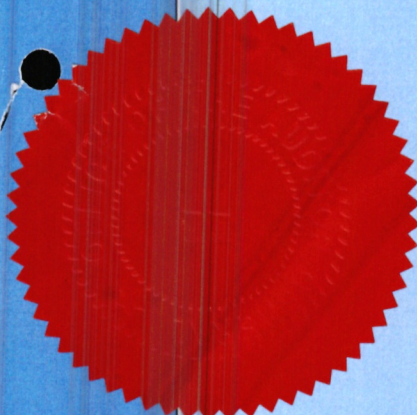




REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 19 MAR 2019	DAY: TUESDAY
TABLED BY: OF	MAJORITY WHIP
CLERK-AT THE TABLE:	

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
MUMIAS EAST CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2017**



17 SEP 2018



NATIONAL GOVERNMENT
CONSTITUENCY DEVELOPMENT FUND
MUMIAS EAST 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 - MUMIAS EAST 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 NG-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	9
VIII.	SIGNIFICANT ACCOUNTING POLICIES	11
IX.	NOTES TO THE FINANCIAL STATEMENTS	13

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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Fund (NG-CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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

(b) Key Management

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

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	Chief Executive Officer	Yusuf Mbuno
2.	Fund Account Manager	Peter Maraya Adagi
3.	District Accountant	Loice Adikinyi Wanyama

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of Mumias East Constituency. The reports and recommendation of ARMC when adopted by the NG-CDF Board are forwarded to the National Government Constituency Development Fund Committee (NG-CDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

(e) Mumias East NG-CDF Headquarters

P.O. Box 142 - 50106
Shianda - Malaha Road
Shianda,
Mumias - KENYA

(f) Mumias East NG-CDF Contacts

Telephone: (254) 724518456
E-mail: cdfmumiaseast@cdf.go.ke
Website: www.cdf.go.ke

(g) Mumias East NG-CDF Bankers

Kenya Commercial Bank
Mumias Branch
1147339775
Mumias - Kenya.

(h) Independent Auditors

Auditor General
The Office of Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

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

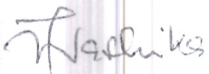
I am pleased to present to you the annual report and financial statement for the year ended 30th June 2017. We are pleased to report ongoing growth momentum because we have witnessed real progress towards improvement of our schools, road network, security and other infrastructural development. The impressive results not only reflect good leadership at committee management level but also confirm the stakeholder's involvement and team work embraced in Mumias East constituency development matters and decisions.

Financial Statements

The financial statements set out below were prepared on cash basis of accounting regulated by the international public sector accounting standard.

The success of our work would not be possible without the continued backing of the stakeholder on behalf of the committee I wish to extend our gratitude for their continued support and confidence in our work. To the NGCDF board I would like to say that we owe the success of our development agenda to your unwavering support and assure you that we will always endeavour to make Mumias East constituency the best constituency in the country.

Thank You



Chairperson,

Mumias East NG-CDF

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

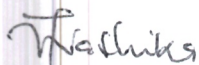
The Accounting Officer in charge of the Mumias East NG-CDF is responsible for the preparation and presentation of the NG-CDF's financial statements, which give a true and fair view of the state of affairs of the NG-CDF for and as at the end of the financial year 2016/17 ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NG-CDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the NG-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 Mumias East NG-CDF accepts responsibility for the NG-CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NG-CDF's financial statements give a true and fair view of the state of NG-CDF's transactions during the financial year ended June 30, 2017, and of the NG-CDF's financial position as at that date. The Accounting Officer charge of the Mumias East NG-CDF further confirms the completeness of the accounting records maintained for the NG-CDF, which have been relied upon in the preparation of the NG-CDF's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Mumias East NG-CDF financial statements were approved and signed on 4th August 2017.



Tabitha Okayah Washika
Chairperson NG-CDFC



Peter Maraya Adagi
Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY

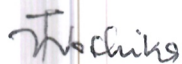
Reports and Financial Statements

For the year ended June 30, 2017

I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017	2015-2016
		Kshs	Kshs
RECEIPTS			
Transfers from CDF Board - AIEs' Received	1	110,727,765.70	107,538,781.20
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		110,727,765.70	107,538,781.20
PAYMENTS			
Compensation of employees	4	2,796,049.00	1,384,986.00
Use of goods and services	5	8,762,885.50	6,291,946.00
Transfers to Other Government Units	6	42,278,000.00	62,069,931.00
Other grants and transfers	7	49,358,196.00	35,599,657.85
Acquisition of Assets	8	512,428.00	-
Other Payments	9	-	-
TOTAL PAYMENTS		103,707,558.50	105,346,520.85
SURPLUS / DEFICIT		7,020,207.20	2,192,260.35

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Mumias East NG-CDF financial statements were approved on 4TH August 2017 and signed by:



TABITHA OKAYAH WASHIKA
Chairperson NG-CDFC



PETER MARAYA ADAGI
Fund Account Manager

REPUBLIC OF KENYA

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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 - MUMIAS EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund – Mumias East set out on pages 5 to 33, which comprise the statement of assets as at 30 June 2017, and the statements of receipts and payments, statement of cash flows and 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 – Mumias East as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with 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 procedures performed, except for the matters described in the Other Matter section of my report, I confirm that nothing else has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective manner.

Basis for Qualified Opinion

1. Other Grants and Transfers

1.1 Unsupported Expenditure for Sports Activities

Included in the other grants and transfers balance of Kshs.49,358,196 is Kshs.2,832,554 expenditure incurred on sporting activities in the Constituency. However, as shown in the table below, the list of payees presented for audit, and which was supported by the bank statement, indicated that the money was given out to individuals on behalf of youth and women groups. However, it was not possible to establish how the groups spent the money since no receipts and expenditure details were submitted for audit:

Name	Date	Details	Amount Kshs.
Christoper Tabuche	FY 2016/2017	Facilitation of Sporting Activities	513,300
Josephine Okwachi Nyongesa	FY 2016/2017	Facilitation of Sporting Activities	80,000
Josephine Okwachi Nyongesa	FY 2016/2017	Facilitation of Sporting Activities	208,400
Josephine Okwachi Nyongesa	FY 2016/2017	Facilitation of Sporting Activities	154,400
Christoper Tabuche	FY 2016/2017	Facilitation of Sporting Activities	50,200
Josephine Okwachi Nyongesa	FY 2016/2017	Facilitation of Sporting Activities	6,000
Josephine Okwachi Nyongesa	FY 2016/2017	Facilitation of Sporting Activities	595,200
Christoper Tabuche	FY 2016/2017	Facilitation of Sporting Activities	100,000
Christoper Tabuche	FY 2016/2017	Facilitation of Sporting Activities	25,000
Amount unspent	FY 2016/2017	Disbursed but not spent by PMC	914,171.35
Others			186,182.65
Total			2,832,854

In view of these anomalies, it is not possible to confirm the occurrence and validity of the expenditures totalling 2,832, 854 reported to have been incurred on sports activities.

1.2 Irregular Expenditure on Environmental Vote Head

Included in the other grants and transfers of Kshs.49,358,196 is Kshs.3,744,061 expenditure under environment vote given out to various youth and women groups in the Constituency for fencing of various institutions and planting of trees. Out of this sum, only Kshs.694,850 was supported with payment documents. The balance of Kshs. 3,136, 800 shown in the attached appendix could not be authenticated since important information such as fund requisitions and details of expenditure and receipts were not provided for audit verification. Subsequently, it is not possible to establish the validity and occurrence of expenditure Kshs.3,136,800 reported to have been incurred on environmental projects during the year under review.

1.3 Unaccounted for Grants Disbursed to Project Management Committees (PMCs)

Included in the other grants and transfers Kshs.49,358,196 are disbursements totalling Kshs.6,908,900 made to various Project Management Committees across the Constituency. As shown in the table below, some of these funds were released as early as July 2016. However, as at the time of audit June 2018, no work had been done. Further, the Fund manager did not provide bank statements to confirm whether the money was received in the respective project management committees accounts.

Payee	Date	PV No	Chq. No	Amount Kshs.	Reason for not Utilising Funds
Shianda Police Patrol Base	22.12.16	207	1967	2,700,900	Change of building plan
Shianda Police Patrol Base	20.07.16	133	1827	1,208,000	Change of building plan
Khaunga AP Camp	27.04.17		2501	1,500,000	No reason for delay to utilise funds
Mutono AP Camp	27.04.17		2502	1,500,000	No reason for delay to utilise funds
				6,908,900	

In view of these discrepancies, it is not possible to confirm the occurrence of the expenditures totalling Kshs.6,908,900 reported to have been disbursed to various project management committees in the constituency during the year under review.

1.4. Non-availability of Returns for Water Project

Included in the other grants and transfers of Kshs.49,358,196 is Kshs.1,000,000 released by the CDFC through payment voucher No.131 of 20 July 2016 for a water project. The CDF Water account (bank statement) availed for audit indicated that Kshs.1,112,758 was credited in the account on 13 August 2016 and the payments from the account as from August 2016 to 30 June 2017 were Kshs.1,088,157.00 leaving a balance of Kshs.24,600 in the account as at 30 June 2018.

However, the management has not provided any expenditure returns on expenditure of Kshs.1,088,157.00 reported to have been incurred on the water project and as a result, it is not possible to establish the propriety of the expenditure of Kshs.1,088,157.

In the circumstance, the propriety of the expenditure of Kshs.49,358,196 incurred on other grants and transfers during the year under review cannot be confirmed.

2. Use of Goods and Services

2.1 Irregular Expenditure on Capacity Building on Education Day

Included in the use of goods and services balance of Kshs.8,762,885 is Kshs.1,000,000 being grants released by the CDFC through payment voucher No.113 of 21 March 2017 to Mumias East KEPSHA for planned capacity building on Education Day. However, the Project Management Committee did not maintain records indicating how the money was utilized and as a result, it is not possible to confirm the validity of the expenditures reported.

2.2 Unsupported Expenditure on Hospitality, Supplies and Services

Included in the use of goods and services balance of Kshs.8,762,885 is Kshs.479,900 being expenditures under hospitality, supplies and services. However,

documents to support the expenditure were not availed for audit verification and as a result, it is not possible to confirm the validity of the expenditure:

Payee	Date	Pv No.	Description	Amount Kshs.	Remarks
Royal City Hotel Kisumu	04.04.17	241	Hospitality Supplies & Services	206,250	No receipt attached and list signed by those in attendance & programme of the event
Royal City Hotel Kisumu	04.04.17	241	Hospitality Supplies & Services	206,250	No receipt attached and list signed by those in attendance & programme of the event
Small & Lovely Bush Resort	29.11.16	178	Hospitality Supplies & Services	67,400	No receipt attached and list signed by those in attendance
			Total	479,900	

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Mumias East 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 requirements applicable to performing audits of financial statements in Kenya. I believe that the 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 judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section of my report, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1.1 Original Budget not Approved by the Board

The original budget of Kshs.81,896,552 was not approved by the Board and there was no evidence of public participation in identifying the projects to be undertaken during the year. However, the management provided a Government Finance Statistics (GFS) project code list showing that the Board approved the budget in stages: A sum of Kshs.4,094,828 was approved on 5 October 2016, Kshs.57,801,724 on 9 December 2017 and Kshs.20,000,000 meant for two projects were not approved. Therefore, only Kshs.61,896,552 out of Kshs.81,896,552 was approved and the second approval was long after the statutory deadline of such approvals on 30 June 2016.

Consequently, the budget preparation cycle was not followed as provided for in the Public Financial Management Act, 2012 which provides that the budget through public participation should be prepared by CDFC, ratified by the Board and submitted to the National Assembly before 30th June 2016 for final approval.

1.2 Statement of Appropriation: Recurrent and Development

Comparison of the budget against actual expenditure for the financial year 2016/2017 indicated that there were material differences between the final budget and actual expenditure under receipts (24%), use of goods and services (59%), transfers to other Government units (19%), and other grants and transfers (41%) as per the table below. The under-expenditure was attributed to a shortfall of revenue as the Board only disbursed Kshs.121,941,833 out of the final budget of Kshs.164,283,130 resulting into revenue shortfall of Kshs.42,341,29:

Budgetary Performance

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of variation
Receipts						
Transfers from CDF Board	81,896,551	82,329,578	164,226,130	123,277,855	40,948,275	24
Proceeds from Sale of Assets	-	0	-			
Other Receipts	-	57,000	57,000	57,000	-	
Totals	81,896,551	82,386,578	164,283,130	123,334,855	40,948,275	24
Payments						
Compensation of Employees	3,059,364	-	3,059,364	2,801,703	257,661	8
Use of goods and services	5,257,009	-763,736	4,493,273	7,185,366	-2,692,093	59
Transfers to Other Government Units	33,000,000	56,534,629	89,534,630	72,117,043	17,417,587	19
Other grants and transfers	40,580,178	24,558,685	65,138,864	37,837,721	27,301,143	41
Acquisition of Assets	-	2,000,000	2,000,000	2,000,000	-	
Other Payments – AIA	-	57,000	57,000	-	57,000	-
Totals	81,896,551	82,386,578	164,283,130	121,941,833	42,341,297	25

2. Poor Workmanship in Construction and Renovation of Buildings

Included in transfers to other Government units balance of Kshs.42,278,000 is Kshs.9,004,000 disbursed by the CDFC to various project management committees for construction or renovation projects. However, on physical verification, the projects were found not to have been done to good standards of quality and therefore the Constituency did not receive value-for- money on the expenditures:

No.	PMC	Project	Amount Kshs.	Issues
1	Malaha Primary School	Construction of 2 Classrooms	1,160,000	Rooms are small and not standard classrooms, cracks on the walls and floor and
2	Muroni Primary School	Construction of Administration Block	1,096,000	<ul style="list-style-type: none"> • Mortice Locks broken and replaced with tower bolts • Wall & Floor cracks
4	Petros Primary School	Construction of Administration Block	1,096,000	<ul style="list-style-type: none"> • Floors cracked
5	Eshiakhulo Secondary School	Construction of Administration Block	1,500,000	<ul style="list-style-type: none"> • Floors cracked
6	Emukhalari Primary School	Construction of Administration Block	1,096,000	<ul style="list-style-type: none"> • No skirting and floors cracked
7	Isongo Primary School	Construction of 2 Classrooms	1,160,000	<ul style="list-style-type: none"> • Floor cracked and peeling-off
8	Mwitoti Primary School	Renovation of six Classrooms plus a Small Office & construction of an Administration Block	1,896,000	<ul style="list-style-type: none"> • 2 Classroom floors cracked • Painting inside classrooms not done
	Total		9,004,000	

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

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to sustain services disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless management is aware of the intention to liquidate the Fund have its operations cease.

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.

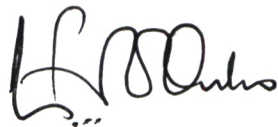
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 cease to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

NAIROBI

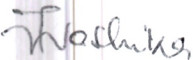
8 January 2019


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2017

IV. STATEMENT OF ASSETS

	Note	2016-2017	2015-2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	12,886,516.05	5,860,559.85
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		12,886,516.05	5,860,559.85
REPRESENTED BY:			
Retention			
	12	-	-
Fund balance b/fwd. 1st July 2016	13	5,860,559.85	3,120,299.50
Surplus / Deficit for the Year		7,020,207.20	2,192,260.35
Prior Year Adjustments	14	5,749.00	548,000.00
NET LIABILITIES		12,886,516.05	5,860,559.85

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


 TABITHA OKAYAH WASHIKA
 Chairperson NG-CDFC


 PETER MARAYA ADAGI
 Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

V. STATEMENT OF CASHFLOW

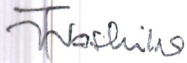
	Note	2016-2017	2015-2016
		Kshs	Kshs
Receipts for operating income			
Transfers from CDF Board	1	110,727,765.70	107,538,781.20
Other Receipts	3	-	-
		110,727,765.70	107,538,781.20
Payments for operating expenses			
Compensation of Employees	4	2,796,049.00	1,384,986.00
Use of goods and services	5	8,762,885.50	6,291,946.00
Transfers to Other Government Units	6	42,278,000.00	62,069,931.00
Other grants and transfers	7	49,358,196.00	35,599,657.85
Other Payments	9	-	-
		103,195,130.50	105,346,520.85
Adjusted for:			
Adjustments during the year	14	5,749.00	548,000.00
Net cash flow from operating activities		7,538,384.20	2,740,260.35
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(512,428.00)	-
Net cash flows from Investing Activities		(512,428.00)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		7,025,956.20	2,740,260.35
Cash and cash equivalent at BEGINNING of the year	13	5,860,559.85	3,120,299.50
Cash and cash equivalent at END of the year		12,886,516.05	5,860,559.85

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

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



TABITHA OKAYAH WASHIKA

Chairperson NG-CDFC



PETER MARAYA ADAGI

Fund Account Manager

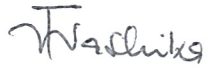
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

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	81,896,551.72	54,691,773.85	136,588,325.57	116,588,325.55	20,000,000.02	85.4%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTALS	81,896,551.72	54,691,773.85	136,588,325.57	116,588,325.55	20,000,000.02	85.4%
PAYMENTS						
Compensation of Employees	2,000,000.00	1,777,871.42	3,777,871.42	2,796,049.00	981,822.42	74.0%
Use of goods and services	5,370,689.00	3,070,846.02	8,441,535.02	8,762,885.50	(321,350.48)	103.8%
Transfers to Other Government Units	30,656,000.00	34,732,000.00	65,388,000.00	42,278,000.00	23,110,000.00	64.7%
Other grants and transfers	43,869,862.72	15,111,056.41	58,980,919.13	49,358,196.00	9,622,723.13	83.7%
Acquisition of Assets	-	-	-	512,428.00	(512,428.00)	-
Other Payments	-	-	-	-	-	-
TOTALS	81,896,551.72	54,691,773.85	136,588,325.57	103,707,558.50	32,880,767.07	75.9%

Reports and Financial Statements

For the year ended June 30, 2017

The Mumias East NG-CDF financial statements were approved on 4th August 2017 and signed by:



TABITHA OKAYAH WASHIKA
Chairperson NG-CDF



PETER MARAYA ADAGI
Fund Account Manager

VI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the NG-CDF and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

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

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

4. Cash and Cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

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

6. Budget

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

7. Comparative figures

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

8. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2017.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Normal Allocation	A825805	48,831,214.00	36,538,781.20
	A829941	4,094,827.60	16,000,000.00
	A855065	36,853,449.00	10,000,000.00
	A855706	20,948,275.10	10,000,000.00
		-	10,000,000.00
		-	10,000,000.00
Conditional grants		-	15,000,000.00
Receipt from other Constituency	AIE NO...	-	-
Total		110,727,765.70	107,538,781.20

2. PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS

Description	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	-	-

3. OTHER RECEIPTS

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	1,496,251.00	891,170.00
Basic wages of casual Labour	-	-
Personal allowances paid as part of salary	-	-
House allowance	128,700.00	118,800.00
Transport allowance	182,000.00	168,000.00
Leave allowance	20,000.00	16,000.00
Other personnel payments	-	180,016.00
Employer Contribution to N.S.S.F	64,200.00	11,000.00
Gratuity	904,898.00	-
Total	2,796,049.00	1,384,986.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST 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	23,010.00	38,730.00
Office rent	-	-
Communication, supplies and services	87,000.00	114,000.00
Domestic travel and subsistence	304,400.00	397,099.00
Printing, advertising and information supplies & services	185,040.00	157,204.00
Rentals of produced assets	-	-
Training expenses	1,990,800.00	750,400.00
Hospitality supplies and services	1,130,984.00	519,179.00
Other Committee expenses	346,500.00	376,692.00
Committee allowance	2,808,500.00	2,391,000.00
Insurance costs	196,958.00	196,958.00
Specialised materials and services	605,065.00	540,000.00
Office and general supplies and services	70,000.00	23,980.00
Fuel, oil & lubricants	500,000.00	510,400.00
Other operating expenses	-	-
Routine maintenance - vehicles and other transport equipment	514,628.50	276,304.00
Routine maintenance - other assets	-	-
Total	8,762,885.50	6,291,946.00

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Transfers to Primary Schools	31,848,000.00	15,650,931.00
Transfers to Secondary Schools	7,680,000.00	27,729,000.00
Transfers to Tertiary Institutions	-	16,570,000.00
Transfers to Health Institutions	2,750,000.00	2,120,000.00
TOTAL	42,278,000.00	62,069,931.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bursary - Secondary	16,152,381.00	8,652,350.00
Bursary - Tertiary	8,621,000.00	9,108,000.00
Bursary - Special Schools	-	25,000.00
Mocks & CAT	-	2,776,630.00
Water	1,000,000.00	1,000,000.00
Agriculture (Food Security)	-	-
Electricity projects	-	-
Security	11,408,900.00	4,250,000.00
Roads	-	-
Sports	2,832,554.00	2,225,545.85
Other capital grants and transfer	3,744,061.00	2,703,546.00
Emergency Projects (specify)	-	4,858,586.00
St. Peter's Khabakaya Secondary School	150,000.00	
Shianda Administration Police	1,000,000.00	
Mumias East Maintainance	500,000.00	
Mumias East Maintainance	1,500,000.00	
Mumias East CDF Environment	250,000.00	
Shianda Police Patrol Base	280,000.00	
Lubinu Primary School	150,000.00	
Emutetemo Primary School	75,000.00	
Mutono Primary School	75,000.00	
Isango Primary School	75,000.00	
Khungoyokosi Muslim Primary School	75,000.00	
Mukambi Primary School	68,000.00	
Mwitoti Primary School	220,000.00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2017

Mumias East CDF Environment	76,300.00	
Shianda Police Patrol Base	96,000.00	
St. Peter's Khabakaya Secondary School	250,000.00	
Bumwende Primary School	74,000.00	
Maraba - Matende Footbridge Committee	385,000.00	
Emakhwale Primary School	150,000.00	
Shitoto Primary School	150,000.00	
Total	49,358,196.00	35,599,657.85

8. ACQUISITION OF ASSETS

Non-Financial Assets	2016 - 2017	2015 - 2016
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	174,428.00	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of Office furniture and fittings	-	-
Purchase of computers, printers & other IT equipment	338,000.00	-
Purchase of photocopier	-	-
Purchase of other office equipment	-	-
Purchase of software	-	-
Acquisition of Land	-	-
Total	512,428.00	-

9. OTHER PAYMENTS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Other Expenses	-	-
Total	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. A. BANK BALANCES (Cash Book Bank Balance)

Name of Bank, Account No. & Currency	Amount in Bank Account Currency	Exc rate	2016 - 2017	2015 - 2016
			Kshs	Kshs
Kenya Commercial Bank, Mumias Branch, A/C No. 1147339775, Kenya Shillings.	-	-	12,886,516.05	5,860,559.85
Total			12,886,516.05	5,860,559.85

10. B. CASH IN HAND

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Location 1	-	-
Other Receipts (Specify)	-	-
Total	-	-

[Provide cash count certificates for each]

11. OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
	-	-	-	-
Total		-	-	-

12. RETENTION

Supplier / Contractor	PV No.	2015 - 2016	2014 - 2015
		Kshs	Kshs
	-	-	-
Total		-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts		
Cash in hand	5,860,559.85	3,118,299.50
Imprest	-	-
Total	-	2,000.00
	5,860,559.85	3,120,299.50

14. PRIOR YEAR ADJUSTMENTS

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts		
Cash in hand	5,749.00	550,000.00
Imprest	-	-
Total	-	(2,000.00)
	5,749.00	548,000.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15. 1 PENDING ACCOUNTS PAYABLE (See Annex 1)

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

15. 2 PENDING STAFF PAYABLES (See Annex 2)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Senior Management	-	-
Middle Management	-	-
Unionisable Employees	-	-
Others (specify)	-	-
	574,870.20	-

15. 3 OTHER PENDING PAYABLES (See Annex 3)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Amounts due to other Government entities (see attached list)	3,110,000.00	34,065,000.00
Amounts due to other grants and transfers (see attached list)	9,448,294.27	17,308,757.74
Others (specify)		
Outstanding Administration & Recurrent budget	38,354.36	3,179,872.84
Outstanding Monitoring, Evaluation & Capacity Building budget	289,867.42	1,777,583.42
Total	12,886,516.05	56,331,214.00

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	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 - MUMIAS EAST 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 2017	Outstanding Balance 2016	Comments
		a	b	c	d=a-c		
Senior Management							
1.							
2.							
Sub-Total							
Middle Management							
3.							
4.							
Sub-Total							
Unionisable Employees							
5.							
6.							
Sub-Total							
Others (specify)							
7. KENNEDY OKOMBOLI CHITECHI	H	83,212.68	01/09/2016	-	83,212.68	-	Due 01/09/2017
8. GODFREY MUSWI NDAKALU	J	106,094.40	01/09/2016	-	106,094.40	-	Due 01/09/2017
9. CINDERELA AMAKOBE WABUTI	G	71,881.56	01/09/2016	-	71,881.56	-	Due 01/09/2017
10. EVANS MUNYENDO SALASIA	G	71,881.56	01/09/2016	-	71,881.56	-	Due 01/09/2017
11. SYLVIA LIKA WANJALA	G	167,400.00	01/02/2015	-	167,400.00	-	Due 01/02/2018
12. RICHARD WAMOYI MUTSOLI	G	74,400.00	01/09/2016	-	74,400.00	-	Due 01/09/2017
Sub-Total		574,870.20			574,870.20		
Grand Total		574,870.20			574,870.20		

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities							
1. Primary School Projects		3,110,000.00		-	3,110,000.00	23,635,000.00	
Sub-Total		3,110,000.00		-	3,110,000.00	23,635,000.00	
Amounts due to other Grants and other Transfers							
2. Bursary		20,474,137.00		19,996,469.00	477,668.00	2,000,000.00	
3. Social Security Programmes		8,124,140.13		-	8,124,140.13	-	
4. Sports Activities		0.30		-	0.30	1,194,624.28	
5. Environmental Projects		0.46		-	0.46	2,106,133.46	
6. Constituency Office		0.58		-	0.58	3,508,000.00	
7. Audit Fees		550,000.00		-	550,000.00	550,000.00	
8. Emergency		4,094,827.59		3,798,343.00	296,484.80	-	
Sub-Total		33,243,106.06		23,794,812.00	9,448,294.27	9,358,757.74	
Others (specify)							

Reports and Financial Statements

For the year ended June 30, 2017

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
9. Administration & Recurrent	Outstanding Administration & Recurrent	4,913,793.00		4,875,439.00	38,354.36	3,179,872.84	
10. Monitoring, Evaluation & Capacity Building	Outstanding Monitoring, Evaluation & Capacity Building	2,456,896.00		2,167,029.00	289,867.42	1,777,583.42	
Sub-Total		7,370,689.00		7,042,467.00	328,221.78	4,957,456.26	
Grand Total		43,723,795.06		30,837,280.00	12,886,516.05	37,951,214.00	

ANNEX 4 - SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land		
Buildings and structures	700,000.00	700,000.00
Transport equipment	10,241,971.00	10,241,971.00
Office equipment, furniture and fittings	3,504,212.00	3,504,212.00
ICT Equipment, Software and Other ICT Assets	760,375.00	760,375.00
Other Machinery and Equipment	351,499.00	13,499.00
Heritage and cultural assets	176,735.00	120,985.00
Intangible assets	-	-
Total	15,734,792.00	15,396,792.00

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

	Project Management Committee	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
	Primary Schools				
1	Eshimuli Primary School	Co-operative	01141498728600	1,263.50	587,263.50
2	Bumini Primary School	Co-operative	01141067167000	25,176.25	4,668.25
3	Bumwende Primary School	Co-operative	01141068245000	121,559.20	585,299.70
4	Ebubere Primary School	Co-operative	01141068387800	3,836.20	3,836.20
5	Ebung'ale Primary School	Co-operative	01141234819500	69,188.00	14,188.00
6	Ebwaliro Primary School	Co-operative	01141067545200	1,272.10	1,272.10
7	Eluche Primary School	Co-operative	01141067000400	5,807.15	5,307.15
8	Elwasambi Primary School	Co-operative	01141067173500	28,346.00	1,300.00
9	Emakhwale Primary School	Co-operative	01141067559600	184,713.75	31,908.75
10	Emukhalari Primary School	Co-operative	01141068239900	22,043.55	5,163.55
11	Emusoma Primary School	Co-operative	01141234973600	416,715.00	54,455.00
12	Epanja Primary School	Co-operative	01141498101000	23,856.00	4,256.00
13	Eshiakhulo Primary School	Co-operative	01141067874000	10,791.95	8,961.95
14	Eshisenye Primary School	Co-operative	01141234598800	14,545.00	14,545.00
15	Ikoli Primary School	Co-operative	01141234892500	25,976.50	4,563.50
16	Indangalasia Primary School	Co-operative	01141067544700	51,969.00	13,459.00
17	Isango Primary School	Co-operative	01141067126200	36,630.15	12,400.15
18	Khabakaya Primary School	Co-operative	01141067764600	83,368.00	3,268.00
19	Khabondi Primary School	Co-operative	01141067874400	410,523.00	4,149.00
20	Khaimba Primary School	Co-operative	01141234543900	3,609.50	1,003,510.00
21	Khukoyokosi Muslim Primary School	Co-operative	01141498737200	73,007.50	2,757.50
22	Lubinu Primary School	Co-operative	01141067708900	5,951.70	4,143.70
23	Mabanga Primary School	Co-operative	01141067873600	5,432.00	4,340.00
24	Mahola Primary School	Co-operative	01141068234300	1,039.80	894.80
25	Makunga Primary School	Co-operative	01141067029300	2,486.60	2,386.60
26	Malaha Primary School	Co-operative	01141067550700	400,452.00	400,360.00

Reports and Financial Statements

For the year ended June 30, 2017

27	Maraba Primary School	Co-operative	01139067874801	35,600.00	35,600.00
28	Mukambi Primary School	Co-operative	01141067577200	2,006,245.00	6,245.00
29	Mungabira Primary School	Co-operative	01141498113300	8,744.00	5,104.00
30	Muroni Primary School	Co-operative	01141067874300	18,983.10	20,013.10
31	Musango Primary School	Co-operative	01141067836600	9,259.95	4,573.95
32	Mutono Primary School	Co-operative	01141068432600	12,245.65	3,185.65
33	Mwichina Primary School	Co-operative	01141067116600	298,243.00	298,243.00
34	Mwitoti Primary School	Co-operative	01141067474200	27,363.95	6,783.95
35	Petros Primary School	Co-operative	01141068399700	3,515.75	3,035.00
36	Shanderema Primary School	Co-operative	01141067141000	11,422.95	10,362.95
37	Shibinga W. Primary School	Co-operative	01141234854700	66,327.00	7,209.00
38	Shitoto Primary School	Co-operative	01141067251600	155,749.00	5,749.00
39	Ebubole Primary School	Equity	0680298533144	1,851.00	1,851.00
40	Ebulechia Primary School	Equity	0680299136741	216,820.50	5,815.50
41	Emachina Primary School	Equity	0680299005632	2,185.00	44,385.75
42	Emuberi ECD School	Equity	0680299750442	937.00	937.00
43	Emutetemo Primary School	Equity	0680299767478	16,281.00	461.25
44	Eshikufu Primary School	Equity	0680295367658	8,610.50	8,307.50
45	Isongo Primary School	Equity	0680299861025	3,593.00	3,033.00
46	Kamashia Primary School	Equity	0680298282964	7,347.50	7,473.50
47	Khaunga Primary School	Equity	0680299780973	3,297.50	2,937.50
48	Mung'ang'a Primary School	Equity	0680295070358	3,580.50	3,580.00
49	Rise & Shine Special School for Physically Disabled	Equity	0680294901823	455,604.00	5,989.00
50	Khwihondwe Primary School	KCB	1178488152	24,605.50	580,000.00
	Secondary Schools				
1	Ebubere Secondary School	Co-operative	01141498111100	7,272.50	334,692.50
2	Ebwaliro Secondary School	Co-operative	01141498112800	436,805.00	486,805.00
3	Epanja Secondary School	Co-operative	01141498098900	10,873.00	10,873.00

Reports and Financial Statements

For the year ended June 30, 2017

4	Eshiakhulo Secondary School	Co-operative	01141498097000		
5	Lubinu Boy's Secondary School	Co-operative	01141498107100	612,940.00	421,835.00
6	Mahola Secondary School	Co-operative	01141498103500	16,300.85	1,006,970.85
7	Makunga Secondary School	Co-operative	01141067248400	449,140.00	616,140.00
8	Musango Secondary School	Co-operative	01141498108200	4,291.00	4,291.00
9	St. Anne's Indangalasia Secondary School	Co-operative	01139068240001	33,383.50	263,921.00
10	St. Gabriel Isongo Secondary School	Co-operative	01139233804600	24,818.00	2,118.00
11	St. John's Khaimba Secondary School	Co-operative	01141234427500	6,656.00	487,596.00
12	St. Mathew's Mung'ang'a Secondary School	Co-operative	01141068297300	1,948.00	5,745.00
13	St. Paul's Ebusia Secondary School	Co-operative	01141068272000	13,677.45	13,125.45
14	St. Peter's Khabakaya Secondary School	Co-operative	01141498086900	2,302.49	2,302.49
15	St. Peter's Khaunga Secondary School	Co-operative	01139067309502	17,984.00	278,234.00
16	St. Stephen's Kamashia Secondary School	Co-operative	01141067118100	7,965.00	1,115.00
17	St. Stephen's Maraba Secondary School	Co-operative	01141498724700	29,813.00	10,658.00
18	Ebubole Secondary School	Equity	0680295062124	4,250.50	4,260.50
19	Emakhwale Secondary School	Equity	0680297847167	370,262.50	477,967.50
20	Shanderema ACK Mixed Secondary School	Equity	0680299769294	416,029.55	431,469.55
21	Shitoto Girls Secondary School	Equity	0680295066232	355,333.50	35,533.50
22	St. Joseph's Shibinga W. Mixed Secondary School	Equity	0680297378152	7,191.50	572,301.50
23	St. Paul's Lubinu Girl's Secondary School	Equity	0680294938836	1,647.00	2,087.00
24	St. Theresa's Bumini High School	Equity	0680295255215	17,971.00	17,971.00
25	Eluche Secondary School	KCB	1156577357	21,055.80	21,055.00
26	St. Martha's Mwitoti Secondary School	KCB	1178576353	5,258.00	6,258.00
	Security Projects			19,815.00	976,345.00
1	Mwitoti A.P Camp				
2	Malaha A.P Camp	Co-operative	01141234580700	114,190.00	114,190.00
3	Kamashia A.P Camp	Co-operative	01141498554900	153,767.50	4,916.50
4	Shianda Police Patrol Base	Co-operative	01141498602800	39,732.50	55,232.50
5	Mutono A.P Camp	Equity	0680298989066	3,750,858.50	471,553.50
		KCB	1174860774	1,500,000.00	-

Reports and Financial Statements

For the year ended June 30, 2017

6	Khaunga A.P Camp	KCB	1149794755	1,500,000.00	-
7	Lusheya A.P Camp	KCB	1206925817	69,435.00	-
8	Shianda Administration Police	KCB	1183736525	3,787.50	-
9	DCC Office Extension	KCB	1208043986	349,435.00	-
	Others				
1	Mumias East Constituency Office	Co-operative	01141234718700	103,776.25	617,108.25
2	Mumias East BodaBoda Sheds	KCB	1175230065	6,466.95	6,466.95
3	Wanga College of Science & Technology	KCB	1173232745	1,596,884.50	1,654,220.00
4	Mumias East CDF Water	KCB	1153764776	24,620.50	113,087.50
5	Mumias East CDF Sports	KCB	1153916274	914,171.35	192,107.35
6	Mumias East CDF Environment	KCB	1160097070	1,030,347.70	154,215.50
7	Shianda Divisional Hospital	Co-operative	01141067006700	113,492.00	1,800,607.00
8	Malaha Health Centre	Co-operative	01134068254500	32,121.00	2,329.00
9	Khaunga Health Centre	Equity	0680297752700	1,602.25	932.25

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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)
1.0	Inclusion of action taken on previous years' auditors recommendations. In 2013/14, Mumias East CDF had a qualified opinion. However, no report on the progress on follow up of audit issues raised was included in the financial statement for the year under review	Report on the audit issues raised and the auditors recommendation generated and shared.	Fund Account Manager	Resolved	Done
2.0	During the year under review, the fund received an amount of Ksh. 52,538,781 as compared to the approved budget of Ksh. 105,077,562 implying an underfunding of Ksh. 52,538,781. Consequently, the fund failed to meet its budget targets and service delivery obligations on project implementation to the constituents.	The fund only received Ksh. 52,538,780.80 as at 30th June 2015. The remaining balance of Ksh. 52,538,782.00 was received in Financial year 2015/16 in July from the CDF Board. The Mumias East CDFC implemented the intended projects in Financial year 2015/16 and achieved its budgeted targets.	Chairperson - CDFC	Resolved	Done

Reports and Financial Statements

For the year ended June 30, 2017

<p>3.0</p>	<p>The Fund total project allocation for two years ending June 2015 amounted to Ksh. 175,074,445 out of which projects with allocations amounting to Ksh. 55,919,899 remained ongoing and incomplete, two hundred and twenty two projects costing Ksh. 95,931,000 were completed while fifty five projects with allocation of Ksh. 23,223,546 were not started as of March 2016.</p> <p>In view of the foregoing, the fund has not executed and managed project implementation to deliver value for money for the constituents.</p>	<p>The Mumias East CDFC endeavours to implement budgeted projects as soon as funds become available.</p> <p>The fund only received Ksh. 52,538,780.80 out of Ksh. 105,077,562 as at 30th June 2015 from the CDF Board.</p>	<p>Chief Executive Officer - CDF Board</p>	<p>Resolved</p>	<p>Done</p>
<p>4.0</p>	<p>During the year under review, the fund transferred Ksh. 26,368,759 to other government units. Included in the amount is Ksh. 4,700,000.00 disbursed to Schools and school projects grants. However, physical verification of projects in 4 Schools (Eubere, Shitoto, Lubinu & St. Stephen secondary) revealed that constructions work carried out were not as per specifications.</p>	<p>No variations or deviations on the said Schools' projects were intended. Slight changes as noted are usually occasioned by the normal curing of the structures where an insignificant margin of gain or loss in measurement is permissible.</p>	<p>Chairperson - CDFC</p>	<p>Resolved</p>	<p>Done</p>

5.0	<p>The construction of an Industrial Development Center was procured at a cost of Ksh. 2,640,078 which was completed but not yet handed over. However, the work done was not as per the specification in the bill of quantity as eight windows measuring 1200x1200mm had been fixed instead of the billed 1200x1500mm. gutters had not been installed at the back of the building though the same was billed. Further, there was no inspection and acceptance committee report on the building and although full amount of Ksh. 2,640,078 had been paid and the building was in use, handing over had not been completed.</p>	<p>Variation Orders from the Public works Mumias detailing how omissions and additions were arrived at were later shared with the audit team as herein attached. (See Payment advice detailing Variation Instructions and the minutes of the handover meeting.)</p>	<p>Fund Account Manager</p>	<p>Resolved</p>	<p>Done</p>
6.0	<p>The fund disbursed to project management committee Ksh. 600,000 for sports. However, the expenditure returns were not provided for audit review. Consequently the propriety of the expenditure could not be confirmed</p>	<p>The Sports projects in the constituency were implemented and completed by the Sports Project Management Committee. The Sports Project Management Committee is yet to submit expenditure returns in respect of the Ksh. 600,000.00 funds disbursed. The CDFC is following up the expenditure returns from the Project committee.</p>	<p>Chairperson - CDFC</p>	<p>Resolved</p>	<p>Done</p>

7.0	<p>The summary of fixed assets registers at annex 4 shows an opening balance of Ksh. 13,853,296 and closing balance of Ksh. 15,396,792 as at 30 June 2015. However, the statement of receipts and payments includes acquisition of assets worth Ksh. 2,215,073 during the year giving rise to a closing balance of Ksh. 16,0670,577.</p> <p>As a result , the accuracy and completeness of the fixed assets summary could not be confirmed.</p>	<p>Included in the acquisition of assets figure (Ksh. 2,215,073) is refurbishment of Office building and Motor vehicle repairs which were not included in the Fixed assets register that is maintained on basis of historical cost.</p>	Fund Account Manager	Resolved	Done
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