents	AIA	54,000	84,000
Other Receipts (Refund of excess disbursement of funds to St, Mary's Bangladesh)		300,000	-
Total		354,000	84,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	413,415	1,883,377
Basic wages of casual labour	-	-
Personal allowances paid as part of salary	-	-
House allowance	134,000	-
Transport allowance	96,000	-
Leave allowance	-	-
Employer contribution to NSSF	6,560	-
Gratuity	242,773	556,574
Other personnel payments	-	-
Total	892,748	2,439,951

5. USE OF GOODS AND SERVICES

Description	2017 - 2018	2016 - 2017	Restated
	Kshs	Kshs	Kshs
Committee expenses	1,311,785	2,469,550	2,469,550
Utilities, supplies and services	10,960	298,649	298,649
Office rent	385,000	595,000	595,000
Communication, supplies and services	73,000	88,310	88,310
Domestic travel and subsistence	258,990	282,400	282,400
Printing, advertising and information supplies & services	113,511	365,548	365,548
Rentals of produced assets	-	-	-
Training expenses	269,911	1,305,100	1,305,100
Hospitality supplies and services	81,610	243,076	243,076
Insurance costs	241,170	-	-
Specialised materials and services	-	12,760	12,760
Office and general supplies and services	293,379	165,981	165,981
Fuel ,oil & lubricants	-	-	-
Other operating expenses	147,034	200,000	850,798.60
Routine maintenance – vehicles and other transport equipment	-	-	-
Routine maintenance – other assets	-	-	-
Total	3,186,350	6,026,374	6,677,172.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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6. TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Transfers to National Government entities		
Transfers to Primary schools	23,500,000	47,500,000
Transfers to Secondary schools	4,600,000	12,000,000
Transfers to Tertiary institutions	-	-
Transfers to Health institutions	-	-
Total	28,100,000	59,500,000

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bursary -Secondary(see list attached)	12,086,293	23,188,000
Bursary -Tertiary	-	12,999,000
Bursary-Special schools	-	560,000
Mocks & CAT	-	-
water	-	1,950,000
Agriculture (food security)	-	400,000
Electricity projects	-	15,000,000
Security	3,400,000	-
Sports	-	2,251,766
Other capital grants and transfer	-	6,550,000
Emergency Projects (specify)	-	1,500,000
	-	10,654,045
Total	15,486,293	75,052,811

8 .ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2017 - 2018	2016 - 2017
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and other transport equipment	4,532,000	-
Overhaul of Vehicles and other transport equipment	-	-
Purchase of household furniture and institutional Equipment	-	-
Purchase of Office furniture and general equipment	-	-
Purchase of ICT Equipment ,software and other ICT Assets	-	343,585

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

Purchase of Specialised plant, equipment and machinery	-	-
Purchase of other office equipments	970,000	-
Rehabilitation and renovation of plant, Machinery and Equipment	-	-
Acquisition of land	-	-
Acquisition of intangible assets	-	-
Total	5,502,000	343,585

9. OTHER PAYMENTS

	2017 - 2018	2016 - 2017	Restated
	Kshs	Kshs	Kshs
Cashbookunder cast	-	734,799.60	-
	-	-	-
Total	-	-	-

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2017 - 2018	2016 - 2017
	Kshs (30/6/2018)	Kshs (30/6/2017)
<i>Equity Bank Changamwe Branch- A/C No. 1200261736417</i>	23,407,200	12,766,040.79
	-	-
	-	-
Total	23,407,200	12,766,040.79

10B: CASH IN HAND)

	2017 - 2018	2016 - 2017
	Kshs (30/6/2018)	Kshs (30/6/2017)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

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11: OUTSTANDING IMPRESTS

Name of Officer or Institution	Date imprest taken	Amount Taken	Amount Surrendered	Balance (30/6/2018)
		Kshs	Kshs	Kshs
		-	-	-
		-	-	-
Total		-	-	-

12. RETENTION

Supplier/Contractor	2017 - 2018	2016 - 2017
	Kshs	Kshs
	-	-
Total	-	-

13 .BALANCES BROUGHT FORWARD

	2017 - 2018	2016 - 2017
	Kshs (1/7/2017)	Kshs (1/7/2016)
Bank accounts	12,766,040.79	71,737,734
Cash in hand	-	-
Imprest	-	-
Total	12,766,040.79	71,737,734
<i>[Provide short appropriate explanations as necessary]</i>		

14. PRIOR YEAR ADJUSTMENTS

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bank accounts (Cashbook reversal entries)	-	20,016
Cash in hand	-	-
Imprest	-	-
Total	-	20,016

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	70,000	-
Supply of services	-	35,000
Total	70,000	35,000

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	46,944	-
Others (Gratuity)	130,400	211,785
	177,344	211,785

15.3: UNUTILIZED FUNDS (See Annex 3)

	2017- 2018	2016-2017
	Kshs	Kshs
Closing balances (see attached list)	23,407,200	12,766,040.79
	23,407,200	12,766,040.79

15.4: PMC ACCOUNTS BALANCES (See Annex 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	41,679,701	78,451,021
	41,679,701	78,451,021

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
	a					
Construction of buildings						
1.						
2.						
Sub-Total						
Construction of civil works						
1.						
2.						
Sub-Total						
Supply of goods						
1.						
2.						
Sub-Total						
Supply of services						
1. FATMA ALI MWALIMU (Office rent)	-		-	-	35,000	
2. FATMA ALI MWALIMU (Office rent)	420,000		315,000	70,000	-	
Sub-Total	420,000		315,000	70,000	35,000	
Grand Total	420,000		315,000	70,000	35,000	

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance		Comments
					2018	2017	
		a	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7. VIOLET ADERA					46,944	-	
8.							
9.							
Sub-Total					46,944	-	
Others (specify)							
10. VIOLET ADERA					130,400	-	
11.							
12.							
Sub-Total							
Grand Total					130,400	-	

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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance		Comments
					2018	2017	
Amounts due to other Government entities		a	b	c	d=a-c		
1. Maganda primary school					4,500,000	-	
Sub-Total					4,500,000	-	
Amounts due to other grants and other transfers							
2. Bursary					242,962	242,962	
3. Emergency					3,218,653	2,800,259	
4. Environment					3,231,795	1,495,588	
5. Sports					1,736,577	370	
6 Miritini Madukani borehole					650,000	650,000	
Others (specify)					9,079,987	5,189,179	
7. Employees salaries					1,524,256	651,711	
8. Goods & services					271,187	267,131	
9. Office equipment					363,565	363,565	
10. NGCDF office					5,000,000	-	
11. NGCDF Vehicle					298,330	5,096,500	
12. Committee Expenses					1,721,875	613,955	
13. Audit fees					500,000	500,000	
14. AIA from sale of tenders					138,000	84,000	
Sub-Total					9,827,213	7,576,862	
Grand Total					23,407,200	12,766,041	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land				
Buildings and structures				
Transport equipment	-	4,532,000	-	4,532,000
Office equipment, furniture and fittings	833,263	970,000	-	1,803,263
ICT Equipment, Software and Other ICT Assets	343,585	-	-	343,585
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	1,176,848	5,502,000	-	6,678,848

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LIST OF ASSETS

ASSET NAME / DESCRIPTION	ASSET CATEGORY	ASSET NO/ TAG	SERIAL NO.	ACQUISITION DATE	PURCHASE COST	PHYSICAL LOCATION	CURRENT CONDITION
Dell desktop Monitor	Equipment	JOMVU CDFC/001/002/001	CN-07CR4-72872-33N-8KM	13/9/2014	BOARD	FAM OFFICE	Good
Dell CPU & KEYBOARD	Equipment	JOMVU CDFC/001/002/002	N/A	13/9/2014	BOARD	FAM OFFICE	Good
AFC Power Back up	Equipment	JOMVU CDFC/001/002/003	N/A	13/9/2014	BOARD	FAM OFFICE	Good
Hp Scanjet 5590	Equipment	JOMVU CDFC/001/002/004	CN35NWHOVK	13/9/2014	BOARD	FAM OFFICE	NOT WORKING
HP Deskjet Ink Advantage 1515 printer cum scanner	Equipment	JOMVU CDFC/001/002/005	CN39EIFNCF	15/02/14	8500.00	FAM OFFICE	NOT WORKING
Office paper Tray	Equipment	JOMVU CDFC/001/002/006	N/A	1/3/2014	600.00	A/C ASSIST OFFICE	Good
Mugs	Utencils (6)	JOMVU CDFC/001/002/007	N/A	4/3/2014	639.00	KITCHEN	5 BROKEN
NOKIA 107 HANDSET	Equipment	JOMVU CDFC/001/002/008	3.56466E+14	15/02/14	2225.00		LOST
Fixed Wireles Terminal	Equipment	JOMVU CDFC/001/002/009	HQA9KA9391602541	15/02/14	5220.00	OFFICE	NOT WORKING
Calculator	Equipment	JOMVU CDFC/001/002/010	N/A	27/2/14	1300.00	FAM OFFICE	LOST
Wooden Tender box	Furniture(2)	JOMVU CDFC/001/002/011	N/A	28/2/14	8000.00	FAM OFFICE	Good
Office Table 1.2M with 3 drawers	Furniture	JOMVU CDFC/001/002/012	N/A	10/5/2014	28500.00	OFFICE	NEEDS REPAIR
Four legged visitors chair	Furniture	JOMVU CDFC/001/002/013	N/A	10/5/2014	26250.00	OFFICE	3 CHAIRS BROKE
Executive table 1.6Mwith side returns table & 3 drawers' mobile pedestal	Furniture	JOMVU CDFC/001/002/014	N/A	10/5/2014	60000.00	OFFICE	NEEDS REPAIR
Executive leather medium back chair with wooden padded arms & wooden base	Furniture	JOMVU CDFC/001/002/015	N/A	10/5/2014	22000.00	OFFICE	Good
Computer Table WCF CD101	Furniture	JOMVU CDFC/001/002/016	N/A	10/5/2014	15600.00	A/C ASSIST OFFICE	Good

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	Furniture	JOMVU CDFC/001/002/017	N/A	10/5/2014	31500.00	A/C ASSIST OFFICE	NEEDS REPAIR
Rectangle Conference Table 2.4 M	Furniture	JOMVU CDFC/001/002/018-021	N/A	10/5/2014	100000.00	FAM OFFICE	Good
4 Drawers Metallic Banquet Conference Chairs	Furniture	JOMVU CDFC/001/002/022-031	N/A	10/5/2014	45000.00	FAM OFFICE	Good
Flip Chart Steel Metal with Board	Equipment	JOMVU CDFC/001/002/032	N/A	10/5/2014	9000.00	A/C ASSIST OFFICE	Good
Metallic 6 Feet cupboard	Equipment	JOMVU CDFC/001/002/033	N/A	10/5/2014	30000.00	FAM OFFICE	Good
Sony Projector S18	Equipment	JOMVU CDFC/001/002/034	CN35AWHOVK	10/5/2014	77000.00	FAM OFFICE	Good
HP Printer IjP1102	Equipment	JOMVU CDFC/001/002/035	VCF5037900	10/5/2014	16000.00	FAM OFFICE	Good
HP Printer IjP1102	Equipment	JOMVU CDFC/001/002/036	VNF5037536	10/5/2014	16000.00	CONSTITUENCY OFFICE	Good
Binding Machine 2188	Equipment	JOMVU CDFC/001/002/037	KATKO 2188	10/5/2014	12000.00	FAM OFFICE	Good
HP Laptop	Equipment	JOMVU CDFC/001/002/038	6CC3344J72	10/5/2014	85000.00	FAM OFFICE	Good
Lenovo Desktop Monitor	Equipment	JOMVU CDFC/001/002/039	V1235365	10/5/2014	65000.00	CONSTITUENCY OFFICE	Good
Lenovo CPU	Equipment	JOMVU CDFC/001/002/040	153485H9GPBV5LHL	10/5/2014		CONSTITUENCY OFFICE	Good
Lenovo Keyboard	Equipment	JOMVU CDFC/001/002/041	N/A	10/5/2014		CONSTITUENCY OFFICE	Good
AFC UPS Power Back U	Equipment	JOMVU CDFC/001/002/042	3B1322X06344	10/5/2014		CONSTITUENCY OFFICE	Good
Lenovo Desktop Monitor	Equipment	JOMVU CDFC/001/002/043	V1235499	10/5/2014	65000.00	A/C ASSIST OFFICE	Good
Lenovo Keyboard	Equipment	JOMVU CDFC/001/002/044	N/A	10/5/2014		A/C ASSIST OFFICE	Good
Lenovo CPU	Equipment	JOMVU CDFC/001/002/045	153485H9GPBV5LKK	10/5/2014		A/C ASSIST OFFICE	Good
AFC UPS Power Back U	Equipment	JOMVU CDFC/001/002/046	3B1322X06572	10/5/2014		A/C ASSIST OFFICE	Good

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Samsung Galaxy Tab 3	Equipment	JOMVU CDFC/001/002/047	359360/05/085418/6	10/5/2014	65000.00	FAM OFFICE	Good
Casio Dj-120D Two Way power Calculator	Equipment	JOMVU CDFC/001/002/048	N/A	29/9/2015	2100.00	FAM OFFICE	Good
Samsung Galaxy ACE Handset	Equipment	JOMVU CDFC/001/002/049	N/A	1/10/2015	12999.00	FAM OFFICE	NOT WORKING
Computer trolley table	Furniture	JOMVU CDFC/001/002/050	IDCT1680	4/2/2016	7000.00	A/C ASSIST OFFICE	Good
Reception Counter	Furniture	JOMVU CDFC/001/002/051	CFP4D	19/08/2016	8245.00	RECEPTIONIST	Good
Wooden Tender box	Furniture(1)	JOMVU CDFC/001/002/052	N/A	26/9/2016	5000.00	FAM OFFICE	Good
Fixed pedestal 4DRW Office table	Furniture	JOMVU CDFC/001/002/053	C1680	19/08/2017	8245.00	FAM OFFICE	Good
1.6Mwith 3 drawers	Furniture	JOMVU CDFC/001/002/054	N/A	19/08/201	14495.00	RECEPTIONIST	Good
CAB 4DRW W/BAR	Equipment	JOMVU CDFC/001/002/055	N/A	19/08/2019	68000.00	FAM OFFICE	Good
HP Laptop 1132	Equipment	JOMVU CDFC/001/002/056	1500	3/10/2016	65000.00	FAM OFFICE	Good
HP Laptop	Equipment	JOMVU CDFC/001/002/057	15RAM 4	3/10/2016	60000.00	A/C ASSIST OFFICE	Good
Desktop Computer	Equipment	JOMVU CDFC/001/002/058	HP1132	3/10/2016	81000.00	SUB- COUNTY A/C	Good
Printing Machine	Equipment	JOMVU CDFC/001/002/059	CNj8FC55FW	3/10/2016	30600.00	A/C ASSIST OFFICE	Good
Gas Cylinder	Equipment	JOMVU CDFC/001/002/060	N/A		4830.00	KITCHEN	Good
Evernal Fan	2 equipment	JOMVU CDFC/001/002/061	N/A	28/11/2016	14,000.00	SUB- COUNTY ACCOUNTANT	Good
Office Tents	5 Equipment	JOMVU CDFC/001/002/062	N/A	5/04/2018	970000.00	FAM OFFICE	Good
Motor vehicle	Motor vehicle	JOMVU/CDFC/001/002/063	A 14 SEATER MINI BUS(GKB 828S)	11/4/2018	4532000.00	JOMVU	Good
					6,678,848.00		

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2018

NO.	ACCOUNT NAME PROJECT	BANK NAME	ACCOUNT NO.	BRANCH NAME	BALANCE AS AT 30.06.2018	BALANCE AS AT 30.06.2017
1	ST MARY'S PRIMARY SCHOOL BANGALADESH	EQUITY	1200260380242	CHANGAMWE	3,700,007.08	2,000,502.08
2	JOMVU KUU ROAD CDF PROJECT	EQUITY	1200264119522	CHANGAMWE	885.00	26,215
3	JOMVU MODEL HEALTH CENTRE	EQUITY	1200263728355	CHANGAMWE	233,117.00	1,654,726
4	MRERONI PRIMARY SCHOOL	EQUITY	1200299864387	CHANGAMWE	1,720,141.91	4,204,880.91
5	KOPAKOPA BOREHOLE CDF PROJECT	EQUITY	1200264424912	CHANGAMWE	254,725.00	254,725
6	KWA JOMVU PRIMARY CDF PROJECT	EQUITY	1200262543884	CHANGAMWE	3,091,102.00	2,917,317
7	MIRITINI WORLD BANK PRIMARY SCHOOL CDF	EQUITY	1200298315560	CHANGAMWE	2,976,439.00	2,873,389
8	KWASHEE BOREHOLE CDF PROJECT	EQUITY	1200264210032	CHANGAMWE	4,615.00	4615
9	KASARANI CDF PROJECT -STREETLIGHTS	EQUITY	1200262717227	CHANGAMWE	1,374.10	1,164.75
10	MTAA WA WASWAHILI BOREHOLE PROJECT	EQUITY	1200199099889	CHANGAMWE	283.35	283.35
11	CDF PROJECT KTDA-MOSQUES ACCESS ROAD	EQUITY	1200264116229	CHANGAMWE	1,247,468.00	1,247,468
12	KWAFUNDA BOREHOLE CDF PROJECT	EQUITY	1200264312355	CHANGAMWE	210,190.00	210,190
13	JITENGENI CDF PROJECT-BOREHOLE	EQUITY	1200263941909	CHANGAMWE	149,505.00	149,505
14	RUNYU CDF BOREHOLE PROJECT	EQUITY	1200264375165	CHANGAMWE	1,420.00	1,420
15	GANAHOLA KWA KENGA BOREHOLE CDF PROJECT	EQUITY	1200265097908	CHANGAMWE	204,835.00	204,835
16	JITENGENI BOREHOLE CDF PROJECT	EQUITY	1200265138553	CHANGAMWE	1,783.35	16,403.35
17	FUNGA SHATI WELL CDF PROJECT	EQUITY	1200262765769	CHANGAMWE	649,525.00	649,525

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18	JOMVU KUU CLINIC CDF PROJECT	EQUITY	1200264055056	CHANGAMWE	466,027.00	466,027
19	OWINO UHURU STREETLIGHT CDF PROJECT	EQUITY	1200264313692	CHANGAMWE	51,670.00	51,670
20	MKUPE BOREHOLE CDF PROJECT	EQUITY	1200264371850	CHANGAMWE	4,615.00	4,615
21	KWASHEE CDF PROJECT-SOCIAL HALL	EQUITY	1200262752016	CHANGAMWE	221,245.00	221,245
22	JOMVU KUU SOCIAL HALL	EQUITY	1200299979826	CHANGAMWE	587.00	587
23	CHAMUNYU A BOREHOLE CDF PROJECT	EQUITY	120026479640	CHANGAMWE	14,005.00	14,005
24	ALDINA BOREHOLE CDF PROJECT	EQUITY	1200265041312	CHANGAMWE	9,560.00	9,560
25	JITENGENI STREETLIGHT CDF PROJECT	EQUITY	1200265864794	CHANGAMWE	15,000.00	15,000
26	JOMVU GIRLS SECONDARY SCHOOL	EQUITY	1200260559991	CHANGAMWE	1,095,580.00	1,906,393
27	KWASHEE PRIMARY SCHOOL	EQUITY	1200260607219	CHANGAMWE	3,436,265.00	2,800,005
28	MIRITINI SECONDARY SCHOOL	EQUITY	1200298330677	CHANGAMWE	3,028,312.67	356,569.67
29	JOMVU KUU ROAD CDF PROJECT	EQUITY	1200264119522	CHANGAMWE	885.00	26,215
30	MIKINDANI STREETLIGHTS	EQUITY	1200262612544	CHANGAMWE	485.00	485
31	RUNYU TO KWASHEE TERRACES	EQUITY	1200266550466	CHANGAMWE	56,400.00	1,349,305
32	YOUTH RESOURCE CENTRE	EQUITY	1200266901459	CHANGAMWE	199,051.00	2,999,441
33	MIRITINI MADUKANI PUBLIC TOILET	EQUITY	1200266404923	CHANGAMWE	213,978.00	2,000,000
34	STREETLIGHT PROJECT	EQUITY	1200270913458	CHANGAMWE	1,230,441.00	14,999,515
35	KWA ZERA BOREHOLE	EQUITY	1200272475295	CHANGAMWE	588,883.90	649,049
36	MIRITINI MADUKANI BORE HOLE	EQUITY	1200272299933	CHANGAMWE	588,408.90	648,573.90
37	KWA MWANZIA BOREHOLE	EQUITY	1200272972869	CHANGAMWE	589,890.00	650,000

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38	ALDINA PRIMARY	EQUITY	1200267370522	CHANGAMWE	4,697,701.60	6,941,983
39	NG-CDF JOMVU FURNITURE FOR SOCIAL	EQUITY	1200271332819	CHANGAMWE		45
40	MIRITINI PRIMARY SCHOOL CDF PROJECT	EQUITY	1200264111866	CHANGAMWE	3,646,131.00	2,809,971
41	JOMVU NG-CDF-MIKINDANI CHIEFS OFFICE SEFTIC	EQUITY	1200271401008	CHANGAMWE	549,515.00	549,515
42	MARYCLIFF PRIMARY SCHOOL	EQUITY	1200299241708	CHANGAMWE	34,087.50	34,087.50
43	OWINO UHURU BOREHOLE	EQUITY	1200266824398	CHANGAMWE	649,525.00	649,525
44	JOMVU NG-CDF ENVIRONMENT PROJECT	EQUITY	1200272420929	CHANGAMWE	305.00	1,499,525
45	JOMVU NG-CDF SPORTS ACTIVITY	EQUITY	1200271386028	CHANGAMWE	1,846.00	1846
46	BARRIERS AT MIKINDANI ESTATE	KCB	1122106483	MVITA	59,075.60	60,395.60
47	MIREKONI PRIMARY SCHOOL	KCB	1118639294	MVITA	26,343.80	26,673.80
48	WELL AT KWASHEE	KCB	110848378	MVITA	1,780	3,100
49	AMANI PRIMARY SCHOOL	KCB	1110554184	MVITA	2,931,123	2,918,912
50	ST MARY'S PRIMARY SCHL BANGALADESH	KCB	1107269105	MVITA	212,902	9,081,078
51	MIKANJUNI MATERNITY	KCB	212682815	MVITA	1,349,094	1,327,840.70
52	MIRITINI COMPLEX HIGH SCHOOL	KCB	1183805632	MVITA	1,261,566	6,961,098
	TOTAL				41,679,701.21	78,451,020.66

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ANNEX 6: 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)
1.	<p>Presentation</p> <p>The financial statements presented for the year ended 30 June 2017 did not comply with the international Public Sector Accounting standard No.1 on presentation as prescribed by the Public sector Accounting Standards Board</p>	<p>Comparable figures for assets and PMC accounts balances provided</p>	FAM-Gladys Ngala	Resolved	
2.	<p>Inaccuracies in the financial statements</p> <p>The accuracy and completeness of the deficit of Kshs.58, 971,693 could not be confirmed.</p>	<p>Financial statements corrected and restated</p>	FAM-Gladys Ngala	Resolved	

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3.	<p>Transfer to other Government entities It has not been possible to confirm the propriety of Kshs.18,070,229.80 incurred on transfer to other government entities for the year ended 30 June 2017.</p>	<p>The process of registration of the school was started and the contractor of the Hall was recalled back and the work completed</p>	FAM-Gladys Ngala	Not resolved	2 months
4.	<p>Other payments The propriety of Kshs.734,798 reflected as other payments for the year ended 30 June 2017 could not be confirmed</p>	<p>Schedule of the Ksh. 734,798 as under cast was provided</p>	FAM-Gladys Ngala	Resolved	
5.	<p>Bank Balance The accuracy and completeness of bank balance of Kshs.12, 766,040 as at 30 June 2017 could not be confirmed.</p>	<p>Stale cheques were reversed and re-issued to other beneficiaries</p>	FAM-Gladys Ngala	Resolved	