

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



REPORT

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DATE: 20/1/2019	DAY: WED
TABLED BY: Hon. Aden Duale	
CLERK-AT THE TABLE: Mwanu Mndu	

OF

THE AUDITOR-GENERAL

ON

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



FOR THE YEAR ENDED
30 JUNE 2017



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
MWALA CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2017**

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





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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	1
II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG-CDFC).....	3
III. STATEMENT OF CDF MANAGEMENT RESPONSIBILITIES.....	4
IV. STATEMENT OF RECEIPTS AND PAYMENTS.....	5
V. STATEMENT OF ASSETS.....	6
VI. STATEMENT OF CASHFLOW.....	7
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED.....	8
VIII. SIGNIFICANT ACCOUNTING POLICIES.....	10
IX. NOTES TO THE FINANCIAL STATEMENTS.....	12

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - MWALA
CONSTITUENCY**

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (NGCDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. 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 to ensure that specific portion of the national annual budget is devoted to the constituencies for purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

(b) Key Management

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

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Richard Maritim
3.	Accountant	Raphael Kisavi

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of MWALA Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the NGConstituency 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) MWALA NGCDF Headquarters

Mwala NGCDF Office Building
Along Kitui – Machakos Road.
P.O Box 858 Machakos

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

(f) MWALA NGCDF Contacts

Telephone: (254) 0720540633
E-mail: mwala@ngcdf.go.ke
Website: ngwww.mwala@ngcdf.go.ke

(g) MWALA NGCDF Bankers

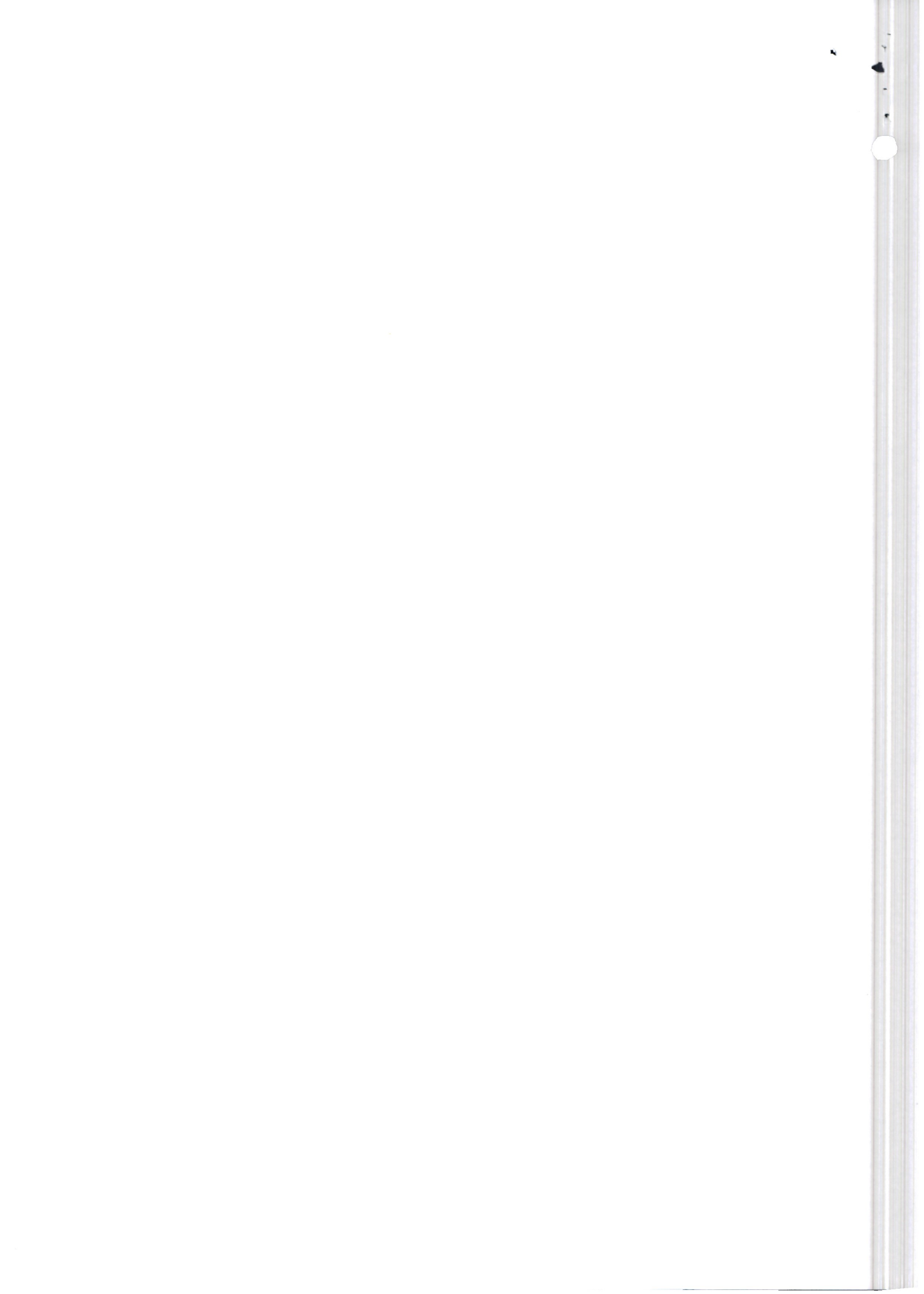
Kenya Commercial Bank
Masii Branch
A/C No: 1106340353
P.o Box 400-90101
Masii

(h) Independent Auditors

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- MWALA
CONSTITUENCY**

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

**II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND
COMMITTEE (NGCDFC)**

Mwala constituency development fund was allocated Kshs 81,896,551.72 for the financial year 2016/2017, of the above amount the constituency received Kshs 40,948,276.00

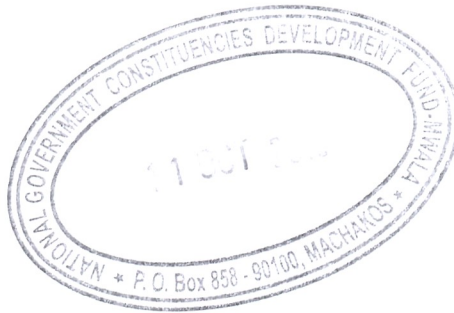
The constituency also received Kshs 171,730,772.00 for the financial year 2015/2016 and other previous years.

Despite the normal challenges the implementation of the projects was a success in the financial year 2016/2017 and resulted in numerous projects started and are at various stages of completion

We look forward to improve efficiency in project implementation

Sign 

CHAIRMAN CDFC



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

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

III. STATEMENT OF CDF MANAGEMENT RESPONSIBILITIES

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


The Accounting Officer in charge of the MWALA Constituency Development Fund is responsible for the preparation and presentation of the MWALA CDF financial statements, which give a true and fair view of the state of affairs of the MWALA CDF for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the CDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the CDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the MWALA CDF accepts responsibility for the 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 CDF's financial statements give a true and fair view of the state of CDF's transactions during the financial year ended June 30, 2017, and of the CDF's financial position as at that date. The Accounting Officer charge of the MWALA CDF further confirms the completeness of the accounting records maintained for the CDF, which have been relied upon in the preparation of the CDF's financial statements as well as the adequacy of the systems of internal financial control.

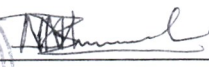
The Accounting Officer in charge of the MWALA CDF confirms that the CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the 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 CDF's financial statements were approved and signed by the Accounting Officer on **4th August, 2017**.


Fund Account Manager




Chairman CDFC

REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MWALA 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 - Mwala Constituency set out on pages 5 to 35, 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 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- Mwala Constituency as at 30 June 2017, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

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

Basis for Adverse Opinion

1. Presentation and Disclosures in the Financial Statements

1.1. Inconsistencies in Page Numbering

The following inconsistencies have been noted in the table of contents;

Item	Page number in the table of content	Page number in the other information and financial statements
Forward by the Chairman NG-CDFC	4	3
Statement of CDF management responsibilities	5	4
Statement of receipts and payments	6	5
Statement of assets	7	6
Statement of cashflow	8	7
Summary statement of appropriation	9	8
Significant accounting policies	11	10
Notes to the financial statements	13	12

Further, the paging in the financial statements is inconsistent in that pages 10 to 23 have not been printed.

1.2. Summary Statement of Appropriation

The summary statement of appropriation reflects material variances between budgeted expenditure and actual expenditure on compensation of employees (51%) and transfers to other government entities (28%). However, the financial statements have not disclosed the reasons for these significant variances contrary to the requirements of paragraph 1.9.8(c) of International Public Sector Accounting Standard (Cash Basis of Accounting) and regulation 130 of the Public Finance Management (County Government) Regulations, 2015.

1.3. Other Payments

The statement of receipts and payments for the year ended 30 June 2017 reflects other payments of Kshs. 500,000 which as detailed in the Note 9 to the financial statements consist of other payments of Kshs. 295,194 and bank charges of Kshs. 204,806. No further disclosures as to what constitutes other payments of Kshs. 295,194 have been given.

Consequently, the financial statements have not been presented in accordance with the guidelines issued by the Public Sector Accounting Standards Board.

2. Inaccuracies in the Financial Statements

2.1. Bank Balance

The statement of assets as at 30 June 2017 reflects a bank balance of Kshs.13,217,841 while the respective Note 10A to the financial statements discloses a balance of Kshs.9,962,989 resulting in unexplained difference of Kshs.3,254,852.

Bank reconciliation statement for June 2017 reflects stale cheques totalling Kshs.2,039,989 which had not been reversed in the cash book as at that date. The

reconciliation statement also reflects undated receipts in cash book not yet recorded in bank statement amounting to Kshs. 2,659,270 all narrated as under-cast except for an amount of Kshs. 7,000 narrated as a cheque duplicate.

Consequently, the accuracy of bank balance of Kshs. 13,217,841 as at 30 June 2017 cannot be confirmed.

2.2. Cash and Cash Equivalents

The statement of cash flows reflects cash and cash equivalents balance of Kshs.12,986,936 at the end of the financial year which is different from the balance of Kshs.13,217,841 shown in the statement of assets hence, resulting in un-explained difference of Kshs. 230,905.

Consequently, the accuracy of cash and cash equivalents balance as at 30 June 2017 cannot be confirmed.

3. In-eligible expenditure

The statements of receipts and payments for the year ended 30 June 2017 reflects expenditure of Kshs. 116,824,935 on transfers to other government entities which include Kshs. 2,400,000 for health institutions. The statement also reflects an expenditure Kshs. 99,889,011 in respect of other grants and transfers which include Kshs. 3,700,000 for water projects. Both health and water are devolved functions under the County Government. The expenditure totalling 6,100,000 on health and water was therefore charged to the Fund contrary to Section 24 of the National Government Constituency Development Fund Act, 2015. The National Government Constituencies Development Fund Board and the Mwala Constituency Development Fund Committee were in breach of the law and consequently, this is an in-eligible expenditure.

4. Compensation of Employees

The statement of receipts and payments also reflects expenditure totalling Kshs. 2,509,430 relating to compensation of employees. This expenditure includes an amount of Kshs. 108,030 being National Hospital Insurance Fund (NHIF) remittances against a budget of Ksh. 54,200. Further, an amount of Kshs. 52,200 was used to settle late payment penalty to NHIF, hence a nugatory expenditure. Had the management taken proper precautions and settled the dues in time, the amount paid as penalty could have been put into other productive use in line with the requirement of prudent and diligent financial management.

5. Prior Year Adjustments

The statement of assets as at 30 June 2017 reflects prior year adjustments of Kshs.3,072,852. However, the nature and source of the adjustments have not been disclosed or explained.

6. Net Financial Position

The statement of assets also reflects net liabilities instead of net financial position of Kshs.13,217,841, being the difference between the brought forward fund balance of Kshs.30,089,414, prior adjustments of Kshs.3,072,852 and the deficit for the year ended 30 June 2017 of Kshs.19,944,425. No explanation has been provided for this anomaly.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund-Mwala 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 judgement, were of most significance to the audit of the financial statements for the current year. Except for matters discussed in the Basis for Adverse Opinion and Other Matter sections, I have determined that there are no Other Key Audit Matters to communicate in my report.

Other Matter

1. Budget Performance

During the year under review, the Fund's budgeted receipts amounted to Kshs. 290,452,738. However, actual receipts for the year amounted to Kshs. 212,679,048 resulting in a shortfall of Kshs. 77,773,690 or 27%.

The total budgeted expenditure amounted to Kshs. 290,452,738 while the total actual expenditure was Kshs. 232,623,473, resulting in an under expenditure of Kshs. 57,829,265 or about 20%. Compensation of employees and transfers to other government units registered significant under-absorption rates of 51% and 28%, respectively as analyzed below:

Account Components	Final budget figure Kshs	Actual expenditure figure Kshs	Difference between budget and actual Kshs	% Budget under-absorption
Compensation of Employees	5,085,786	2,509,430	2,576,356	51%
Transfers to Other Government Units	161,738,280	116,824,935	44,913,345	28%

Consequently, the residents of Mwala Constituency did not obtain full benefits of funds budgeted for but not spent during the year.

2. Project Implementation

During the year under review, the Fund had an approved budget of Kshs. 271,721,921 in respect of transfers to other government units and other grants and transfers for implementation of various projects and programmes. The status of the projects was as indicated below as of February 2018:

	Project Name	Sub-Project/Activities	Allocations Kshs	Disbursement Kshs	% completion	Status	Remarks
1	Continuous Assessment Tests/Mocks	Assessment tests for all public primary schools in the constituency	1,500,000	1,500,000	0%	-	Re-allocated to bursary
2	Kikelenzu Primary School	Plastering and flooring of 4 classrooms	400,000	400,000	50%	on going	
3	Lema Primary School	Plastering and flooring of 4 classrooms	400,000	400,000	50%	on going	
4	Nyaanyaa Primary School	Construction of 2 classroom to completion	1,200,000	1,200,000	70%	on going	
5	Manzuva Primary School	Construction of 1 classroom to completion	600,000	600,000	0%	on going	Awaiting funds
6	Muthei Primary School	Plastering and flooring of 3 classrooms	300,000	-	0%	on going	Awaiting funds
7	Nyaani Primary School	Construction of 1 classroom to completion	500,000	500,000	50%	on going	
8	Sofia Primary School	Plastering & flooring of 4 classrooms	500,000	500,000	50%	on going	
9	Kyeenguli Primary School	Roofing of 5 classrooms	500,000	-	0%	on going	Awaiting funds
10	Miseleni Primary School	Plastering & roofing of 5 classrooms	500,000	-	0%	on going	Awaiting funds
11	Kitile Primary School	Plastering and flooring of 4 classrooms	400,000	400,000	50%	on going	
12	Kalia Kundu Primary School	Plastering and flooring of 2 classrooms	300,000	-	0%	on going	Awaiting funds
13	Kalau Primary School	Construction of 1 classroom to completion	600,000	600,000	50%	on going	
14	Mutula Primary School	Construction of 1 classroom to completion	650,000	650,000	0%	on going	Awaiting funds
15	Ndeini Girls Secondary School	Construction of 1 classroom to completion	650,000	650,000	50%	on going	
16	Kaloleni Secondary School	Construction of 1 classroom to completion	650,000	650,000	50%	on going	
17	Kimuuni Secondary School	Completion of Science Lab	300,000	-	0%		Awaiting funds

18	Kiuukuni Secondary School	Completion of Science Lab	300,000	-	0%		Awaiting funds
19	Kivani Primary School	Plastering & flooring of 5 classrooms	750,000	-	0%		Awaiting funds
20	Mutula Primary School	Plastering & roofing of 4 classrooms	500,000	-	0%		awaiting funds
21	Kivalani Pri School	Plastering & flooring of 4 classrooms	500,000	-	0%		Awaiting funds
22	Kikumini Primary School	Plastering & flooring of 4 classrooms	600,000	-	0%		Awaiting funds
23	Kyaani Primary School	Construction of 1 classrooms	600,000	-	0%		Awaiting funds
24	Nthangathini Primary School	Construction of 1 classroom to completion	600,000	-	0%		Awaiting funds
25	Tulila Primary School	Completion of School Dispensary	900,000	900,000	50%		In use
26	Kasolongo Primary School	Plastering and flooring of 4 classrooms	400,000	400,000	50%	on going	
27	Myanyani Primary School	Plastering and flooring of 5 classrooms	600,000	600,000	50%	on going	
28	Katheka AIC Primary School	Plastering and flooring of 2 classrooms	300,000	-	0%	on going	Awaiting funds
29	Kyanda Primary School	Plastering and Flooring of 4 Classrooms	600,000	-	0%		Awaiting funds
30	Kwakaluu Primary School	Plastering & Flooring of 3 Classrooms	400,000	-	0%		Awaiting funds
31	Miu DEB Primary School	Plastering & Roofing of 5 Classrooms	700,000	-	0%		Awaiting funds
32	King'atuani Primary School	Construction of 1 Classroom to Completion	600,000	-	0%		Awaiting funds
33	Mavitini Primary School	Plastering & Flooring of 4 Classrooms	400,000	-	0%		Awaiting funds
34	Matulani Primary School	Plastering & Flooring of 3 Classrooms	300,000	-	0%		Awaiting funds
35	Itooni Primary School	Construction of 1 Classroom to Completion	500,000	-	0%		Awaiting funds
36	Wetaa Primary School	Plastering & Flooring of 4 Classrooms	500,000	-	0%		Awaiting funds
37	Kitooni Primary School	Plastering & Flooring of 2 Classrooms	300,000	-	0%		Awaiting funds
38	Kyawango Primary School	Plastering & Flooring of 4 Classrooms	400,000	-	0%		Awaiting funds
39	Etikoni Secondary School	Construction of 1 Classroom to Completion	500,000	-	0%		Awaiting funds
40	Mbiuni High School	Completion of Dining Hall	1,000,000	-	0%		Awaiting funds
41	Kabaa High School	Purchase of 10 Computers	500,000	-	0%		Awaiting funds
42	Mbaani Secondary School	Construction of 1 Classroom	600,000	600,000	50%	New	On going
43	Nyaani Secondary School	Completion of Dining Hall	500,000	-	0%		Awaiting funds

44	Mukuyuni Secondary School	Construction of Science Lab	1,000,000	-	0%		Awaiting funds
45	Kyethivo Girls Secondary School	Purchase of 10 Computers	500,000	-	0%		Awaiting funds
46	Mbaikini Secondary School	Purchase of 10 Computers	500,000	-	0%		Awaiting funds
47	Kilala Secondary School	Construction of 1 Classroom to Completion	500,000	500,000	50%	New	on going
48	Kunikila Secondary School	Completion of Administration Block	500,000	500,000	80%	on going	
49	Matulani Secondary School	Drilling,Casing and Equipping of Borehole	3,000,000	-	0%		Awaiting funds
50	Kwandoo Secondary School	Drilling,Casing and Equipping of Borehole	2,587,931	-	0%		Awaiting funds
51	Mwala Technical Training Institute	Drilling,Casing and Equipping of Borehole	2,000,000	-	0%		Awaiting funds
52	Kona AP Line	Construction of AP Line (Phase II)	1,000,000	-	0%		Awaiting funds
53	CID Office Masii	Plastering and Painting	200,000	200,000	50%	on going	
54	Ngomano Chiefs Camp	Plastering and Painting	200,000	-	0%		Awaiting funds
55	Kibauni Chiefs Office	Plastering and Painting	200,000	-	0%		Awaiting funds
56	OCPD's Office Masii	Plastering and Painting	200,000	200,000	50%	on going	
57	Rural Electrification Authority	Extension of Electricity line and installation of 2 transformers in each of the following areas: 1. Mbiuni-Kathama 2. Mwala-Makutano - Mango Kyawango 3. Masii-Vyulya 4.Wamunyu -Yathui 5.Muthetheni-Miu 6.Kibauni-Ikalaasa-Ngomano	10,000,000	-	0%		Awaiting funds

Consequently, the residents of Mwala Constituency did not obtain value for the projects that remained un-implemented or un-completed as at that as at the end of the financial year under review.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash

Basis) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

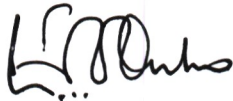
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

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

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



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

Nairobi

02 August 2018

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

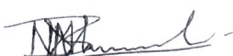
Reports and Financial Statements

For the year ended June 30, 2017

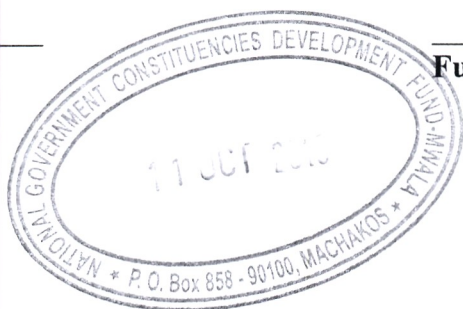
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016 - 2017	2015 - 2016
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	212,679,048	46,900,000
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	-
TOTAL RECEIPTS		212,679,048	46,900,000
PAYMENTS			
Compensation of employees	4	2,509,430	1,358,321
Use of goods and services	5	12,900,097	2,820,212
Transfers to Other Government Units	7	116,824,935	40,390,690
Other grants and transfers	8	99,889,011	25,081,440
Acquisition of Assets	9	-	374,500
Other Payments	10	500,000	
TOTAL PAYMENTS		232,623,473	70,025,163
SURPLUS/DEFICIT		-19,944,425	-23,125,163

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MWALA CDF financial statements were approved on 4th August, 2017 and signed by:



Chairman - CDFC





Fund Account Manager


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

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

V. STATEMENT OF ASSETS

	Not e	2016-2017 Kshs	2015-2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	13,217,841	29,907,414
Cash Balances (cash at hand)	10B	0	182,000
Outstanding Imprests	10C		
TOTAL FINANCIAL ASSETS		13,217,841	30,089,414
 REPRESENTED BY			
Fund balance b/fwd 1st July...	11	30,089,414	49,003,258
Surplus/Deficit for the year		-19,944,425	-23,125,163
 Prior year adjustments	12	3,072,852	4,211,319
NET LIABILITIES		13,217,841	30,089,414

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MWALA CDF financial statements were approved on 4th August, 2017 and signed by:



Chairman - CDFC



Fund Account Manager



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

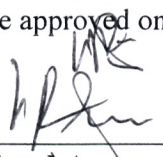
VI. STATEMENT OF CASHFLOW

		2016 - 2017	2015 - 2016
Receipts for operating income			
Transfers from CDF Board	1	212,679,048	46,900,000
Other Receipts	3	-	-
		212,679,048	46,900,000
Payments for operating expenses			
Compensation of Employees	4	2,509,430	1,358,321
Use of goods and services	5	12,900,097	2,820,212
Transfers to Other Government Units	6	116,824,935	40,390,690
Other grants and transfers	7	99,889,011	25,081,440
Other Payments	9	500,000	-
		232,623,473	69,650,663
Adjusted for:			
Adjustments during the year	12	2,917,403	4,135,863
Net cash flow from operating activities		-17,027,022	-18,614,800
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	374,500
Net cash flows from Investing Activities		0	374,500
NET INCREASE IN CASH AND CASH EQUIVALENT		-17,027,022	-18,989,300
Cash and cash equivalent at BEGINNING of the year	11	30,013,958	49,003,258
Cash and cash equivalent at END of the year		12,986,936	30,013,958

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MWALA CDF financial statements were approved on ~~28th May, 2018~~ and signed by:



Chairman CDFC


 MK 4/11 AUGUST 2017

Fund Account Manager



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

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from CDF Board	81,896,552	208,556,186	290,452,738	212,679,048	47,866,276	84
Proceeds from Sale of Assets				-	-	
Other Receipts				-	-	
PAYMENTS						
Compensation of Employees	2,111,200	2,974,586	5,085,786	2,509,430	2,576,356	49
Use of goods and services	3,902,593	9,242,438	13,145,031	12,900,097	244,934	98
Transfers to Other Government Units	46,487,931	115,250,349	161,738,280	116,824,935	44,913,345	72
Other grants and transfers	29,394,828	80,588,813	109,983,641	99,889,011	10,094,630	91
Acquisition of Assets	-	-	-	-	-	-
Other Payments	-	500,000	500,000	500,000	-	100
TOTALS	81,896,552	208,556,186	290,452,738	232,623,473	57,829,265	

(a) The constituency had opening balance of kshs 29,725,414.00 and received Kshs 171,730,772.00 for the financial year 2015/2016 and other previous years.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

The **MWALA** CDF financial statements were approved on 4th August, 2017 and signed by:



Chairman CDF



Fund Account Manager



VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the *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 *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.

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 *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 *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 *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 CONSTITUENCIES DEVELOPMENT FUND- MWALA
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
AIE NO	A 825836	25,400,000	7,900,000
AIE NO	A 825917	16,500,000	39,000,000
AIE NO	A 825918	40,803,146	-
AIE NO	A 829944	4,094,827	-
AIE NO	A 839546	35,138,813	-
AIE NO	A 855156	53,888,813	-
AIE NO	A 839659	36,853,449	-
TOTAL		212,679,048	46,900,000

2. PROCEEDS FROM SALE OF ASSETS

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

	2016 - 2017 Kshs	2015 - 2016 Kshs
Basic wages of contractual employees	1,672,796.00	1,358,321.00
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity	-	-
Other personnel payments	836,634.00	-
Total	2,509,430.00	1,358,321.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Utilities, supplies and services	19,787.00	72,767.00
Office rent	-	-
Communication, supplies and services	-	10,062.00
Domestic travel and subsistence	-	27,840
Printing, advertising and information supplies & services	-	0
Rentals of produced assets	-	-
Training expenses	2,762,864.00	-
Hospitality supplies and services	-	28,285
Insurance costs	-	256,690
Specialised materials and services	-	-
Office and general supplies and services	165,590.00	214,924
Fuel ,oil & lubricants	-	67,000
Other operating expenses	1,637,830.00	-
Routine maintenance – vehicles and other transport equipment	112,862.00	106,544
Routine maintenance – other assets	-	-
Other committee expenses	3,578,164.00	852,500
Committee allowance	4,441,000.00	1,183,600
Total	12,718,097.00	2,820,212.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016- 2017	2015- 2016
	Kshs	Kshs
Transfers to primary schools	64,224,935	20,337,931
Transfers to secondary schools	31,500,000	14,750,000
Transfers to Tertiary institutions	18,700,000	-
Transfers to Health institutions	2,400,000	5,302,759
TOTAL	116,824,935	40,390,690

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bursary -Secondary	8,284,750.00	-
Bursary -Tertiary	27,796,000.00	-
Bursary-Special schools	-	2,687,650
Mocks & CAT	2,475,560.00	4,503,423
water	3,700,000.00	11,619,985
Agriculture (food security)	-	1,500,000.00
Electricity projects	-	-
Security	9,900,000.00	1,200,000.00
Roads	29,250,000.00	1,100,000.00
Sports	3,500,000.00	-
Environment	-	1,300,000.00
Emergency Projects (specify)	14,982,701.00	1,170,382.00
Total	99,889,011.00	25,081,440.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

		2016- 2017	2015- 2016
		Kshs	Kshs
Purchase of Buildings		-	
Construction of Buildings		-	-
Refurbishment of Buildings		-	
Purchase of Vehicles		-	
Purchase of Bicycles & Motorcycles		-	
Overhaul of Vehicles		-	
Purchase of Office furniture and fittings		-	-
Purchase of computers ,printers and other IT equipments		-	374,500
Purchase of photocopier		-	
Purchase of other office equipments		-	
Purchase of soft ware		-	
Acquisition of Land		-	
Total		-	374,500

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

		2016-2017	2015-2016
		Kshs	Kshs
Other Payments		295,194	
bank charges		204,806	-
TOTAL		500,000	-

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)
KCB Bank, Masii Branch A/C no.		9,962,989	29,907,414
		-	-
		-	-
Total		9,962,989	29,907,414

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10B: CASH IN HAND

	2016 - 2017 Kshs	2015 - 2016 Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	<u>-</u>	<u>-</u>

[Provide cash count certificates for each]

10C: OUTSTANDING IMPRESTS

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

[Include an annex of the list is longer than 1 page.]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. BALANCES BROUGHT FORWARD

		2016 - 2017	2015 - 2016
		Kshs (1/7/2016)	Kshs (1/7/2015)
Bank accounts		29,907,414	49,003,258
Cash in hand		-	
Imprest			
Total		29,907,414	49,003,258

[Provide short appropriate explanations as necessary]

12. PRIOR YEAR ADJUSTMENTS

		2016 - 2017	2015-2016
		Kshs	Kshs
Bank accounts		-	-
Cash in hand		-	-
Imprest		-	4,135,863
		-	-
Total		-	4,135,863

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

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

13. OTHER IMPORTANT DISCLOSURES

13.1: 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	-	-
	-	-

13.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (<i>specify</i>)	-	-
	-	-

13.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	-	-
Amounts due to other grants and other transfers (see attached list)	-	-
Others (<i>specify</i>)	-	-
	-	-

13.4: PMC account balances (See Annex 4)

	Kshs	Kshs
PMC account Balances (see attached list)	10,074,517.00	-
	10,074,517.00	-

13.5: AMOUNT DUE FROM NG-CDF BOARD

	Kshs	Kshs
	47,866,276	-

*NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY*

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

47,866,276

-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	A	B	C	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA CONSTITUENCY

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

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
		A	B	C	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount A	Date Payable Contracted B	Amount Paid To-Date C	Outstanding Balance 2016 d=a-c	Outstanding Balance 2014	Comments
Amounts due to other Government entities							
1.							
2.							
3.							
	Sub-Total						
Amounts due to other grants and other transfers							
4.							
5.							
6.							
	Sub-Total						
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017
ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	374,000.00	374,000.00
Buildings and structures	8,400,000	8,400,000
Transport equipment	5,800,000	5,800,000
Office equipment, furniture and fittings	8,400,000	8,400,000
ICT Equipment, Software and Other ICT Assets	660,434.00	660,434.00
Other Machinery and Equipment	1,040,000.00	1,040,000.00
Heritage and cultural assets	-	-
Intangible assets	-	-
Total	24,674,434.00	24,674,434.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Kabaa Primary School	KCB	1167534182	780.00	-
Kamuya Pprimary School	KCB	1182273424	7,730.00	-
Kwamutula Primary School	KCB	1138205729	120.00	
Kandumbu Primary School	KCB	1171092148	2,000.00	
Kyanda Primary School	KCB	1182417973	2,000.00	
Kathuki AIC Primary School	KCB	1182324525	1,100.00	
Katheka AIC Primary School	KCB	1182228666	1,000.00	
Iiani B Primary School	KCB	1182057489	435.00	
Wetaa Primary School	KCB	1182302351	0	
Kisinzini Primary School	KCB	1183234678	1,000.00	
Kwavenge Primary School	KCB	1182325254	435.00	
Mavindini Primary School	KCB	1182261191	1,000.00	
Ikuumini Primary School	KCB	1182246060	20.00	
Kangii Primary School	KCB	1182176895	1,000.00	
Iiani Primary School-Mawele	KCB	1132918197	2,027.00	
Kitwamba Primary School	KCB	1182229034	1,000.00	
Nyaani Primary School	KCB	1182310974	1,000.00	
Ngomano Primary School	KCB	1182277454	1,000.00	
St Stephen Primary School	KCB	1159160449	1,414.00	
Mulau Primary School	KCB	1183440375	1,000.00	
Mukuyuni Primary School	KCB	1167210409	2,988.00	
Katheka B Pri School	KCB	1154470997	153,325.00	
Mawele Primary School	KCB	1136012303	1,039.00	
Nunga Primary School	KCB	1198414790	700,570.00	
Kikaso Primary School	KCB	1184354146	1,570.00	
Ngului Primary School	KCB	1198264411	70.00	
King'atuani Primary School	KCB	1171650213	1,000.00	
Itooni Primary School	KCB	1200774221	2,000.00	
Kyaani Primary School	KCB	1182338860	435.00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA

CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

Mavitini Primary School	KCB	1182285821	2,000.00	
Muthwani Primary School	KCB	1182978649	1,000.00	
Kabaa Primary School	KCB	1167534182	780.00	
Kibauni Primary School	KCB	1171094825	1,000.00	
Ngumbau Primary School	KCB	1171137028	2,824.00	
Mutula Primary School	KCB	1171063318	152.00	
Uvanga Primary School	KCB	1200666305	1,000.00	
Mikuyuni Primary School	KCB	1167210409	2,988.00	
Mithanga Primary School	KCB	1198560932	500.00	
Nguluni Primary School	KCB	1171099738	1,205.00	
Kyethivo Primary School	KCB	1171403712	1,500.00	
Mithuluni Primary School	KCB	1171054408	119,475.00	
Ngumbau Primary School	KCB	1171137028	2,824.00	
Kithuia Primary School	KCB	1171060726	500.00	
Ngangani Primary School	KCB	1168126959	673.00	
Muthwani Primary School	KCB	1182978649	1,000.00	
Konza Primary School	KCB	1182436277		0
Muangoni Primary School	KCB	1182618146	1,000.00	
Makutano AIC Primary School	KCB	1182437117	774.00	
St Marys Primary School-masii	KCB	1123286795	10,025.00	
Kithuia Primary School	KCB	1171060726	500.00	
Kyambusya Primary School	KCB	1182181317	435.00	
Mutendeu Primary School	KCB	1182473644	2,295.00	
Nthuluni Primary School	KCB	1182187552	1,435.00	
Muumoni Primary School	KCB	1183305419	395.00	
Kwa Katunge Primary School	KCB	1182807399	650.00	
Kwa Kisua Primary School	KCB	1182304532	500.00	
Kisaani Primary School	KCB	1182071333	1,000.00	
Itumbini Primary School	KCB	1182438105	1,440.00	
Kyuluni Primary School	KCB	1168529174	1,520.00	
Kaitha Primary School	KCB	1182353894	500.00	
Kyowani Primary School	KCB	1182400213	456.00	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

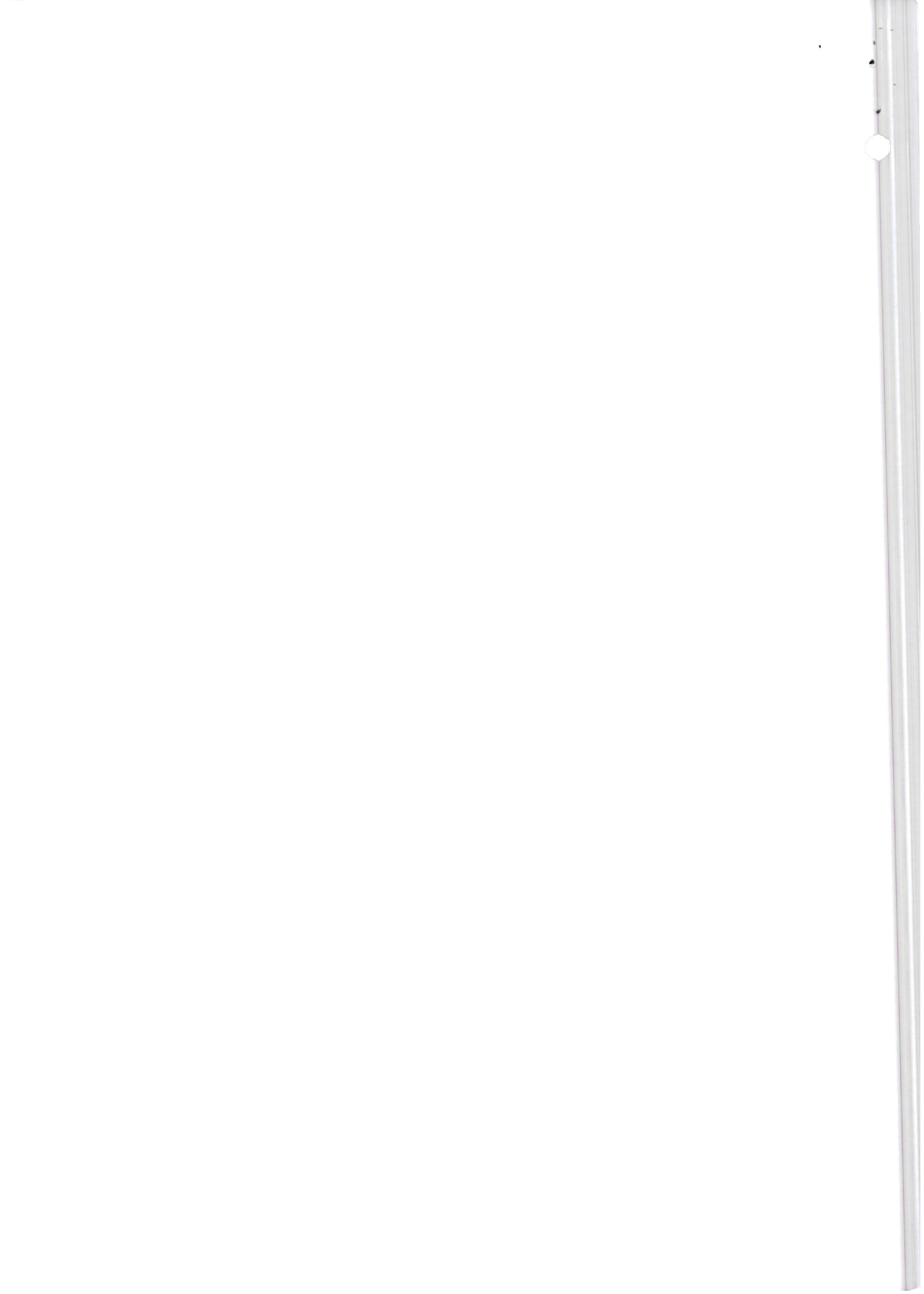
Mbaikini Primary School	KCB	1172142157	784.00	
Maiani Primary School	KCB	1200488067	670.00	
St Marys Primary School-Mbiuni	KCB	1201134749	1,000,285.00	
Wamunyu ABC Primary School	KCB	1181606543	1,000.00	
Kyaitha Primary School	KCB	1175697508	3,650.00	
Kitooni Primary School	KCB	1202568696	790.00	
Kathama ABC Primary School	KCB	1168340497	1,490.00	
Masii DEB Primary School	KCB	1167313410	1,369.00	
Kikaso Pre School	KCB	1202268455	2,000.00	
Kilaani Pre School	KCB	1202220738	1,000.00	
Mbiuni DEB Primary School	KCB	1168687411	1,269.00	
Ulaani Primary School	KCB	1152382691	5,170.00	
Etikoni Primary School	KCB	1167889258	3,165.00	
Miseleni Primary School	KCB	1181893496	1,000.00	
Maanzoni Primary School	KCB	1202212069	500.00	
Kambiti Primary School	KCB	1204318379	189,435.00	
Kyamboo Primary School	KCB	1202946321	500.00	
Ndeini Primary School	KCB	1183321740	1,000.00	
Mutyangoi Primary School	KCB	1202336272	1,000.00	
Uvanga Primary School	KCB	1200666305	1,000.00	
Custom Pre School	KCB	1202739393	1,000.00	
Kiteteni Primary School	KCB	1202798977	1,000.00	
Matuu Primary School	KCB	1202387306	135.00	
Kombe Primary School	KCB	1202535550	500.00	
Kyanganga Primary School	KCB	1202687326	435.00	
Mbuvuu Pre School	KCB	1174653736	2,000.00	
Kathama AIC Primary school	KCB	1182345077	300,435.00	
Wamunyu Special School	KCB	1182219829	60.00	
Mithuluni Primary School	KCB	1171054408	119,475.00	
Mavindini Pri School	KCB	1182261191	1,000.00	
Makaalu pri School	KCB	1182986978	1,000.00	
llinge Primary School	KCB	1154330397	362.00	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

A.I.C Utithi Primary School	KCB	1171360118	1,000.00	
Ngumbau Primary School	KCB	1171137028	2,824.00	
Ngunyumu Primary School	KCB	1171604637	2,172.00	
Embui Primary School	KCB	1202946828	100.00	
Iiani Primary School	KCB	1132918197	2,027.00	
Muthetheni Primary School	KCB	1202090869	935.00	
Muvwana Primary School	KCB	1202537987	400,000.00	
Kundu Primary School	KCB	1202794394	435.00	
Itooni Primary School	KCB	1200774221	2,000.00	
Katitu Primary School	KCB	1153647443	590.00	
Nyaani Pri School	KCB	1182310974	1,000.00	
Sofia Pri School	KCB	1209523299	500,135.00	
Kitile Pri School	KCB	1209515911	400,085.00	
Kalau Pri School	KCB	1209471949	1,060.00	
Nunga Pri School	KCB	1198414790	700,570.00	
Myanyani Pri School	KCB	1171719205	600,500.00	
Mwala DEB Pri	KCB	1198188499	501,070.00	
Kyamwei Pri School	KCB	1206331720	500.00	
KCB Masii-St Marys Pri School	KCB	1209507455	435.00	
Kikulumi Primary School	KCB	1167813766	1,080.00	
Kawaa Sec School	KCB	1182391451	2,775.00	
Katheka Secondary School	KCB	1153096765	2,751.00	
Kilembwa Sec School	KCB	1167847997	85.00	
Muthei Sec School	KCB	1138251224	1,527.00	
Lema Girls Sec School	KCB	1182456197	3,650.00	
Matulani Sec school	KCB	1183203152	885.00	
Ikalaasa Sec School	KCB	1172036217	576.00	
St Mark Kundu Sec School	KCB	1182832385	384.00	
Kwandoo Sec School	KCB	1197911626	5,170.00	
Muusini Sec School	KCB	1114061727	629.00	
Kavumbu Sec School	KCB	1182650619	13,120.00	
Katine Technical	KCB	1141253852	8,677,747	



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

Mwala TTI	KCB	1198981466	3,020.00	
Kamwala Secondary School	KCB	1182259359	1,000.00	
Mwala Sec School	KCB	1108929478	1,041,139.00	
Kasolongo Secondary School	KCB	1171826524	6,618.00	
Mulu Sec School	KCB	1202647308	5,470.00	
Kikelenzu Sec School	KCB	1153925729	4,100.00	
Kibauni Sec School	KCB	1202656978	1,435.00	
Etikoni Sec School	KCB	1203040822	9,435.00	
Kiundwani Sec School	KCB	1106400240	476,111.00	
Miseleni Sec School	KCB	1125354380	2,164.00	
Kiuwanzukini Sec School	KCB	1176693107	9,225.00	
St Johns Kangii High School	KCB	1202593682	3,787.00	
Kwandoo Sec School	KCB	1197911626	5,170.00	
Mumbuni Day Sec School	KCB	1152183419	244.00	
Mwala Technical Institute	KCB	1198981466	0	
Ndeini Girls Sec School	KCB	1205481656	500.00	
Kaloleni Sec School	KCB	1202562566	1,000.00	
St Martins Utithini Sec School	KCB	1203453744	649,885.00	
Kilala Sec School	KCB	1125357290	63,670.00	
Mbaani Sec School	KCB	1148339574	125.00	
Kyawango Asst. Chiefs Office	KCB	1206640936	200,000.00	
Mwaasua sec school	KCB	1137245573	1,348.00	
Kilembwa Chiefs Office	KCB	1206870427	700.00	
Ikalaasa Health Centre	KCB	1206105356	1,227.00	
Nthwanguu Water Project	KCB	1206500581	500.00	
Ngamba Pri School	KCB	1184263973	69,660.00	
Kithangaini Asst Chiefs Office	KCB	1206565632	500.00	
Kithangaini Gabbions	KCB	1206017783	1,000.00	
Mukuyuni Sec School	KCB	1171185871	14,572.00	
Wamunyu Shed	KCB	1206224789	500.00	
Kilaatu Pri School	KCB	1206174951	1,000.00	
Mawele Pri School	KCB	1136012303	1,039.00	

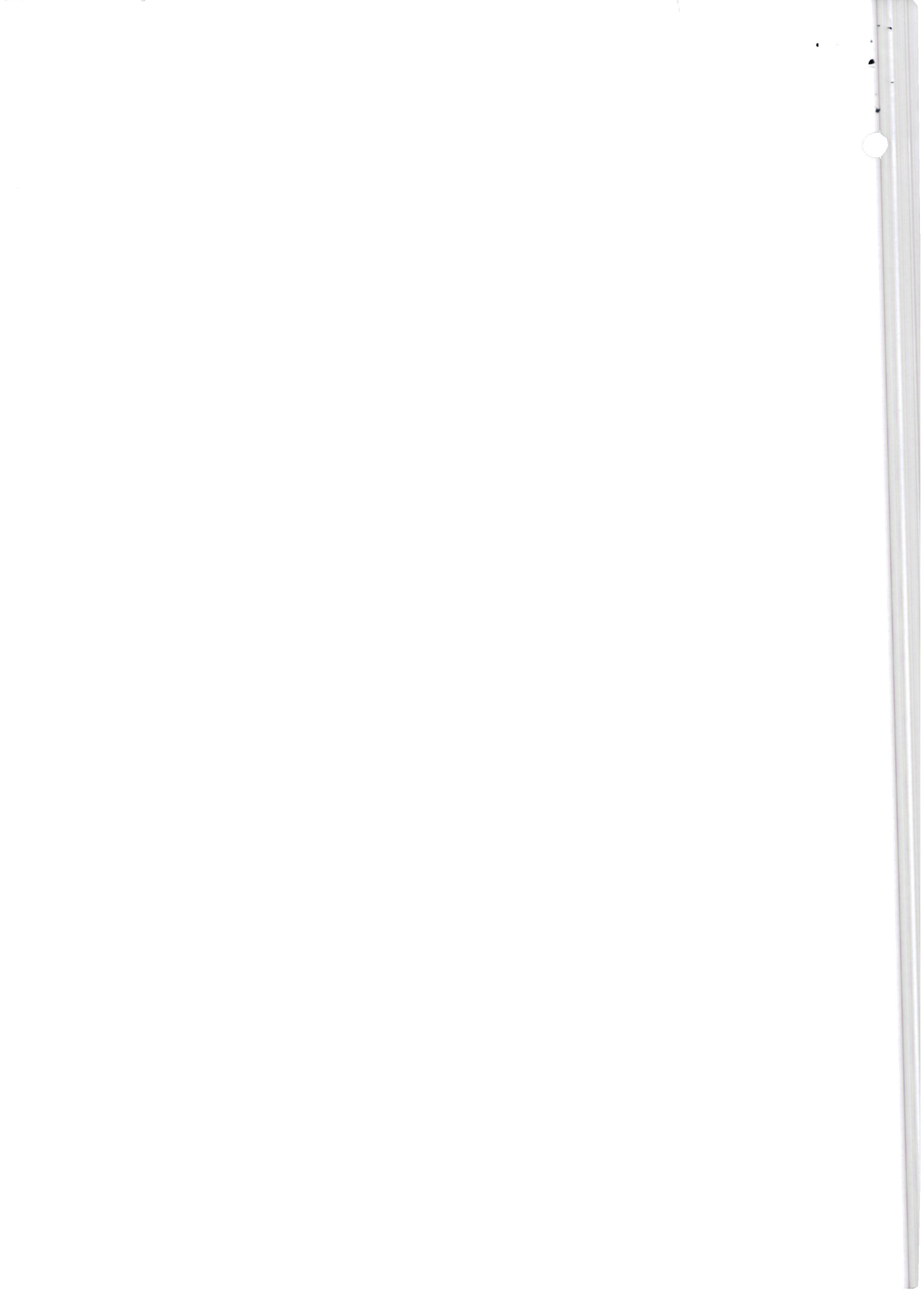


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

Kibauni Chiefs Office	KCB	1206011785	1,100.00	
Ikalaasa Chiefs Office	KCB	1183010672	500.00	
Mwisho Pre School	KCB	1206024283	500.00	
Mwala-Kanyuuku-Wetaa-Road	KCB	1198051175	1,000.00	
Nguluni Pri School	KCB	1171099738	1,205.00	
AIC Kathyoli Pri School	KCB	1153898993	1,340.00	
Asst Chief Office Mbaani	KCB	1208390805	500.00	
Kikaso Pri School	KCB	1184354146	1,570.00	
Kathama Motorbike Shed	KCB	1209344408	280.00	
Yathui Motorbike Shed	KCB	1209344459	280.00	
Muthetheni Motorbike Shed	KCB	1209344114	280.00	
Ikalaasa Motorbike Shed	KCB	1209344335	560.00	
Mavindini Pri School	KCB	1182261191	1,000.00	
Mwala DEB Pri School	KCB	1198188499	501,070.00	
Asst Chiefs Office Nyaani	KCB	1208319787	500.00	
Nunga Primary School	KCB	1198414790	700,570.00	
Kitange Primary School	KCB	1199296929	55.00	
Wamunyu Police Line	KCB	1202362931	1,000.00	
Masii Police Station	KCB	1202363407	1,000.00	
Nguluni Primary School	KCB	1171099738	1,205.00	
Kathama Education Office	KCB	1202581978	500.00	
Matundua Gabbions	KCB	1202051138	500.00	
Kiumo Culverts	KCB	1202223044	100,000	
Utithi Primary School	KCB	1171360118	1,000.00	
Muthei Primary School	KCB	1123822514	1,040.00	
Kyamung'aa Gabbions	KCB	1202232485	500.00	
Mathima Dispensary	KCB	1202579795	500.00	
Kyethivo Primary School	KCB	1171403712	1,500.00	
Makutano Water Project	KCB	1202209106	35,827.00	
Kyamatala Asst Chiefs Office	KCB	1202065066	1,000.00	
Kwakala Asst Chiefs Office	KCB	1202071090	0	
Kamwala Asst Chiefs Office	KCB	1202206417	500.00	



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

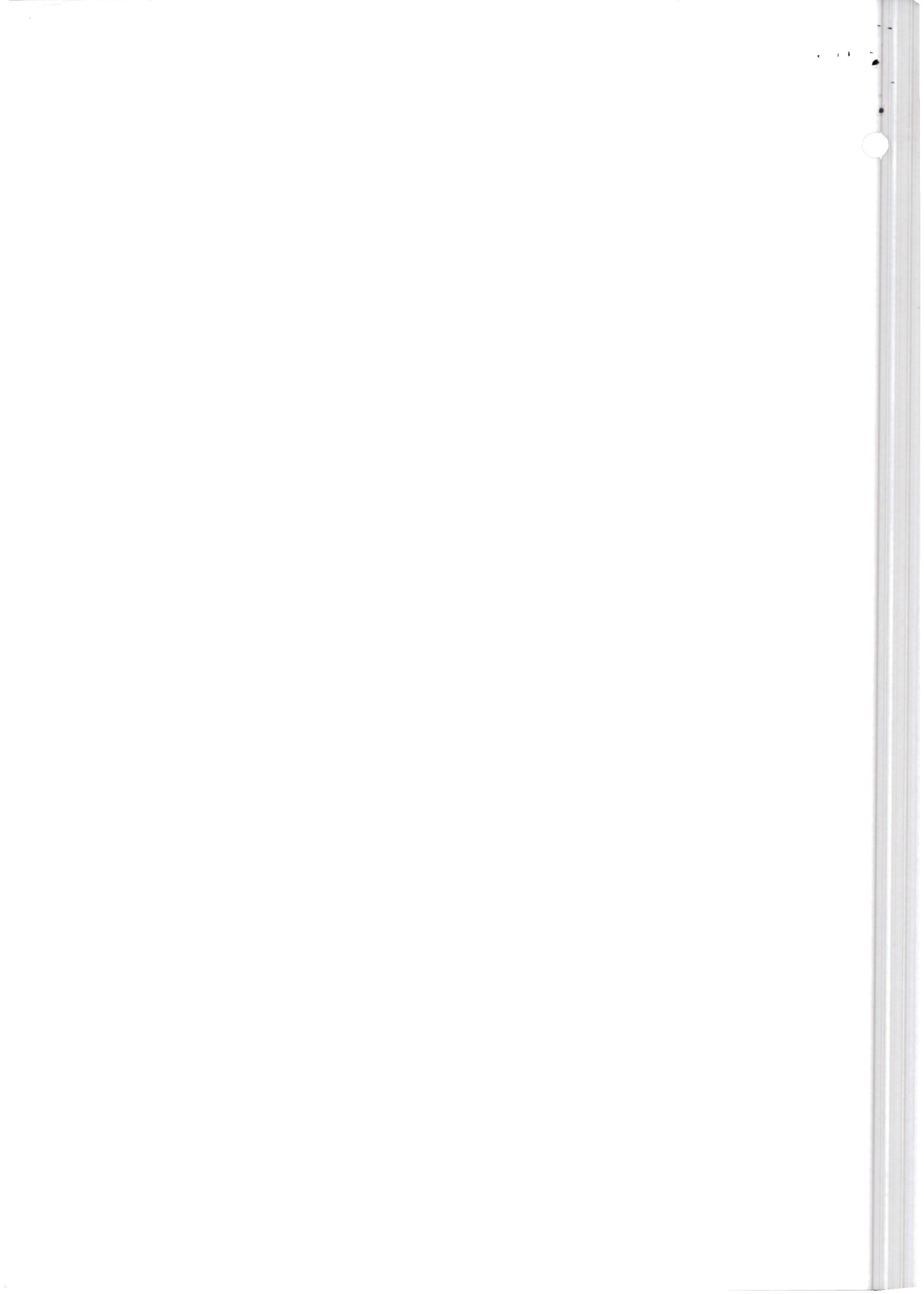
Kilembwa Water Project	KCB	1202229352	500.00	
Kikaso Primary School	KCB	1184354146	1,570.00	
Kyanganga Culverts	KCB	1203040229	500.00	
Kithangathini / Vyulya Road	KCB	1197896376	1,500.00	
Ikalaasa/ Tulila Road	KCB	1198085029	900.00	
Muthetheni/ Miu Road	KCB	1197960139	500.00	
Kindaruma/Etikoni Road	KCB	1171599277	0	
Kathama/Muthwani Road	KCB	1198080523	1,000.00	
Mbiuni/Kabaa Road	KCB	1198079231	35.00	
Mwala/Kyawango Road	KCB	1198087013	500.00	
Makutano/Wetaa Road	KCB	1198087064	500.00	
Wetaa/Masii Road	KCB	1198093609	500.00	
Kyawango/Maweli Road	KCB	1198093870	500.00	
Masii/Kavumbu Road	KCB	1198133104	1,000.00	
Vyulya/Kyevaluki Road	KCB	1198133198	845.00	
Wamunyu/Kilembwa Road	KCB	1198085967	1,000.00	
Yathui/Miondoni Road	KCB	1198086297	1,000.00	
Kibauni/Kiundwani Road	KCB	1198085185	500	
Ikalaasa/Katulani Road	KCB	1198085428		0
Mwala/Kanyuuku/Wetaa Road	KCB	1198051175	1,000.00	
Mbiuni/Kabaa Road	KCB	1198079231	35.00	
Vyulya/Kyevaluki Road	KCB	1198133198	845.00	
Isivuni Gabbions	KCB	1206171383	250,000.00	
Kisaki Victory Road	KCB	1207282138	500.00	
Mataka -Kitile Road	KCB	1207224022	500.00	
Kyanganga Kwosuu Road	KCB	1207224669	500.00	
Embui Mawele Road	KCB	1207218162	500.00	
Ikalaasa Kulu Road	KCB	1208030264	500.00	
Katulani Mukaa Road	KCB	1208031007	500.00	
Kilala Nthwake Road	KCB	1208031333	500.00	
Wamunyu Chiefs Office	KCB	1182359221	5,000.00	
Yathui Chiefs Office	KCB	1182307620	1,000.00	
Masii OCPDs Office	KCB	1182235476		



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

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

			1,000.00	
DCCs Office Makutano	KCB	1200528522	285.00	
Mbiuni Police Station	KCB	1171211317	1,050.00	
Kangondi Electrification Project	KCB	1200465660	500.00	
Mbiuni Police Post	KCB	1171488807	910.00	
Maaweli AP Line	KCB	1171488807	910.00	
Ulaani Asst Chiefs Office	KCB	1202213472	500.00	
Kitile Asst Chiefs Office	KCB	1202224709	1,000.00	
Kona AP Line	KCB	1202224377	1,000.00	
OCPD Office Masii	KCB	1182307620	1,000.00	
Kyawango Police Station	KCB	1206063874	0	
Kiaka Water Project	KCB	1198456043	100,000.00	
Vyulya Borehole	KCB	1208796631	427.00	
Kalala Cattle Dip	KCB	1167938623	140.00	
Kaithi Water Project	KCB	1202250424	250,000	
Makutano Health Centre	KCB	1197922865	1,890.00	
Katithi Dispensary	KCB	1172139040	500.00	
Sports & Culture	KCB	1198484276	830.00	
KCB Masii-Sports	KCB	1198484276	830.00	
Kyethiro /Ithemboni Rd	KCB	1198113871	550,000	
Miu/Kiuukuni Rd	KCB	1198114495	550,000	
Kikulumi/ Kalamba Rd	KCB	1208580310	550,000	
			20,745,228.00	
Total				



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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)
CDF/ NH/M WA/7 /2015 /2016 / (2)	<i>Accuracy of the Financial Statements</i>	The financial statement was amended accordingly to explain the errors. 1. The financial statement has been amended to reflect both cash and bank balances. 2. The financial statement has been amended to show the correct position of other receipts in the statements of Appropriation account.	FAM	RESOLVED	
CDF/ NH/M WA/7 /2015 /2016 / (2)	<i>Budget and Budgetary Control</i>	The underutilization of funds was occasioned by late receipt of an AIE dated 3 June 2016 amounting to Kshs 39,000,000 and a copy of the AIE is attached for your review	FAM	RESOLVED	
CDF/ NH/M WA/7 /2015 /2016	<i>Expenditure</i>	The monthly expenditure return used in the preparation of the	FAM	RESOLVED	



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- MWALA
CONSTITUENCY**

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

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)
/ (2)		financial has been amended to show the classifications of items in the financial statement and has been provided for audit.			

